



CITY COUNCIL

September 11, 2023

1. Call to Order – 6:00 P.M. – City Council Chambers
2. Recitation – Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. Closed Session – Adoption of a proposed resolution that would authorize to recess to a closed session, pursuant to Section 8(h) of the Michigan Open Meetings Act, to consider material exempt from discussion or disclosure
5. Old Business
 - (a) Further discussion on the Implementation Agreement for the EGLE Grant and Loan
 - (b) Further discussion on Maple Block Flats financials and incentive requests
6. New Business
 - (a) Adoption of a proposed resolution that would establish a public hearing for September 18, 2023 for Residential Housing District for 1420 Standish Avenue
 - (b) Adoption of a proposed resolution that would establish a public hearing for September 18, 2023 for Residential Housing Exemption Certificate for the Maple Block Flats Redevelopment at 1420 Standish Avenue
7. Public Comments
8. Adjournment

Alternatively, join the meeting via the Zoom platform

Zoom link: <https://us02web.zoom.us/j/84877951900>

Meeting ID: 848 7795 1900

+1 646 558 8656 US (New York)

Persons with disabilities who require assistance in order to participate in the electronic public meeting should contact the City Clerk at the earliest opportunity by emailing sbek@petoskey.us or by calling 231-347-2500 to request assistance.

Persons interested in addressing the City Council during the meeting under public comment period can press the “raise hand” button or send a chat message in Zoom or by phone press *9.

Public meetings are being monitored and violations of statutes will be prosecuted.



City of Petoskey

Agenda Memo

BOARD: City Council

MEETING DATE: September 11, 2023

PREPARED: September 7, 2023

AGENDA SUBJECT: Consideration to Approve a Resolution Authorizing a Closed Session Pursuant to Section 8(h) of the Michigan Open Meetings Act

RECOMMENDATION: That the City Council adopt the proposed resolution

City Council will be asked to adopt the enclosed proposed resolution that would authorize to recess to a closed session pursuant to Section 8(h) of the Michigan Open Meetings Act, to consider material exempt from discussion or disclosure.

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Enclosure



City of Petoskey

Resolution

Resolution No. 23 - ____

WHEREAS, the City Manager has requested that the City Council recess to a closed session, pursuant to Section 8(h) of the Michigan Open Meetings Act, to consider material exempt from discussion or disclosure, at the City Council's special meeting of September 11, 2023:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby authorizes to recess to a closed session, to consider material exempt from discussion or disclosure.

I, Sarah Bek, Clerk of the City of Petoskey, do hereby certify that the foregoing is a true copy of a resolution adopted by the City of Petoskey City Council in regular session assembled on the 11th day of September 2023, and of the whole thereof.

In witness whereof, I have here unto set my hand and affirmed the corporate seal of said City this ____ day of September 2023.

Sarah Bek, City Clerk



BOARD: City Council

MEETING DATE: September 11, 2023

PREPARED: September 7, 2023

AGENDA SUBJECT: Michigan Maple Block Brownfield Grant and Loan Implementation Agreement

RECOMMENDATION: Discuss Brownfield Grant and Loan Implementation Agreement

Background The Michigan Department of Environment, Great Lakes, and Energy (EGLE) has awarded a \$1,000,000 Brownfield Redevelopment Loan for the Michigan Maple Block Project. The Brownfield Loan is between the City of Petoskey and State of Michigan. The Brownfield Loan is for a 15 year term and includes the first 5 years interest free, payment free grace period. The loan would be repaid through Brownfield Redevelopment Authority Tax Increment Financing.

Overview The City has worked collaboratively with our City Attorney, consultant, Susan Wenzlick, of Fishbeck, and Mac McClelland of Mac Consulting Service, LLC, to compile and review the enclosed Implementation Agreement. The Implementation Agreement functions to describe the terms and conditions and clarify roles and responsibilities between the City and the developer for loan repayment.

Action Discuss the Implementation Agreement for the EGLE Grant and Loan for the Michigan Maple Block Project and provide feedback and direction to finalize this document.

sh
Enclosures

CITY OF PETOSKEY

EGLE BROWNFIELD GRANT AND LOAN IMPLEMENTATION AGREEMENT

This EGLE Brownfield Grant and Loan Implementation Agreement (the “**Agreement**”) is made on _____ between **GREAT LAKES CAPITAL** (the “**Developer**”) and the **CITY OF PETOSKEY** (the “**City**”), a Michigan municipal corporation.

PREMISES

- A. The Developer is engaged in the redevelopment of 1420 Standish Avenue in Petoskey, Michigan for a mixed use commercial and residential building (the “**Development**”), described on attached Exhibit A.
- B. The City has received a \$1,000,000 Michigan Department of Environment, Great Lakes and Energy (EGLE) Brownfield Grant (the “**EGLE Grant**”) and up to a \$1,000,000 loan (the “**EGLE Loan**”) to fund environmental response activities, lead and asbestos abatement, and demolition for the Development, in accordance with the EGLE Brownfield Grant and Loan Agreements (attached as Exhibit B).
- C. The purpose of this Agreement is to describe the terms and conditions for the use of the EGLE Brownfield Grant and Loan for the Development.

In consideration of the premises and the mutual covenants contained in this Agreement, the Developer and the City hereby enter into this Agreement and covenant and agree as follows:

ARTICLE 1.

DEFINITIONS

Section 1.1 Definitions. The following capitalized terms used in this Agreement shall have the following meanings, except to the extent the context in which they are used requires otherwise:

- a) “Act 381” means the Brownfield Redevelopment Financing Act, 1996 PA 381, as amended.
- b) “Administrative Costs” means those costs provided for in the EGLE Brownfield Grant and Loan Agreements, attached as Exhibit B, to review work plans, reports and other documents prepared by the Developer or their Environmental Consultant, review invoices, write project status reports, and coordinate project activities and communications, not to exceed 3% of the total grant amount, as described in Exhibit B.
- c) “Agreement” means this Implementation Agreement entered into between the City and the Developer.

d) “Brownfield Tax Increment Revenues” or “TIR” means taxes approved by the Emmet County Brownfield Redevelopment Authority for capture and reimbursement of eligible activities for the Development under a Brownfield Plan or amended Brownfield Plan.

e) “Contractor” means any general or environmental contractor or subcontractor with whom the Developer contracts to complete work at the Eligible Property and/or Site.

f) “City” means the City of Petoskey.

g) “City Project Manager” means the person designated by the City with responsibility for implementation of the Grant and Loan Agreements.

h) “Developer” means Maple Block Flats, LLC.

i) “Development” means the site work, building construction, utilities, and equipment relating to the Eligible Property as described on attached Exhibit A.

j) “EGLE Grant Coordinator” means the EGLE staff person assigned to manage the terms and conditions of the Grant and Loan Agreements.

k) “Environmental Consultant” means any environmental consulting firm retained or hired by the Developer to fulfill all or part its obligations under this Agreement, including the Grant and Loan Eligible Activities set forth in the Grant and Loan Agreement and Brownfield Eligible Activities as set for the in the Brownfield Plan and the Act 381 Work Plan, as amended and supplemented.

l) “Event of Default” means the failure of performance or breach by a party to carry out its obligations under this Agreement or, with respect to a party, if any representation or warranty of such party was materially not accurate when made, and such obligation has not been performed or such representation or warranty corrected within the cure period provide in Article 7 below after written notice thereof has been given by the other party. It also means any filing of bankruptcy or bankruptcy reorganization by the Developer.

m) “Grant Agreement” means the EGLE Brownfield Grant Agreement executed between the EGLE and the City for the reimbursement of Grant and Loan Eligible Activities, a copy of which is attached hereto as Exhibit B.

n) “Grant and Loan Eligible Activities” means environmental response activities, lead and asbestos abatement, and demolition that are identified in the Grant and Loan Agreement.

o) “Grant and Loan Work Plan” means a work plan submitted to EGLE for approval which includes a description of proposed Grant and Loan Eligible Activities, budget and schedule consistent with Appendix A of the Grant and Loan Agreements.

p) “Indemnified Persons” means the City and its members, officers, agents and employees.

q) “Loan Agreement” means the EGLE Brownfield Loan Agreement executed between the EGLE and the City for the reimbursement of Loan Eligible Activities, a copy of which is attached hereto as Exhibit B.

r) “Maximum Cost of Grant and Loan Eligible Activities” means the City's maximum obligation to pay for the Eligible Activities and not to exceed the amounts set forth in the approved EGLE Brownfield Grant and Loan Agreements, as amended or supplemented.

Section 1.2 Number and Gender. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and non-gendered forms.

ARTICLE 2.

COVENANTS OF THE DEVELOPER

Section 2.1 Construction of Development. The Developer shall proceed with the development and the obligations under this Agreement in its discretion. If it decides to do so, Developer shall proceed with due care and diligence and commence and complete the Grant and Loan Eligible Activities and the Development in accordance with this Agreement, and in accordance with any applicable law, regulation, code and ordinance.

Section 2.2 Compliance with Grant and Loan Agreements. The Developer shall comply with all terms and conditions of the Grant and Loan Agreements for which it has direct responsibility, including but not limited to preparing Work Plans, conducting Grant and Loan Eligible Activities, providing documentation of expenses, and general terms and conditions.

Section 2.3 Completion of Eligible Activities. The Developer will contract with a competent and qualified Environmental Consultant or Consultants and/or other competent and qualified Contractor or Contractors to manage and/or conduct and complete the Grant and Loan Eligible Activities approved by the EGLE set forth in this Agreement and the Grant and Loan Agreements, as amended or supplemented, and to meet any due care obligation under Sec. 20107a, NREPA, MCL 324.20107a, in accordance with any EGLE requirements and approval. The Developer shall have sole responsibility to pay the Developer’s Environmental Consultant or Contractors for completion of such Eligible Activities.

Section 2.4 Documentation and Reimbursement. The Developer shall provide documentation, invoices and proof of payment as required by the Grant and Loan Agreements to receive reimbursement from EGLE. The Developer and the City understand that lead and asbestos abatement and demolition reimbursement cannot exceed the cost of environmental response activities, as stated in Appendix A of the Grant and Loan Agreements, a copy of which is attached hereto as Exhibit B. Under no circumstances will the developer be entitled to receive reimbursement from the City for costs incurred but determined by EGLE to be ineligible for grant or loan reimbursement.

Section 2.5 Covenant to Secure EGLE Brownfield Grant and Loan. The Developer shall comply with all terms and conditions of the Grant and Loan Agreements.

The EGLE Loan will be in first position for payment with Brownfield Tax Increment Revenues. If there are not sufficient Brownfield Tax Increment Revenues to repay the Brownfield Redevelopment Loan annual payment under the approved Brownfield Plan and Act 381 Work Plan, the Developer agrees to pay for the difference. Such payment shall be reimbursed from future Brownfield Tax Increment Revenues, if available.

Prior to, and as a condition to the City receiving loan proceeds under the Loan Agreement, Developer will provide an irrevocable letter of credit (“ILOC”) to the City of Petoskey in the amount of \$1 million, or the maximum EGLE Loan to be advanced, whichever is less. The ILOC shall be from a recognized lender acceptable to the City. If and in the event of a payment default by Developer hereunder, beyond any applicable notice and cure period, the City shall have the right to draw an amount on the ILOC, limited to that amount necessary to pay the annual EGLE Loan payment (which is not otherwise covered by TIR under the approved Brownfield Plan and Act 381 Work Plan).

The parties agree that the amount of the ILOC may be reduced annually to match the remaining balance of EGLE Loan principal and interest on the EGLE Loan by Brownfield Tax Increment Revenues or Developer. At such time that annual Brownfield TIR equals 125% of the annual EGLE Loan payment, the Development is substantially complete, and EGLE releases City financial security requirement, the ILOC shall be fully released. Pursuant to this Section, the Developer is obligated to pay the difference between TIR and Loan payments in the event that TIR is not sufficient to meet the Loan payment, even if the ILOC has been released.

If construction does not proceed and/or an occupancy permit cannot be secured within five years of the date of this Agreement, the Developer shall be obligated to repay the full amount of Grant Funds and Loan Funds expended for Eligible Activities and interest incurred on the Loan, if required by EGLE.

Section 2.6 Indemnification of Indemnified Persons.

- (a) The Developer shall defend, indemnify and hold the Indemnified Persons harmless from any loss, damages, costs, expense (including reasonable counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, demands or claims arising or resulting from the following:
 - (1) Any activity undertaken pursuant to this Agreement or from injuries to persons or property as a result of the construction, Developer ownership or operation, use or maintenance of the Development.
 - (2) Any material acts or omissions, negligent or otherwise, of the Environmental Consultant and/or Contractors or their employees or agents in the performance of the work specified in this Agreement.

- (3) The failure of the Environmental Consultant and/or Contractors to comply with the provisions of this Agreement.
- (b) If any suit, action or proceeding is brought against any Indemnified Person, the Indemnified Person promptly shall give notice to the Developer and the Developer shall defend such Indemnified Person with counsel selected by the Developer, which counsel shall be reasonably satisfactory to the Indemnified Person. In any such proceeding, the Indemnified Person shall cooperate with the Developer and the Developer shall have the right to settle, compromise, pay or defend against any such claim on behalf of such Indemnified Person, except that the Developer may not settle or compromise any claim if the effect of doing so would be to subject the Indemnified Person to criminal penalties, unless such Indemnified Person gives its consent. The Developer shall not be liable for payment or settlement of any such claim or proceeding made without its consent.
- (c) The Developer shall not be required to indemnify the Indemnified Persons against loss, damages, costs, expense or liability of any nature which arises solely from the gross negligence or willful misconduct of such Indemnified Persons or any of them.

Section 2.7 Insurance. The Developer shall assure that the Environmental Consultant or any Contractors performing any part of the Eligible Activities covered by this Agreement shall obtain and maintain the following policies of insurance:

- (a) Worker's Compensation Insurance in the amounts required under the laws of the State of Michigan.
- (b) Comprehensive General Liability and Automobile Insurance for bodily injury, death or loss or damage to property or third persons in the minimum amount of at least \$1 million per occurrence.
- (c) As to those Contractors engaging in environmental response activities, Pollution or Environmental Impairment Insurance in the amount of at least \$ 1 million per occurrence.
- (d) As to the Environmental Consultant only, Professional Liability Insurance in the minimum amount of \$1 million per occurrence.
- (e) The Developer shall furnish to City a certified copy of such policies of insurance within 30 days of the date of the commencement of the Eligible Activities by such Environmental Consultant or Contractor, and the period of coverage shall commence with the date of performance of the first Eligible Activity by such insured person or entity.

Section 2.8 Regulatory Compliance. While on the Site or Development, the Developer, the Environmental Consultant, and any Contractor shall impose work orders on its employees, agents and subcontractors which are designed to assure that they comply with all applicable federal, state and local laws and regulations (including occupational safety and environmental protection statutes and regulations) in performing services under this Agreement, and shall comply with any directions of governmental agencies relating to site safety, security, traffic or other like matters as it relates to those Eligible Activities performed by the Developer, Environmental Consultant or Contractor, as applicable.

Section 2.9 Hazardous Waste Management. In the event that samples or other materials contain substances classified as “hazardous waste” under applicable state or federal law, the Developer shall, under a manifest signed by the Developer or its agent, as the generator, have such samples transported for final disposal to a location selected by the Developer or its Environmental Consultant or Contractor. It is expressly understood that the City has no oversight or other control or authority over the Developer's obligation to properly dispose of Hazardous Waste under the terms of this Section.

Section 2.10 Site Access. The Developer shall grant to the City, EGLE, or their designated agents, access to the Site to exercise their respective rights related to the purposes and pursuant to the terms of this Agreement and the EGLE Grant and Loan Agreements. Site access shall include the right to inspect the performance of any Grant and Loan Eligible Activities, as provided in Grant and Loan Agreements, in the City’s discretion. The City shall give the Developer at least 24 hours prior written notice of its intent to access the site. If notice cannot be given due to an emergency or any other similar unforeseen circumstance, the City shall give such prior notice as is reasonable and practicable under the circumstances. All such agents must comply with all Site safety standards while accessing the Site.

ARTICLE 3.
CONDITIONS PRECEDENT TO DEVELOPER'S OBLIGATION

Section 3.1 Conditions Precedent to Developer's Obligations to Construct the Development. The obligations of Developer to complete the Eligible Activities and construct the Development, as contemplated herein, are subject to the following conditions precedent which must be satisfied by the City as required herein, except as expressly provided in this Agreement or otherwise waived by the Developer:

- (a) No action, suit, proceeding or investigation shall be pending before any court, public board or body to which the Developer or the City is a party, or threatened against the Developer or the City contesting the validity or binding effect of this Agreement or the validity of the Grant and Loan Agreements, which could result in an adverse decision which would have one or more of the following effects:
 - (1) A material adverse effect upon the ability of the City to access EGLE Brownfield Grant and Loan funds to repay its obligations under this Agreement.

- (2) A material adverse effect on the Developer's or the City's ability to comply with the obligations and terms of this Agreement or the EGLE Brownfield Grant and Loan Agreements.
- (b) There shall have been no Event of Default by the City and no action or inaction by the City eventually which with the passage of time could become an Event of Default.
- (c) The City shall have performed all of the terms and conditions to be performed by it pursuant to this Agreement and the Grant and Loan Agreements.

ARTICLE 4.

COVENANTS OF THE CITY

Section 4.1 Execution of the EGLE Brownfield Grant and Loan Agreements. The City shall execute the Grant and Loan Agreements which will provide for the reimbursement to the City for the Developer's Grant and Loan Eligible Activities expenses that have been conducted, completed and approved in accordance with the scope and terms of this Agreement and the Grant and Loan Agreements.

Section 4.2 Approval of Eligible Activities

The Developer or their Environmental Consultant shall prepare documents for EGLE and Emmet County Brownfield Redevelopment Authority (ECBRA) approval, as necessary, according to the terms of the EGLE Grant and Loan Agreements and ECBRA policy.

- (a) The Developer shall prepare draft Work Plans according to EGLE requirements which describe the scope of work, cost estimates, and schedule for each Grant and Loan Eligible Activity included in Appendix A of the Grant and Loan Agreements. Loan eligible activities are assumed to also be Act 381 eligible activities and Loan work plans should be prepared according to EGLE requirements for an Act 381 Work Plan.
- (b) Draft Work Plans will be submitted to the City for review and approval. Loan / Act 381 Work Plans must also be submitted to the ECBRA for its approval.
- (c) The City Project Manager will review Work Plans, request any recommended revisions and authorize the submittal of the Work Plan by the Developer to EGLE. Act 381 / Loan Work Plans must also be approved by the ECBRA prior to submittal to EGLE.
- (d) EGLE will review the Work Plan and may approve the Work Plan or request revisions, which will be made by the Developer and resubmitted to the EGLE for approval, with a copy to the City Project Manager. Revisions to Loan / Act 381 Work Plans must also be approved by the ECBRA Staff before the Work Plan is resubmitted to EGLE.
- (e) Following EGLE approval of a Work Plan, the Developer will proceed with the Eligible Activities. For contracts over \$20,000, except for professional services, the Developer will comply with the requirements of the Grant and Loan Agreements for bid solicitation.

Section 4.3 Reimbursement of Eligible Activities. Upon the Developer's satisfactory completion of Eligible Activities described in Exhibit B, as amended or supplemented, pursuant to this Agreement and the Grant and Loan Agreements, and approved by EGLE and when applicable, by the ECBRA, the City shall reimburse the Developer subject to and in accordance with the terms set forth in this Agreement.

The Developer shall have sole responsibility to pay the Developer's Environmental Consultant and Contractors for completion of such Eligible Activities and provide proof of payment to the City. The City has no obligation to reimburse the Developer and the Developer shall bear such excess costs without any obligation on the part of City if:

- (a) The Developer incurs any expenses or costs for any activities other than the Eligible Activities;
- (b) Costs exceed the maximum cost of Grant and Loan Eligible Activities as set forth in the Grant and Loan Agreements or work plans approved by EGLE or the City;
- (c) Costs are incurred without EGLE approval;
- (d) Incurred costs are denied by EGLE in the course of their review of payment requests; or
- (e) The Developer's incurred costs are not reimbursed to the City for any other reason.

If the costs of Eligible Activities set forth in Exhibit B, as amended or supplemented, are less than such maximum cost, then the Developer shall have no further right of reimbursement beyond its actual costs.

The following is the process by which the City will reimburse Grant and Loan Eligible Activity expenses to the Developer.

- (a) The Developer will submit documentation to the City Project Manager of Grant and Loan Eligible Activity expenses, including approved invoices or contractor schedules of value and documentation of payment, completed EGLE Progress Reports for the Grant and the Loan, and cancelled checks or electronic funds transfer (EFT) statements.
- (b) Immediately upon receipt of the same by the City Project Manager, the City Project Manager shall forward the documentation to the EGLE Grant Coordinator for review and preliminary approval.
- (c) EGLE will review and provide preliminary approval or request additional information as required under the terms of the Grant and Loan Agreements. The City Project Manager and the Developer will cooperate in the preparation of any additional documentation required by EGLE under the terms of the Grant Agreement for EGLE final approval of Grant payment.

- (d) Within 15 days of receipt of Grant funds by the City from EGLE, the City will reimburse the Developer for Eligible Grant Activities either by check or EFT transfer, as agreed to by the Developer and the City.
- (e) Loan funds will be disbursed by EGLE to the City upon approval of a Loan / Act 381 Work Plan. Reimbursement for Loan Eligible Activities to the Developer will be processed concurrently with reimbursement for Grant Eligible Activities provided the Developer or their Environmental Consultant has provided adequate documentation to the City Project Manager.
- (f) Upon completion of Grant and Loan Eligible Activities, the Developer shall provide to the City Project Manager a final report in the format and time frame prescribed in the Grant and Loan Agreements.

It is anticipated that there will be sufficient EGLE Brownfield Grant and Loan funds to meet the obligations under this Agreement. However, if for any reason the EGLE Brownfield Grant and Loan does not provide sufficient funds 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 except from available EGLE Brownfield Grant and Loan funds, and if for any reason the EGLE Brownfield Grant and Loan funds are insufficient or there are none, then Developer assumes full responsibility for any such loss or cost. The parties acknowledge and agree that nothing in the preceding shall limit or restrict the Developer's ability to request an amendment to the EGLE Brownfield Grant and Loan or Grant and Loan Agreements, subject to City's review process and full discretion to approve, modify or deny any proposed amendment.

Section 4.3 City or Contract Manager Oversight. The City may, using funds provided in the Grant and Loan Agreements with the approval of the EGLE Grant Coordinator, retain the services of a qualified contract manager for purposes of assuring that the activities, invoices and accounting by the Developer are fair, reasonable, and constitute Grant and Loan Eligible Activities within the meaning and scope of this Agreement and the Grant and Loan Agreements. The Developer shall provide to the City Project Manager and the City's contract manager, if applicable, access to data, reports, sampling results, invoices, and related documents reasonably necessary to fulfill the exercise of such oversight. It is expressly understood that City has no right to control or to exercise any control over the actual services or performance by the Developer of the Eligible Activities, except as to assurance that the Developer has met the conditions and requirements of this Agreement and the Grant and Loan Agreements.

ARTICLE 5.

CONDITIONS PRECEDENT TO CITY'S OBLIGATIONS

Section 5.1 Conditions Precedent to City's Reimbursement Obligation. The City's obligation to reimburse costs to the Developer for completion of Grant and Loan Eligible Activities expenses as contemplated herein shall be subject to the following conditions precedent which must be satisfied by the Developer as required herein, except as expressly provided in this Agreement or otherwise waived in writing by the City.

- (a) The City shall have secured approval by EGLE of the Grant and/or Loan / Act 381 Work Plan for Grant and Loan Eligible Activities, as amended or supplemented.
- (b) The Developer shall have performed all of the covenants, obligations, terms and conditions to be performed by it pursuant to this Agreement and the Grant and Loan Agreements, and all preconditions to the performance of the Developer shall have been satisfied.
- (c) Developer shall provide written proof of payment, including cancelled checks or waivers of liens by any Environmental Consultant or Contractor providing services as described in this Agreement.
- (d) City shall only be obligated to reimburse the Grant and Loan Eligible Activities that have been reviewed and approved by EGLE. Approval of the application and EGLE Brownfield Grant and Loan / Act 381 Work Plans or any other determination of eligibility in no way guarantees or establishes a right to reimbursement of expenditures prior to review or approval of invoices. Expenditures must be documented to be reasonable and necessary for Grant and Loan Eligible Activities by submission of invoices and other appropriate documentation. Reimbursement shall only occur pursuant to the terms and conditions of this Agreement.
- (e) The Developer documents ownership or control of the Site and the Developer is not in default on any contract or other agreement relating to its ownership, development, or use of the Eligible Property, which default would have an adverse effect on the Developer's or the City's ability to comply with the obligations and terms of this Agreement or the Grant and Loan Agreements.
- (f) Proper approvals required under applicable federal and state laws or regulations, and local ordinances, codes or regulations for land uses and the Development have been secured.
- (g) The Developer has consent of any affected utility for relocation, burial or the activity to accomplish the Eligible Activities.
- (h) The Developer retains an Environmental Consultant or Contractor to advise, conduct, or complete the Eligible Activities related to the Developer-financed obligations as set forth in this Agreement.
- (i) There is no change in law which would have one or more of the effects described above.
- (j) Developer shall pay all real estate tax obligations before they become delinquent and subject to interest or penalties.
- (k)

ARTICLE 6.

REPRESENTATIONS AND WARRANTIES

Section 6.1 Representations and Warranties of City. City represents and warrants to the Developer that:

- (a) City is a public body corporate, with all necessary corporate powers to enter into and perform this Agreement.
- (b) The execution and delivery of this Agreement has been duly authorized by all requisite action on the part of the City, and this Agreement constitutes a valid and binding agreement of the City enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or thereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

Section 6.2 Representations and Warranties of the Developer. The Developer represents and warrants to the City that:

- (a) The Developer is a limited liability company, with power under the laws of the State of Michigan to carry on its business as now being conducted and has the power and authority to consummate the transactions contemplated under this agreement by the Developer.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Developer, and this Agreement constitutes a valid and binding agreement of the Developer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity.
- (c) Except as part of the performance and completion of Eligible Activities under the terms of this Agreement, the Developer or its Contractors shall not use the Site for the storage, treatment or disposal of hazardous or toxic wastes of unaffiliated third parties and shall comply with all applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees and orders in connection with any use of the Site and shall obtain all necessary permits in connection therewith.
- (d) The Developer will comply with all obligations, covenants and conditions required of it or its agents or Contractors under the terms of this Agreement and the Grant and Loan Agreements.
- (f) The Developer has not made any misrepresentation of fact in the inducement or in the performance or administration of this Agreement.

ARTICLE 7.

DEFAULT, REMEDIES, AND TERMINATION

Upon the occurrence of an Event of Default, and failure to cure such Event of Default within 60 days of written notice of such Event of Default, the non-defaulting party may terminate this agreement by giving written notice to the defaulting party, provided, however, that if such Event of Default requires more than 60 days to cure, and if such defaulting party shall commence and diligently proceed to cure the Event of Default within such 60 days, then the defaulting party shall have an additional 60 days to cure the Event of Default. A monetary default shall be cured within 15 days. If the Event of 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 applicable law, including, without limitation, the right to seek and obtain a decree of specific performance from a court of competent jurisdiction. 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 Event of Default. The prevailing party in any action or proceeding brought to enforce the terms of this Agreement shall be entitled to an award of reasonable costs and attorney fees in addition to the relief obtained.

ARTICLE 8.

MISCELLANEOUS

Section 8.1 Term. The term of this Agreement shall commence on the date first written above and shall expire upon the later to occur of (a) the close out of the EGLE Brownfield Grant and Loan or (b) the disbursement to Developer of all of the proceeds of the EGLE Brownfield Grant and Loan.

Section 8.2 Sale or Transfer of Eligible Property or Site. Until the Developer has satisfactorily completed its Grant and Loan Eligible Activities and performed its obligations under the terms of this Agreement, the Developer shall not sell, convey, or transfer ownership of any portion of the Eligible Property to another Developer to carry out the purposes and goals of the Grant and Loan Agreements, as described in this Agreement or the Grant and Loan Agreements, without the written approval of the City, which will not be unreasonably withheld. The City, in its sole discretion, will determine whether an amendment to the Grant and Loan Agreements is necessary and will cooperate with the EGLE to amend the Grant and Loan Agreements. The proceeding does not prohibit the Developer from selling property or units within structures to third parties for the land uses as contemplated by the Development. This section shall not apply to: (a) assignments between governmental entities (b) assignments for financing required for the development; or (c) the establishment of another entity which shall operate the premises for infrastructure purposes.

Section 8.3 Assignment. Neither this Agreement nor any of the rights or obligations contained within it may be assigned or otherwise transferred by the Developer, nor shall the benefits of this Agreement inure to the benefit of any trustee in bankruptcy, receiver or creditor of the Developer, whether by operation of law or otherwise, without the prior written consent of the City which will not be unreasonably withheld, conditioned, or delayed. Any attempt by the Developer to assign or transfer this Agreement or any of its rights without such written consent shall be null and void and of no force or effect, and a breach of this Agreement.

Section 8.4 Independent Contractor. The Developer, Environmental Consultant and Contractors shall each perform its services under this Agreement entirely as an independent contractor, and shall not be deemed an agent, employee or legal representative of the City. The City, Developer, Environmental Consultant, and Contractors shall each have and maintain complete control over all its respective employees, agents and operators. Facts or knowledge of which the Developer, Environmental Consultant or Contractor becomes aware shall not be imputed to City without communication to and receipt by managerial officials or employees of City. The Developer, Environmental Consultant or Contractor has no authority to assume or create, and will not assume or create any commitment or obligation on behalf of the City in any respect whatsoever. Further, the Developer, Environmental Consultant or Contractor shall exercise its independent judgment for the services provided in this Agreement.

Section 8.5 Notices. All notices, certificates or communications required or permitted by this Agreement to be given shall be in writing and shall be sufficiently given and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to City:

Shane Horn, City Manager
City of Petoskey
101 E. Lake Street
Petoskey, Michigan 49770

If to the Developer:

Jeff Smoke, Managing Director & Principal
Maple Block Flats, LLC
130 South Main Street, Suite 325
South Bend, Indiana 46601

or to such other address as such party may specify by appropriate notice.

Section 8.6 Amendment and Waiver. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.

Section 8.7 Entire Agreement. This Agreement contains all agreements between the parties. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the parties, except to the extent reference is made thereto in this Agreement.

Section 8.8 Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

Section 8.9 Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision of this Agreement.

Section 8.10 Applicable Law. This Agreement shall be governed in all respects, whether as to validity, construction, performance and otherwise, by the laws of the State of Michigan.

Section 8.11 Mutual Cooperation. Each party to this Agreement shall take all actions required of it by the terms of this Agreement as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties to this Agreement and with any individual, entity or governmental agency involved in or with jurisdiction regarding the purposes of this Agreement. Each party to this Agreement shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement, including, but not limited to, such documents or agreements as may be required by the Developer's lenders with respect to the Development to secure the Developer's financing from such lenders.

Section 8.12 Binding Effect. This Agreement shall be binding upon the parties hereto, and in the event of assignment under Section 8.3 upon their respective successors, transferees, and assigns. Developer shall provide written notice prior to transfer or assignment of Developer's interest to any subsequent purchaser and assign of the existence of this Agreement.

Section 8.13 No Waiver. No waiver by either party of any default by the other party in the performance of any portion of this Agreement shall operate or be construed as a waiver of any future default, whether like or different in character.

Section 8.14 Survival of Covenants. Except for the financial obligations, the covenants and provisions shall survive the term of this Agreement.

Section 8.15 No Third-Party Beneficiaries. This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise to the Environmental Consultant or Contractors, 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.

Section 8.16 Disputes. The parties acknowledge and agree that any disputes arising under this Agreement shall be resolved by a court of competent jurisdiction sitting in Chippewa County, Michigan.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be duly executed and delivered as of the date first written above.

GREAT LAKES CAPITAL

By: Jeffrey Smoke
Its: Managing Director & Principal

CITY OF PETOSKEY

By: John Murphy
Its: Mayor

By: Shane Horn
Its: City Manager

Approved as to form:

By:
Its: Attorney

Exhibit A
“Development”

Project Details			
Project Name and Address	Michigan Maple Block 1420 Standish Petoskey, MI 49770	Grantee / Borrower	City of Petoskey
Tracking Code	2023-2536	Location Code	6K23
Capital Investment	\$50,000,000	Jobs Created	10 full-time equivalent
Total Grant Funding	\$1,000,000	Total Loan Funding	\$1,000,000

PROJECT DESCRIPTION:

The grant and loan will be used to facilitate the redevelopment of a former wood block manufacturing facility near downtown Petoskey. The development will consist of a 200+ workforce and market-rate unit development. This mixed-use complex consists of eight residential buildings, one commercial building, a dog park, swimming pool, and river access to the Bear River with an extension of the non-motorized path called the Greenway link.

The property includes a former wood block manufacturing plant, believed to be the source of soil and groundwater contamination which pose a vapor intrusion risk to the future buildings. Grant and loan funding will be used to address contaminated soil and groundwater encountered during construction and install vapor mitigation systems in the new buildings.

ANTICIPATED SCOPE OF WORK / BUDGET: The scope of work will take place within the project boundaries identified in Figure 1 and includes the following activities to facilitate the safe reuse of the property:

1. Due care including, but not limited to, health and safety plans, preparation of Documentation of Due Care Compliance and/or Response Activity Plans, additional due care investigation, management of contaminated soil, soil excavation, transport and disposal, dewatering and disposal of contaminated groundwater, design, installation and commissioning of a vapor mitigation system(s), and specialized foundations.
2. To request closeout of the grant/loan, the Grantee must provide a comprehensive grant/loan closeout report in the format provided by EGLE. The report will include a summary of each activity completed under the grant/loan, relevant documentation, and any outstanding deliverables.
3. During the time of the grant funded activities, the Grantee is required to install a full color, 48" by 96" grommited vinyl sign, or equivalent, on the property displaying the Department of Environment, Great Lakes, and Energy (EGLE) logo. An image file with the sign design will be provided to the Grantee by the brownfield coordinator.

4. Grant/loan administration including, but not limited to grant management, tracking, and reporting activities by Grantee.
5. Contingency for unanticipated conditions that may be encountered during the performance of eligible activities. Contingency will not be utilized without authorization from EGLE.

PROJECT BUDGET		
Task	Grant	Loan
1. Due Care	\$800,000	\$850,000
2. EGLE Grant/Loan Closeout Report	\$5,000	\$0
3. EGLE Sign	\$500	\$0
4. Grant/Loan Administration (up to 3 percent of grant or loan amount)	\$44,500	\$0
5. Contingency (up to 15 percent of grant or loan amount)	\$150,000	\$150,000
Total	\$1,000,000	\$1,000,000

In addition to the broad budget items above, the grant and/or loan may be used for work plan and budget development, bid solicitation, technical specifications, oversight, project management, reporting and other task related activities approved by the EGLE brownfield coordinator. All grant- or loan-eligible work, including tasks not listed above, must be approved in advance. Work completed without an approved work plan may not be eligible for grant or loan reimbursement.

The grant and loan administration and EGLE sign budgets are approved upon signature of this agreement. Prior to the start of any other grant- or loan-eligible work, a work plan must be submitted to EGLE for review and approval.

A pre-approved budget amount for work plan development is provided that includes up to \$1,000 per work plan for site assessment work and up to \$2,500 per work plan for all other activities. If development of a work plan is expected to cost more than the pre-approved budgets, the anticipated cost to develop the work plan must be approved by the brownfield coordinator in advance, or the excess cost will not be eligible for reimbursement. Work plan development will be paid for under the appropriate budget items listed above.

Progress reports must be submitted quarterly even if no expenses were incurred during the quarter. Progress reports must include invoices for expenses incurred during the quarter.

Project deliverables for activities paid for by the grant and loan must be provided to EGLE throughout the course of the grant and loan. Deliverables may include, but are not limited to, bid documentation as required by the agreement, invoices and appropriate backup documentation for reimbursement, technical reports, and summaries of activities completed under the grant and loan (including dates, quantities, transport and/or disposal documentation, monitoring summaries, photos, logs, figures/as built drawings/site plans, data/analytical results, or other relevant documentation.) A copy of EGLE’s Brownfield Grant and Loan Deliverable Guidance will be provided during the Kick-Off Meeting or can be requested at any time.

Ten percent of the grant award or amount spent will be retained by EGLE until the project is complete, including receipt of all deliverables, closeout reporting, and documentation that the vapor mitigation system is fully commissioned and operating as designed.

SCHEDULE: The grant and loan administration will be conducted during the entire length of the agreement. Work under the contingency task will be completed as necessary. Following the start of the agreement, the remaining tasks are anticipated to be conducted in the timeframes described below.

Task #	Task	Schedule (Months following signed agreement)
1	Due Care Investigation	(Months 1-2)
1	Soil & Groundwater Management, Vapor Mitigation Design and Installation, Installation of Specialized Foundations	(Months 4-24)
1	Vapor Mitigation Performance Testing	(Months 24-36)
2	EGLE Grant/Loan Closeout Report	(Month 35-36)

A more detailed schedule for above tasks shall be provided by the Grantee within the project work plans.

Exhibit B
“Grant and Loan Agreements”

I. PROJECT SCOPE

This Agreement and its appendices constitute the entire Agreement between the State and the Grantee and may be modified only by written agreement between the State and the Grantee.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Grantee commits to complete the project identified in Appendix A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

II. AGREEMENT PERIOD

Upon signature by the State, the Agreement shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Grantee for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Grantee prior to the Start Date or after the End Date of this Agreement are not eligible for payment under this Agreement.

III. CHANGES

Any changes to this Agreement other than budget line item revisions 20 percent or less of the total Agreement amount shall be requested by the Grantee or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Agreement or to the appendices. No changes can be implemented without approval by the State.

IV. GRANTEE DELIVERABLES AND REPORTING REQUIREMENTS

The Grantee shall submit deliverables and follow reporting requirements specified in Appendix A of this Agreement.

(A) The Grantee must complete and submit quarterly progress reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following:

Reporting Period	Due Date
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	Before October 15*
October 1 – December 31	January 31

*Due to the State's year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending

September 30 will be sent to the Grantee. If the Grantee is unable to submit a report in early October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State's contact at the address on page 1. All required supporting documentation for expenses must be included with the report as outlined in Appendix A.

(B) The Grantee shall provide a final project report in a format prescribed by the State. The Grantee shall submit the final status report, including all supporting documentation for expenses, along with the final project report and any other outstanding products within 30 days from the End Date of the Agreement.

(C) The Grantee must provide electronic copies of all products and deliverables in accordance with Appendix A.

(D) All products shall acknowledge that the project was supported in whole or in part by EGLE, per the guidelines provided by the program.

(E) If 15 percent (15%) or more of the grant amount is expended in a single quarter, payment requests may be submitted once monthly during that quarter.

V. GRANTEE RESPONSIBILITIES

(A) The Grantee agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this grant is not a guarantee of permit approval by the State.

(C) The Grantee shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Grantee's receipt or execution of this grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State under this Agreement. The Grantee shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Grantee acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the grant.

VI. USE OF MATERIAL

Unless otherwise specified in this Agreement, the Grantee may release information or material developed under this Agreement, provided it is acknowledged that the State funded all or a portion of its development.

The State, and federal awarding agency, if applicable, retains a royalty-free, nonexclusive and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this grant whether or not the material is copyrighted by the Grantee or another person. The Grantee will only submit materials that the State can use in accordance with this paragraph.

VII. ASSIGNABILITY

The Grantee shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

VIII. SUBCONTRACTS

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

IX. NON-DISCRIMINATION

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

X. UNFAIR LABOR PRACTICES

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

XI. LIABILITY

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Agreement, if the liability is caused by the Grantee, or any employee or agent of the Grantee acting within the scope of their employment or agency.

(B) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

XII. CONFLICT OF INTEREST

No government employee, or member of the legislative, judicial, or executive branches, or member of the Grantee's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this Agreement.

XIII. ANTI-LOBBYING

If all or a portion of this Agreement is funded with federal funds, then in accordance with 2 CFR 200, as appropriate, the Grantee shall comply with the Anti-Lobbying Act, which prohibits the use of all project funds regardless of source, to engage in lobbying the state or federal government or in litigation against the State. Further, the Grantee shall require that the language of this assurance be included in the award documents of all subawards at all tiers.

If all or a portion of this Agreement is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Agreement for the purpose of litigation against the State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

XIV. DEBARMENT AND SUSPENSION

By signing this Agreement, the Grantee certifies that it has checked the federal debarment/suspension list at www.SAM.gov to verify that its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.
- (2) Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a three-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

XV. AUDIT AND ACCESS TO RECORDS

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Grantee will be required to maintain all pertinent records and evidence pertaining to this Agreement, including grant and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Grantee will provide proper facilities for such access and inspection. All records must be maintained for a minimum of five years after the final payment has been issued to the Grantee by the State.

XVI. INSURANCE

(A) The Grantee must maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee's actions under this Agreement.

(B) The Grantee must comply with applicable workers' compensation laws while engaging in activities authorized under this Agreement.

XVII. OTHER SOURCES OF FUNDING

The Grantee guarantees that any claims for reimbursement made to the State under this Agreement must not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

XVIII. COMPENSATION

(A) A breakdown of costs allowed under this Agreement is identified in Appendix A. The State will pay the Grantee a total amount not to exceed the amount on page 1 of this Agreement, in accordance with Appendix A, and only for expenses incurred and paid. All other costs necessary to complete the project are the sole responsibility of the Grantee.

(B) Expenses incurred by the Grantee prior to the Start Date or after the End Date of this Agreement are not allowed under the Agreement, unless otherwise specified in Appendix A.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Agreement.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Agreement may be processed by Electronic Funds Transfer (EFT). The Grantee may register to receive payments by EFT at the SIGMA Vendor Self Service web site (<https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService>).

(F) An amount equal to ten percent (10%) of the grant award will be withheld by the State until the project is completed in accordance with Section XIX, Closeout, and Appendix A.

XIX. CLOSEOUT

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Grantee has met any match obligations, satisfactorily completed the activities, and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments in excess of the costs allowed by this Agreement.

XX. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Grantee, or upon mutual agreement by the State and Grantee. The State may honor requests for just and equitable compensation to the Grantee for all satisfactory and eligible work completed under this Agreement up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the grantee for any further charges to the grant.

XXI. TERMINATION

(A) This Agreement may be terminated by the State as follows.

(1) Upon 30 days written notice to the Grantee:

- a. If the Grantee fails to comply with the terms and conditions of the Agreement, or with the requirements of the authorizing legislation cited on page 1, or the rules promulgated thereunder, or other applicable law or rules.
- b. If the Grantee knowingly and willingly presents false information to the State for the purpose of obtaining this Agreement or any payment under this Agreement.

- c. If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Agreement.
- d. If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.
- e. During the 30-day written notice period, the State shall withhold payment for any findings under subparagraphs a through d above, and the Grantee will immediately cease charging to the grant and stop earning match for the project (if applicable).

(2) Immediately and without further liability to the State if the Grantee, or any agent of the Grantee, or any agent of any subcontract is:

- a. Convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract;
- b. Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;
- c. Convicted under State or federal antitrust statutes; or
- d. Convicted of any other criminal offense that, in the sole discretion of the State, reflects on the Grantee's business integrity.
- e. Added to the federal or state Suspension and Debarment list.

(B) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Agreement.

XXII. IRAN SANCTIONS ACT

By signing this Agreement, the Grantee is certifying that it is not an Iran linked business, and that its contractors are not Iran linked businesses, as defined in MCL 129.312.

XXIII. ACCESS AGREEMENTS

A voluntary access agreement or court-ordered access must be secured by the Grantee prior to performance of the scope of work described in Appendix A for any portion of the project area or property where grant activities will be undertaken and that is not owned by the Grantee. Evidence of access must be provided to the State at its request.

XXIV. GRANT ADMINISTRATION

Grant Administration costs are eligible for reimbursement in accordance with Appendix A. Grant administration costs will be limited to three percent (3%) of the total award amount.

XXV. INELIGIBLE EXPENSES

Although the following costs may be related to the scope of work described in Appendix A, the following are ineligible for reimbursement under the grant:

Office equipment; software; insurance; taxes, except sales taxes; replacement or purchase of equipment; drinking water supply replacement, defined as but is not limited to, providing bottled water, constructing a new well, and extending or constructing a water supply system; operation and maintenance of long term response and due care activities; restoration of property or infrastructure, unless included in Appendix A; fees for attorneys or legal advice except for administrative or management costs directly related to implementing the grant; grant recipient staff time for application submittal; costs for eligible activities reimbursed under the Brownfield Redevelopment Financing Act, 1996 Public Act 381, as amended (Act 381); costs incurred for activities outside a State-approved work plan; labor overtime rates; and training.

Travel costs for either vehicle use or vehicle mileage will be reimbursed, but not both. Vehicle mileage will be reimbursed at a maximum of the federal rate allowed by the Internal Revenue Service at the time the costs are incurred.

Fees, such as those incurred for state or local permits; underground storage tank registration; late fees; or other fees may be eligible at the State's discretion. Other expenses may be determined ineligible in the course of invoice reviews.

XXVI. BIDS, CONTRACTORS

(A) For contracts for work performed under this agreement that totals \$20,000 or more, the Grantee shall provide, or cause to be provided, the qualifications of the selected contractor(s) to the State. The State reserves the right to object to the selected contractor(s) or their qualifications. If the State has objections, it will inform the Grantee in writing within 30 days of receipt of the selected contractor's qualifications.

(B) For any contract for work performed under this agreement that totals \$20,000 or more, except professional services, the Grantee shall solicit, or cause to be solicited, bids from at least three qualified contractors. The way in which bids or requests for quotes (RFQs) are solicited must be done in a manner acceptable to the Grantee. The Grantee shall provide the State copies of the bid specifications, proof of bid solicitation to at least three qualified contractors, copies of all bids received, a bid tabulation, and a written contractor recommendation. If the contractor that submitted the lowest bid is not the contractor selected, the Grantee must submit written justification for the selection.

(C) Any contractor(s) retained for corrective action on regulated underground storage tanks shall be a qualified underground storage tank consultant that meets the requirements of Section 21325 of Part 213, Leaking Underground Storage Tanks of the NREPA.

(D) Any contractor(s) and professionals retained with state funds must possess appropriate qualifications, experience, licensing, and insurance for the work including but not limited to, surveying; engineering; asbestos, lead, mold, and hazardous material abatement; and transport, storage, and disposal of hazardous and non-hazardous waste.

(E) All subsurface work on contaminated properties including penetrating or disturbing the existing surfaces, work with subsurface infrastructure, monitoring wells or sewers, handling of existing soil, sediments or groundwater, or any other site activity with the reasonable potential for exposure must be conducted by personnel currently certified under HAZWOPER, MIOSHA-STD-1216 and 29 CFR 1910.120.

(F) Contractor markup on subcontractors and equipment is limited to a maximum of ten percent (10%) of the original cost, and subject to approval by the State.

XXVII. WORK PLANS AND PROJECT IMPLEMENTATION

(A) Prior to conducting any activities under the Agreement, the Grantee or its contractor shall submit a detailed work plan to the State for its approval. Work plans must include a description of the proposed activities, a budget, and a schedule for conducting the activities under Appendix A. A supplementary work plan, budget, and schedule are required for each subsequent phase of work. The Grantee and its contractor shall not proceed with grant-funded activities until the State approves the work plan, budget, and schedule in writing. The State may approve, modify and approve, or require amendments to the work plan.

(B) The Grantee or its contractor shall implement the work plan upon the State's written approval and according to the schedules contained therein. Changes or additions to the work plan may be submitted in writing and are subject to approval by the State. Changes to work plans without prior approval from the State, or performance of activities that are not part of an approved work plan or an amendment to a work plan, may result in the Grantee being responsible for payment of unapproved activities.

XXVIII. ECONOMIC DEVELOPMENT

(A) The Grant Recipient acknowledges by its signature of this Agreement that there have been no material changes in the economic development proposal, property ownership, or other conditions of the property or project since the date the grant funds were awarded.

(B) In the event the proposed development changes or is not implemented, the Grantee shall immediately notify the State in writing and shall try to secure a new development project for the property. The Grantee shall then notify the State in writing of the proposed development. The alternate development project is also subject to approval by the State.

XXIX. OTHER TERMS AND CONDITIONS

(A) The State may withhold the grant until the State determines that the Grantee is able to proceed with the project scope described in Appendix A, pursuant to Part 196, Section 19612(3), of the NREPA.

(B) Following completion of the project, the State may conduct compliance inspections to determine whether the project is being maintained for the use specified in this Agreement.

(C) The Grantee acknowledges, by signature of this Agreement, that the State is not obligated to

provide additional funding beyond the Agreement amount should additional environmental costs be necessary to complete the project.

(D) If necessary to allow for completion of the project, the Grantee and State may mutually agree to extend the term of the Agreement. Agreement extensions should be requested by the Grantee or the State in writing, prior to the Agreement end date. This Agreement may only be extended by a signed agreement between both parties.

If you need this information in an alternate format, contact EGLE-Accessibility@Michigan.gov or call 800-662-9278.

EGLE does not discriminate on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation in the administration of any of its programs or activities, and prohibits intimidation and retaliation, as required by applicable laws and regulations. Questions or concerns should be directed to the Nondiscrimination Compliance Coordinator at EGLE-NondiscriminationCC@Michigan.gov or 517-249-0906.

This form and its contents are subject to the Freedom of Information Act and may be released to the public.

APPENDIX A

Project Details			
Project Name and Address	Michigan Maple Block 1420 Standish Petoskey, MI 49770	Grantee / Borrower	City of Petoskey
Tracking Code	2023-2536	Location Code	6K23
Capital Investment	\$50,000,000	Jobs Created	10 full-time equivalent
Total Grant Funding	\$1,000,000	Total Loan Funding	\$1,000,000

PROJECT DESCRIPTION:

The grant and loan will be used to facilitate the redevelopment of a former wood block manufacturing facility near downtown Petoskey. The development will consist of a 200+ workforce and market-rate unit development. This mixed-use complex consists of eight residential buildings, one commercial building, a dog park, swimming pool, and river access to the Bear River with an extension of the non-motorized path called the Greenway link.

The property includes a former wood block manufacturing plant, believed to be the source of soil and groundwater contamination which pose a vapor intrusion risk to the future buildings. Grant and loan funding will be used to address contaminated soil and groundwater encountered during construction and install vapor mitigation systems in the new buildings.

ANTICIPATED SCOPE OF WORK / BUDGET: The scope of work will take place within the project boundaries identified in Figure 1 and includes the following activities to facilitate the safe reuse of the property:

1. Due care including, but not limited to, health and safety plans, preparation of Documentation of Due Care Compliance and/or Response Activity Plans, additional due care investigation, management of contaminated soil, soil excavation, transport and disposal, dewatering and disposal of contaminated groundwater, design, installation and commissioning of a vapor mitigation system(s), and specialized foundations.
2. To request closeout of the grant/loan, the Grantee must provide a comprehensive grant/loan closeout report in the format provided by EGLE. The report will include a summary of each activity completed under the grant/loan, relevant documentation, and any outstanding deliverables.
3. During the time of the grant funded activities, the Grantee is required to install a full color, 48" by 96" grommited vinyl sign, or equivalent, on the property displaying the Department of Environment, Great Lakes, and Energy (EGLE) logo. An image file with the sign design will be provided to the Grantee by the brownfield coordinator.

4. Grant/loan administration including, but not limited to grant management, tracking, and reporting activities by Grantee.
5. Contingency for unanticipated conditions that may be encountered during the performance of eligible activities. Contingency will not be utilized without authorization from EGLE.

PROJECT BUDGET		
Task	Grant	Loan
1. Due Care	\$800,000	\$850,000
2. EGLE Grant/Loan Closeout Report	\$5,000	\$0
3. EGLE Sign	\$500	\$0
4. Grant/Loan Administration (up to 3 percent of grant or loan amount)	\$44,500	\$0
5. Contingency (up to 15 percent of grant or loan amount)	\$150,000	\$150,000
Total	\$1,000,000	\$1,000,000

In addition to the broad budget items above, the grant and/or loan may be used for work plan and budget development, bid solicitation, technical specifications, oversight, project management, reporting and other task related activities approved by the EGLE brownfield coordinator. All grant- or loan-eligible work, including tasks not listed above, must be approved in advance. Work completed without an approved work plan may not be eligible for grant or loan reimbursement.

The grant and loan administration and EGLE sign budgets are approved upon signature of this agreement. Prior to the start of any other grant- or loan-eligible work, a work plan must be submitted to EGLE for review and approval.

A pre-approved budget amount for work plan development is provided that includes up to \$1,000 per work plan for site assessment work and up to \$2,500 per work plan for all other activities. If development of a work plan is expected to cost more than the pre-approved budgets, the anticipated cost to develop the work plan must be approved by the brownfield coordinator in advance, or the excess cost will not be eligible for reimbursement. Work plan development will be paid for under the appropriate budget items listed above.

Progress reports must be submitted quarterly even if no expenses were incurred during the quarter. Progress reports must include invoices for expenses incurred during the quarter.

Project deliverables for activities paid for by the grant and loan must be provided to EGLE throughout the course of the grant and loan. Deliverables may include, but are not limited to, bid documentation as required by the agreement, invoices and appropriate backup documentation for reimbursement, technical reports, and summaries of activities completed under the grant and loan (including dates, quantities, transport and/or disposal documentation, monitoring summaries, photos, logs, figures/as built drawings/site plans, data/analytical results, or other relevant documentation.) A copy of EGLE’s Brownfield Grant and Loan Deliverable Guidance will be provided during the Kick-Off Meeting or can be requested at any time.

Ten percent of the grant award or amount spent will be retained by EGLE until the project is complete, including receipt of all deliverables, closeout reporting, and documentation that the vapor mitigation system is fully commissioned and operating as designed.

SCHEDULE: The grant and loan administration will be conducted during the entire length of the agreement. Work under the contingency task will be completed as necessary. Following the start of the agreement, the remaining tasks are anticipated to be conducted in the timeframes described below.

Task #	Task	Schedule (Months following signed agreement)
1	Due Care Investigation	(Months 1-2)
1	Soil & Groundwater Management, Vapor Mitigation Design and Installation, Installation of Specialized Foundations	(Months 4-24)
1	Vapor Mitigation Performance Testing	(Months 24-36)
2	EGLE Grant/Loan Closeout Report	(Month 35-36)

A more detailed schedule for above tasks shall be provided by the Grantee within the project work plans.

I. PROJECT SCOPE

This Agreement and its appendices constitute the entire Agreement between the State and the Borrower and may be modified only by written agreement between the State and the Borrower.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Agreement. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Agreement.

(B) By acceptance of this Agreement, the Borrower commits to complete the project identified in Appendix A within the time period allowed for in this Agreement and in accordance with the terms and conditions of this Agreement.

II. AGREEMENT PERIOD

Upon signature by the State, the Agreement shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Borrower for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Borrower prior to the Start Date or after the End Date of this Agreement are not eligible for payment under this Agreement.

III. CHANGES

Any changes to this Agreement [other than budget line item revisions 20 percent or less of the Agreement amount] shall be requested by the Borrower or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Agreement or to the appendices. No changes can be implemented without approval by the State.

IV. BORROWER DELIVERABLES AND REPORTING REQUIREMENTS

The Borrower shall submit deliverables and follow reporting requirements specified in Appendix A of this Agreement.

(A) The Borrower must complete and submit quarterly progress reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following:

Reporting Period	Due Date
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	Before October 15*
October 1 – December 31	January 31

*Due to the State's year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending September 30 will be sent to the Borrower. If the Borrower is unable to submit a report in early

October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State's contact at the address on page 1. All required supporting documentation for expenses must be included with the report as outlined in Appendix A.

(B) The Borrower shall provide a final project report in a format prescribed by the State. The Borrower shall submit the final status report, including all supporting documentation for expenses, along with the final project report and any other outstanding products within 30 days from the End Date of the Agreement.

(C) The Borrower must provide electronic copies of all products and deliverables in accordance with Appendix A.

(D) All products shall acknowledge that the project was supported in whole or in part by the State, per the guidelines provided by the program.

V. BORROWER RESPONSIBILITIES

(A) The Borrower agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this loan.

(B) All local, state, and federal permits, if required, are the responsibility of the Borrower. Award of this loan is not a guarantee of permit approval by the State.

(C) The Borrower shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Borrower's receipt or execution of this loan.

(D) The Borrower is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State by the Borrower under this Agreement. The Borrower shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Borrower of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

(F) The Borrower acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this Agreement or any payment under the Agreement, and that any such filing may subject the Borrower, its agents, and/or employees to criminal and civil prosecution and/or termination of the loan.

VI. USE OF MATERIAL

Unless otherwise specified in this Agreement, the Borrower may release information or material developed under this Agreement, provided it is acknowledged that the State funded all or a portion of its development.

The State retains a royalty-free, nonexclusive and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this loan whether or not the material is copyrighted by the Borrower or another person. The Borrower will only submit materials that the State can use in accordance with this paragraph.

VII. ASSIGNABILITY

The Borrower shall not assign this Agreement or assign or delegate any of its duties or obligations under this Agreement to any other party without the prior written consent of the State. The State does not assume responsibility regarding the contractual relationships between the Borrower and any subcontractor.

VIII. SUBCONTRACTS

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Borrower is solely responsible for all contractual activities performed under this Agreement. Further, the State will consider the Borrower to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Loan. All subcontractors used by the Borrower in performing the project shall be subject to the provisions of this Agreement and shall be qualified to perform the duties required.

IX. NON-DISCRIMINATION

The Borrower shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Borrower agrees to include in every subcontract entered into for the performance of this Agreement this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.

X. UNFAIR LABOR PRACTICES

The Borrower shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

XI. LIABILITY

(A) The Borrower, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Borrower under this Agreement, if the liability is caused by the Borrower, or any employee or agent of the Borrower acting within the scope of their employment or agency.

(B) Nothing in this Agreement should be construed as a waiver of any governmental immunity by the Borrower, the State, its agencies, or their employees as provided by statute or court decisions.

XII. CONFLICT OF INTEREST

No government employee, or member of the legislative, judicial, or executive branches, or member of the Borrower's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this Agreement.

XIII. ANTI-LOBBYING

If all or a portion of this Agreement is funded with state funds, then the Borrower shall not use any of the loan funds awarded in this Agreement for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Borrower shall not use any of the loan funds awarded in this Agreement for the purpose of litigation against the State. Further, the Borrower shall require that language of this assurance be included in the award documents of all subawards at all tiers.

XIV. DEBARMENT AND SUSPENSION

By signing this Agreement, the Borrower certifies that it has checked the federal debarment/suspension list at www.SAM.gov to verify that its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.
- (2) Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a three-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.

- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

XV. AUDIT AND ACCESS TO RECORDS

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Borrower will be required to maintain all pertinent records and evidence pertaining to this Agreement, including loan and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Borrower will provide proper facilities for such access and inspection. All records must be maintained for a minimum of 10 years after the final payment has been issued to the Borrower by the State.

XVI. INSURANCE

(A) The Borrower must maintain insurance or self-insurance that will protect it from claims that may arise from the Borrower's actions under this Agreement or from the actions of others for whom the Borrower may be held liable.

(B) The Borrower must comply with applicable workers' compensation laws while engaging in activities authorized under this Agreement.

XVII. OTHER SOURCES OF FUNDING

The Borrower guarantees that any claims for reimbursement made to the State under this Agreement must not be financed by any source other than the State under the terms of this Agreement. If funding is received through any other source, the Borrower agrees to delete from Borrower's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

XVIII. COMPENSATION

(A) A breakdown of costs allowed under this Agreement is identified in Appendix A. The State will pay the Borrower a total amount not to exceed the amount on page 1 of this Agreement, in accordance with Appendix A, and only for expenses incurred and paid. All other costs necessary to complete the project are the sole responsibility of the Borrower.

(B) Expenses incurred by the Borrower prior to the Start Date or after the End Date of this Agreement are not allowed under the Agreement, unless otherwise specified in Appendix A.

(C) Loan payments, or draws, are based on work plans and budgets submitted to and approved by the State. The entire loan amount will not be disbursed at one time unless a single work plan for the full Loan amount is approved. After the work plan and budget are approved, the Borrower will receive payment for the amount of the approved budget only.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Agreement may be processed by Electronic Funds Transfer (EFT). The Borrower may register to receive payments by EFT at the SIGMA Vendor Self Service web site (<https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService>).

(F) All draws must be completed prior to the agreement expiration date.

1. If the project has not been completed prior to the agreement expiration date, the Borrower may request in writing an extension of time to complete the project in accordance with Section III of this Agreement. Request for an extension of time must be received by the State's Project Administrator 30 days prior to the Project End Date.
2. If the entire amount of the approved loan is not drawn prior to the agreement expiration date and the project work is completed, a new amortization schedule will be prepared reflecting the total amount drawn.

XIX. CLOSEOUT

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Borrower has satisfactorily completed the activities and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Borrower releases the State of all claims against the State arising under this Agreement. Unless otherwise provided in this Agreement or by State law, final payment under this Agreement shall not constitute a waiver of the State's claims against the Borrower.

(C) The Borrower shall immediately refund to the State any payments in excess of the costs allowed by this Agreement including funds disbursed for activities deemed to be ineligible upon invoice review and unspent interest earned on loan funds disbursed.

XX. CANCELLATION

This Agreement may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Borrower, or upon mutual agreement by the State and Borrower. The State may honor requests for just and equitable compensation to the Borrower for all satisfactory and eligible work completed under this Agreement up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the borrower for any further charges to the loan.

property where loan activities will be undertaken and that is not owned by the Borrower. Evidence of access must be provided to the State at its request.

XXIV. BIDS, CONTRACTORS

(A) For contracts for work performed under this agreement that totals \$20,000 or more, the Borrower shall provide, or cause to be provided, the qualifications of the selected contractor(s) to the State. The State reserves the right to object to the selected contractor(s) or their qualifications. If the State has objections, it will inform the Borrower in writing within thirty (30) days of receipt of the selected contractor's qualifications.

(B) For any contract for work performed under this agreement that totals \$20,000 or more, except professional services, the Borrower shall solicit, or cause to be solicited, bids from at least three qualified contractors. The way in which bids or requests for quotes (RFQs) are solicited must be done in a manner acceptable to the Borrower. The Borrower shall provide the State copies of the bid specifications, proof of bid solicitation to at least three qualified contractors, copies of all bids received, a bid tabulation, and a written contractor recommendation. If the contractor that submitted the lowest bid is not the contractor selected, the Borrower must submit written justification for the selection.

(C) Any contractor(s) retained for corrective action on regulated underground storage tanks shall be a qualified underground storage tank consultant that meets the requirements of Section 21325 of Part 213, Leaking Underground Storage Tanks of the NREPA.

(D) Any contractor(s) and professionals retained with state funds must possess appropriate qualifications, experience, licensing, and insurance for the work including but not limited to, surveying; engineering; for asbestos, lead, mold, and hazardous material abatement; and transport, storage, and disposal of hazardous and non-hazardous waste.

(E) All subsurface work on contaminated properties including penetrating or disturbing the existing surfaces, work with subsurface infrastructure, monitoring wells or sewers, handling of existing soil, sediments or groundwater, or any other site activity with the reasonable potential for exposure must be conducted by personnel currently certified under HAZWOPER, MIOSHA-STD-1216 and 29 CFR 1910.120.

(F) Contractor markup on subcontractors and equipment is limited to a maximum of ten percent (10%) of the original cost, and subject to approval by the State.

XXV. WORK PLANS AND PROJECT IMPLEMENTATION

(A) Prior to conducting any activities except property acquisition under the Agreement, the Borrower or its contractor shall submit a detailed work plan to the State for its approval. Work plans must include a description of the proposed activities, a budget and draw request, and a schedule for conducting the activities under Appendix A. A supplementary work plan, budget and draw request, and schedule are required for each subsequent phase of work. The Borrower and its contractor shall not proceed with loan-funded activities until the State approves the work plan, budget, and schedule in writing. The State may approve, modify and approve, or require amendments to the work plan.

(B) The Borrower or its contractor shall implement the work plan upon the State's written approval and according to the schedules contained therein. Changes or additions to the work plan may be submitted in writing and are subject to approval by the State. Changes to work plans without prior approval from the State, or performance of activities that are not part of an approved work plan or an amendment to a work plan, are considered ineligible expenses and may result in the Borrower being responsible for payment of unapproved activities.

XXVI. INELIGIBLE EXPENSES

Although the following costs may be related to the scope of work described in Appendix A, the following are ineligible for reimbursement under the loan:

Office equipment; software; insurance; taxes, except sales taxes; replacement or purchase of equipment; drinking water supply replacement, defined as but is not limited to, providing bottled water, constructing a new well, and extending or constructing a water supply system; operation and maintenance of long term response and due care activities; restoration of property or infrastructure, unless included in Appendix A; fees for attorneys or legal advice except for administrative or management costs directly related to implementing the loan; loan recipient staff time for application submittal; costs for eligible activities reimbursed under the Brownfield Redevelopment Financing Act, 1996 Public Act 381, as amended (Act 381); costs incurred for activities outside a State-approved work plan; labor overtime rates; and training.

Travel costs for either vehicle use or vehicle mileage will be reimbursed, but not both. Vehicle mileage will be reimbursed at a maximum of the federal rate allowed by the Internal Revenue Service at the time the costs are incurred.

Fees, such as those incurred for state or local permits; underground storage tank registration; late fees; or other fees may be eligible at the State's discretion. Other expenses may be determined ineligible in the course of invoice reviews.

XXVII. OTHER TERMS AND CONDITIONS

(A) Loan Administration costs are eligible for reimbursement in accordance with Appendix A. Loan administration costs will be limited to three percent (3%) of the total award amount.

(B) The State may withhold the loan until the State determines that the Borrower is able to proceed with the project scope described in Appendix A, pursuant to Part 196, Section 19612(3), of the NREPA.

(C) Following completion of the project, the State may conduct compliance inspections to determine whether the project is being maintained for the use specified in this Agreement.

(D) The Borrower acknowledges, by signature of this Agreement, that the State is not obligated to provide additional funding beyond the Agreement amount should additional environmental costs be necessary to complete the project.

(E) The Loan Recipient acknowledges by its signature of this Agreement that there have been no material changes in the economic development proposal, property ownership, or other conditions of

the property or project since the date the loan funds were awarded. If the proposed development changes, the Borrower shall immediately notify the State in writing.

(F) If necessary to allow for completion of the project, the Borrower and State may mutually agree to extend the term of the Agreement. Agreement extensions should be requested by the Borrower or the State in writing, prior to the Agreement end date. This Agreement may only be extended by a signed agreement between both parties.

XXVIII. SUCCESSOR PARTIES

At any time, the Borrower may substitute any affiliate or successor in interest after a merger or consolidation or other legal act that transfers fiduciary responsibility of the Borrower through receivership, etc. for this Agreement and all other documents related to the Loan. Similarly, any statutory successor or successor agency named in an Executive Order of the Governor may be substituted for the Department of Environment, Great Lakes, and Energy in this Agreement and all other documents related to the Loan. Each party shall notify the other in writing of a substitution under this section.

XXIX. LOAN TERMS

(A) The Borrower understands that regardless of any financial assurance agreement between the Borrower and the developer, the final line of security on all loans is state payments including state revenue sharing.

(B) Borrowers shall submit with the Loan application, a resolution that provides a formal commitment to take on and repay the loan. The resolution is attached to this Agreement as Appendix C.

(C) Loan repayments are made in equal annual installments of principal and interest beginning not later than five (5) years after the date of the first draw of the loan and concluding not later than 15 years after the first draw of the loan. Appendix B contains the Amortization Schedule for this Loan. There is no penalty for early repayment of the loan. If the loan is repaid in full prior to the Interest Start Date, no interest shall be charged on the loan principal.

(D) The interest rate established when the loan is executed will remain in effect throughout the term of the loan.

(E) Interest on approved loans is fixed and is calculated under simple interest terms, based on a 360-day year. Interest is charged on the remaining principal beginning five years from the Loan Execution Date. See the attached Amortization Schedule in Appendix B of this Agreement.

(F) Borrowers should deposit funds disbursed under a Brownfield Redevelopment Loan into a segregated account where the funds will not be commingled with other funds. Funds disbursed under a Brownfield Redevelopment Loan may be used solely for payment of expenses incurred under approved work plans.

(G) Any interest earned by the Borrower on loan funds disbursed for an approved work plan, shall be reported in each quarterly progress report with supporting documentation. The interest earned is

treated the same as the loan funds, and must be used for approved project costs. If interest earned is used for eligible project expenses, the borrower must provide copies of invoices and payment evidence for the interest as well as for the loan funds used.

XXX. REPAYMENTS/DELINQUENCY/DEFAULTS

(A) A Borrower may pay off a portion or the entire amount of the loan within the first five (5) years without interest or penalty. Any partial payments made during the first five (5) years of the term of the Loan will reduce the principal amount of the Loan subject to interest beginning in year six (6). If partial repayments are made during the first five (5) years, a new Amortization Schedule will be provided by the State to the Borrower reflecting those transactions and the new balance. No prepayment shall relieve the Borrower's obligation to make subsequent scheduled annual payments when due.

(B) The Borrower shall remit annual payments in accordance with the annual payment notice letter provided by the State.

(C) Annual payments unpaid 30 days after the annual due date can be considered delinquent.

(D) A loan can be considered in default when the annual payment remains unpaid 90 days after the annual due date.

(E) Upon default, the Department of Treasury can withhold from the Borrower state payments in amounts consistent with the repayment schedule of the Loan Agreement until the Loan is repaid.

If you need this information in an alternate format, contact EGLE-Accessibility@Michigan.gov or call 800-662-9278.

EGLE does not discriminate on the basis of race, sex, religion, age, national origin, color, marital status, disability, political beliefs, height, weight, genetic information, or sexual orientation in the administration of any of its programs or activities, and prohibits intimidation and retaliation, as required by applicable laws and regulations. Questions or concerns should be directed to the Nondiscrimination Compliance Coordinator at EGLE-NondiscriminationCC@Michigan.gov or 517-249-0906.

This form and its contents are subject to the Freedom of Information Act and may be released to the public.

APPENDIX A

Project Details			
Project Name and Address	Michigan Maple Block 1420 Standish Petoskey, MI 49770	Grantee / Borrower	City of Petoskey
Tracking Code	2023-2536	Location Code	6K23
Capital Investment	\$50,000,000	Jobs Created	10 full-time equivalent
Total Grant Funding	\$1,000,000	Total Loan Funding	\$1,000,000

PROJECT DESCRIPTION:

The grant and loan will be used to facilitate the redevelopment of a former wood block manufacturing facility near downtown Petoskey. The development will consist of a 200+ workforce and market-rate unit development. This mixed-use complex consists of eight residential buildings, one commercial building, a dog park, swimming pool, and river access to the Bear River with an extension of the non-motorized path called the Greenway link.

The property includes a former wood block manufacturing plant, believed to be the source of soil and groundwater contamination which pose a vapor intrusion risk to the future buildings. Grant and loan funding will be used to address contaminated soil and groundwater encountered during construction and install vapor mitigation systems in the new buildings.

ANTICIPATED SCOPE OF WORK / BUDGET: The scope of work will take place within the project boundaries identified in Figure 1 and includes the following activities to facilitate the safe reuse of the property:

1. Due care including, but not limited to, health and safety plans, preparation of Documentation of Due Care Compliance and/or Response Activity Plans, additional due care investigation, management of contaminated soil, soil excavation, transport and disposal, dewatering and disposal of contaminated groundwater, design, installation and commissioning of a vapor mitigation system(s), and specialized foundations.
2. To request closeout of the grant/loan, the Grantee must provide a comprehensive grant/loan closeout report in the format provided by EGLE. The report will include a summary of each activity completed under the grant/loan, relevant documentation, and any outstanding deliverables.
3. During the time of the grant funded activities, the Grantee is required to install a full color, 48" by 96" grommited vinyl sign, or equivalent, on the property displaying the Department of Environment, Great Lakes, and Energy (EGLE) logo. An image file with the sign design will be provided to the Grantee by the brownfield coordinator.

4. Grant/loan administration including, but not limited to grant management, tracking, and reporting activities by Grantee.
5. Contingency for unanticipated conditions that may be encountered during the performance of eligible activities. Contingency will not be utilized without authorization from EGLE.

PROJECT BUDGET		
Task	Grant	Loan
1. Due Care	\$800,000	\$850,000
2. EGLE Grant/Loan Closeout Report	\$5,000	\$0
3. EGLE Sign	\$500	\$0
4. Grant/Loan Administration (up to 3 percent of grant or loan amount)	\$44,500	\$0
5. Contingency (up to 15 percent of grant or loan amount)	\$150,000	\$150,000
Total	\$1,000,000	\$1,000,000

In addition to the broad budget items above, the grant and/or loan may be used for work plan and budget development, bid solicitation, technical specifications, oversight, project management, reporting and other task related activities approved by the EGLE brownfield coordinator. All grant- or loan-eligible work, including tasks not listed above, must be approved in advance. Work completed without an approved work plan may not be eligible for grant or loan reimbursement.

The grant and loan administration and EGLE sign budgets are approved upon signature of this agreement. Prior to the start of any other grant- or loan-eligible work, a work plan must be submitted to EGLE for review and approval.

A pre-approved budget amount for work plan development is provided that includes up to \$1,000 per work plan for site assessment work and up to \$2,500 per work plan for all other activities. If development of a work plan is expected to cost more than the pre-approved budgets, the anticipated cost to develop the work plan must be approved by the brownfield coordinator in advance, or the excess cost will not be eligible for reimbursement. Work plan development will be paid for under the appropriate budget items listed above.

Progress reports must be submitted quarterly even if no expenses were incurred during the quarter. Progress reports must include invoices for expenses incurred during the quarter.

Project deliverables for activities paid for by the grant and loan must be provided to EGLE throughout the course of the grant and loan. Deliverables may include, but are not limited to, bid documentation as required by the agreement, invoices and appropriate backup documentation for reimbursement, technical reports, and summaries of activities completed under the grant and loan (including dates, quantities, transport and/or disposal documentation, monitoring summaries, photos, logs, figures/as built drawings/site plans, data/analytical results, or other relevant documentation.) A copy of EGLE’s Brownfield Grant and Loan Deliverable Guidance will be provided during the Kick-Off Meeting or can be requested at any time.

Ten percent of the grant award or amount spent will be retained by EGLE until the project is complete, including receipt of all deliverables, closeout reporting, and documentation that the vapor mitigation system is fully commissioned and operating as designed.

SCHEDULE: The grant and loan administration will be conducted during the entire length of the agreement. Work under the contingency task will be completed as necessary. Following the start of the agreement, the remaining tasks are anticipated to be conducted in the timeframes described below.

Task #	Task	Schedule (Months following signed agreement)
1	Due Care Investigation	(Months 1-2)
1	Soil & Groundwater Management, Vapor Mitigation Design and Installation, Installation of Specialized Foundations	(Months 4-24)
1	Vapor Mitigation Performance Testing	(Months 24-36)
2	EGLE Grant/Loan Closeout Report	(Month 35-36)

A more detailed schedule for above tasks shall be provided by the Grantee within the project work plans.

**APPENDIX B
AMORTIZATION SCHEDULE**

APPENDIX C
LOCAL UNIT OF GOVERNMENT RESOLUTION



BOARD: City Council

MEETING DATE: September 11, 2023

PREPARED: September 7, 2023

AGENDA SUBJECT: Maple Block Flats Financial Incentives

RECOMMENDATION: Review and Discussion

Background The Maple Block Flats project with developer Great Lakes Capital, will be available for review and discussion of the current financials and proforma for the development.

Overview The documents for review include:

- Formal Ask Letter
- Updated Brownfield TIF Tables
- Updated Proforma

Action Discussion and feedback

sh
Enclosures

August 8th, 2023

Shane Horn
City Manager
City of Petoskey
101 East Lake Street
Petoskey, MI 49770

Shane,

We appreciate your support for our transformational, \$51+ Million apartment development in Petoskey. Per our recent discussion please find our “ask” of the city in regard to the city portion of incentives we are seeking. We would like to pursue a Residential Housing Facilities Act tax abatement on half of the development (102 Units). With the recently passed tax increment financing legislation (SB 129-132), there is an opportunity to add the “gap” created by the loss in income created by the AMI restricted units. This will allow us to better close the project’s gap in financial performance. In order for this to work, we are requesting a 30-year brownfield plan to reimburse our Brownfield Eligible Activity expenditures – projections indicate that such costs may not be fully reimbursed within the 30-year timeframe. In addition to this, we will continue to pursue state incentives (RAP, CRP, and Missing Middle funds) for the remaining offsets needed.

We already received a Land Bank award of \$1,000,000 along with a conditional approval of \$3,850,000 for the missing middle program. This missing middle award is contingent on us getting site plan approval and relevant incentives by September 30th from the city.

City Incentive Request

- Seeking 50% Tax Abatement on half of the development (Residential Housing Facilities Act)
 - Full Taxes are estimated at \$900,000, Total new taxes with abatement on 50% of units is \$675,000
- Brownfield Tax Increment Financing for reimbursement for environmental and non-environmental activities totaling \$27.3M over a **30-year period** (separate attachment).
 - Brownfield plan includes \$4.2M for public infrastructure which will include the construction of a 10’ wide bicycle path along Standish Avenue among other priority Projects that Petoskey wishes to pursue.
 - Reimbursement will be split between the developer and City, 85% and 15% respectively.
- Brownfield Tax Increment Financing of \$9.3M for reimbursement for affordable housing gap (Senate Bill 129-132)
 - The burden of AMI units is calculated by rent growth at 3% (historical AMI growth) falls short of the market rent growth of 4% and over 12 years is approximately \$6,000,000

- EGLE Loan of \$1M
 - Great Lakes Capital will provide Guarantee/Letter of Credit

GLC Commitment

- 204 Unit Multifamily Investment of over \$51 million in the City of Petoskey which is inclusive of extensive environmental clean-up.
- 50% (approx. 102 units) will be designated AMI restricted units (80-120%) for a term of 12 years (the term of the Residential Housing Facilities Act)
- Units will not be permitted for AirBNB style short-term rentals.
- Easement granted to the City of Petoskey for construction of a bridge across the Bear River on the south end of the property and 10' wide bicycle path along Standish Avenue.

Estimated Monthly Rental Range: (Market and 80%-120% AMI)

- 1 Bedroom: \$1,275 - \$1,550+
- 2 Bedroom: \$1,575 - \$2,100+

Emmet Co AMI Rates Adjusted for Utility Allowance		
AMI	1 Bedroom	2 Bedroom
80%	\$ 1,079	\$ 1,275
100%	\$ 1,391	\$ 1,649
120%	\$ 1,703	\$ 2,024

We look forward to discussing this approach with you. A copy of our current site plan and a summary of the brownfield plan are attached to this letter for your reference.

Sincerely,

Jeff Smoke
 Managing Director and Principal
 Great Lakes Capital

BROWNFIELD PLAN SUMMARY MAPLE BLOCK FLATS

The following is a summary of the key elements of the proposed Brownfield Plan for Maple Block Flats.

- The Brownfield Plan includes Eligible Activity budgets for Environmental, Non-Environmental, and Housing Eligible Activities, as shown in Table 1.
- An EGLE Brownfield Grant for Environmental Eligible Activities and a Blight Elimination Grant (already awarded) for asbestos abatement and demolition will reduce the Brownfield obligation for reimbursement from Brownfield Tax Increment Financing (TIF) revenues.
- Recent amendments to Act 381 provide reimbursement for the financial gap between costs and revenues for residential units for households of <120% Average Median Income (AMI). This is a critical tool to close the financing gap for the project.
- The tax increment revenues generated by the \$51+ million investment will likely not fully reimburse the Brownfield Eligible Activity budget expenses within the 30-year timeframe of the Brownfield Plan.
- The Brownfield Eligible Activity budget is conservative and actual expenses will likely be less but cannot be greater than the Brownfield Plan budget. Reimbursement is based on actual expenses from revenues based on actual taxable value and actual millage rates.
- The Reimbursement Schedule assumes a Residential Housing Facility Act abatement on 50% of the overall project for 50% of the taxable value, for a net abatement of 25%.
- The total capture over the 30-year period based on the conservative Eligible Activity budget is significant – principal and interest totaling over \$27 million. The City’s share is 25.37% of that total, approximately \$7.1 million, leveraging 74.63% from outside sources, including 46.29% from the State. The allocation between taxing jurisdictions is estimated in Table 3.
- Interest costs are based on a 15-year term, while Eligible Activities will likely be reimbursed over 30 years.

- Public Schools of Petoskey and the Char – Em ISD are made whole through the State Education Fund for Brownfield TIF capture for the School Operating Tax and ISD millage. However, the Petoskey Schools Sinking Fund is subject to capture.

Environmental	\$	3,653,000
Non-Environmental	\$	10,094,900
Public Infrastructure	\$	4,217,565
Affordable Housing Gap	\$	9,301,000
Total Brownfield TIF	\$	27,266,465

Inclusive of Interest

Project Site Plan



RESIDENTIAL USE AREA PHASE I:

1. (4) PROPOSED 3-STORY BUILDINGS, WITH: 24 APARTMENT UNITS EACH BUILDING.
2. (3) PROPOSED 3-STORY BUILDINGS, WITH: 36 APARTMENT UNITS EACH BUILDING.
3. 204 PROPOSED RESIDENTIAL UNITS TOTAL (1.5 PARKING SPACES PER UNIT).
4. PROPOSED CLUB HOUSE, LEASING OFFICE AND POOL.
5. PROPOSED PRIVATE RESIDENT USE PARK.
6. PROPOSED MAINTENANCE BUILDING AND TRANSFER STATION.

COMMERCIAL USE AREA PHASE II:

1. PROPOSED COMMERCIAL USE AREA.

REVISIONS	DATE	BY	DESCRIPTION	APPROVED	DATE	BY	DESCRIPTION	APPROVED	DATE

Great Lakes Capital
MAPLE BLOCK, A PROPOSED PUD
SITE PLAN EXHIBIT
 Section 7, Town 34 North, Range 5 West
 City of Potosi, Street County, Michigan

Mansfield
 Land Use Consultants

639 Compton Dr., Ste 211
 P.O. Box 413
 Taylor, MI 48180
 Phone: 248-946-5212
 www.mansfield.com
 info@mansfield.com

DRAFT ESTIMATES ONLY

Petoskey, MI

Maple Block Flats

August 8th, 2023

Project Financial Gap Analysis

50% tax abatement on entire development

Source of Funds	
Developer (equity and loan)	\$ 37,971,852
RAP Grant	\$ 2,250,000
Missing Middle Grant	\$ 3,850,000
MEDC Grant	\$ 750,000
MEDC Loan	\$ 3,000,000
EGLE Loan	\$ 1,000,000
EGLE Grant	\$ 1,000,000
Blight Grant	\$ 1,000,000
Total Sources	\$ 50,821,852
Use of Funds	
Total Project Costs	\$ 50,821,852

Value Assumptions	
Net Operating Income - Stabilized (after RE taxes)	\$ 1,868,310
Development Costs	\$ 50,821,852
Current Yield on Cost	3.68%
Target Yield on Cost	6.75%
Development Costs to Meet Target Yield	\$ 27,678,672
Cost Reduction Needed (Financial Gap)	\$ 23,143,180

Grants	\$ 8,850,000
Financial Gap	\$ 14,293,180

TIF Value (Net Present Value)	\$ (9,070,405)
(Environmental and NON environmental + GAP)	
NPV of Tax Abatement	\$ (2,407,180)

Remaining Financial Gap	\$ 2,815,595
--------------------------------	---------------------

Underwriting Assumptions		
	<u>Avg SF</u>	<u>Rent/SF</u>
Multifamily Income	877	\$ 1.80
Net Operating Income		
Multifamily Income (w/ 5% Vacancy)	\$	3,577,113
Misc. Income	\$	347,179
Gross Effective Income	\$	3,924,292
Expenses before Taxes	\$	(1,155,981)
Net Operating Income	Year #1	\$ 2,768,310
Property Tax Estimate (Market Rate Units)	\$	(675,000)
Replacement Reserves	\$	(48,000)
Net Operating Income After Taxes	\$	2,045,310
TIF Reimbursement	\$	487,852
Net Operating Income + TIF	\$	2,533,162
Yield on Cost w/ Incentives		6.04%

Notes:

Overage mitigated with lower cost or increased NOI

Taxes estimated at \$4,412 per unit (current land taxes around \$28,000)

Total # of units: 204

DSC Year One stabilized 1.30

50% units 80-120% AMI Commitment

TIF Value includes \$6,000,000 GAP financing

Blight & EGLE Grant Approved. Missing Middle Grant has Contingent Approval

Maple Block Flats			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
Income Growth			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Gross Possible Income	\$	3,924,292	\$3,924,292	\$4,042,020	\$4,163,281	\$4,288,179	\$4,416,825	\$4,549,330	\$4,685,810	\$4,826,384	\$4,971,175	\$5,120,311		
Effective Gross Income			3,924,292	4,042,020	4,163,281	4,288,179	4,416,825	4,549,330	4,685,810	4,826,384	4,971,175	5,120,311		
Expense Growth			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%		
Payroll		284,600	284,600	293,138	301,932	310,990	320,320	329,929	339,827	350,022	360,523	371,338		
Admin Expenses		188,458	188,458	194,112	199,935	205,933	212,111	218,475	225,029	231,780	238,733	245,895		
Utilities		236,085	236,085	243,167	250,462	257,976	265,715	273,687	281,898	290,354	299,065	308,037		
Building Maintenance		116,542	116,542	120,038	123,640	127,349	131,169	135,104	139,157	143,332	147,632	152,061		
Grounds Expenses		105,296	105,296	108,455	111,709	115,060	118,512	122,067	125,729	129,501	133,386	137,388		
Insurance		225,000	225,000	231,750	238,703	245,864	253,239	260,837	268,662	276,722	285,023	293,574		
Total Operating Expenses less taxes			29.5%	1,155,981	1,155,981	1,190,661	1,226,381	1,263,172	1,301,067	1,340,099	1,380,302	1,421,711	1,464,363	1,508,293
Taxes (On market Rate units, 25% of total)		675,000	675,000	\$ 695,250	\$ 716,108	\$ 737,591	\$ 759,718	\$ 782,510	\$ 805,985	\$ 830,165	\$ 855,070	\$ 880,722		
Total Operating Expenses w taxes			46.7%	1,830,981	1,830,981	1,885,911	1,942,488	2,000,763	2,060,786	2,122,609	2,186,288	2,251,876	2,319,432	2,389,015
Net Operating Income			2,093,310	2,156,110	2,220,793	2,287,417	2,356,039	2,426,720	2,499,522	2,574,508	2,651,743	2,731,295		
TIF Reimbursement	\$	487,852	\$ 495,169	\$ 502,597	\$ 510,136	\$ 517,788	\$ 525,555	\$ 533,438	\$ 541,440	\$ 549,561	\$ 557,805			
Replacement Reserves		48,000	49,440	50,923	52,451	54,024	55,645	57,315	59,034	60,805	62,629			
Net Cash Flow Before Debt Service			2,533,162	2,601,839	2,672,467	2,745,102	2,819,803	2,896,630	2,975,645	3,056,914	3,140,499	3,226,471		
Cash Flow after Senior Debt			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
Principal	\$	289,219	\$ 307,822	\$ 327,622	\$ 348,695	\$ 371,124	\$ 394,995	\$ 420,402	\$ 447,443	\$ 476,223	\$ 506,855			
Interest	\$	1,534,415	\$ 1,515,812	\$ 1,496,012	\$ 1,474,939	\$ 1,452,510	\$ 1,428,639	\$ 1,403,232	\$ 1,376,191	\$ 1,347,411	\$ 1,316,779			
Total Debt Service	\$	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634	1,823,634		
Cash Flow	\$	709,528	778,205	848,833	921,468	996,169	1,072,996	1,152,012	1,233,280	1,316,865	1,402,837			
Senior Debt DSCR			1.39	1.43	1.47	1.51	1.55	1.59	1.63	1.68	1.72	1.77		
Cash Flow After MEDC Loan														
Principal	\$	86,185	\$ 87,050	\$ 87,925	\$ 88,808	\$ 89,700	\$ 90,601	\$ 91,512	\$ 92,431	\$ 93,360	\$ 94,297			
Interest	\$	29,606	\$ 28,740	\$ 27,865	\$ 26,982	\$ 26,090	\$ 25,189	\$ 24,279	\$ 23,359	\$ 22,431	\$ 21,493			
Total Debt Service	\$	115,790	115,790	115,790	115,790	115,790	115,790	115,790	115,790	115,790	115,790	115,790		
Cash Flow	\$	593,738	662,414	733,043	805,678	880,379	957,206	1,036,221	1,117,490	1,201,075	1,287,047			
Cash Flow After EGLE Loan														
Principal							\$ 93,390	\$ 94,801	\$ 96,232	\$ 97,686	\$ 99,161			
Interest							\$ 14,360	\$ 12,949	\$ 11,517	\$ 10,064	\$ 8,588			
Total Debt Service	\$	-	-	-	-	-	107,750	107,750	107,750	107,750	107,750	107,750		
Cash Flow	\$	593,738	662,414	733,043	805,678	880,379	849,456	928,472	1,009,740	1,093,325	1,179,297			
Total Debt Service														
Principal	\$	375,404	\$ 394,873	\$ 415,547	\$ 437,503	\$ 460,824	\$ 578,987	\$ 606,714	\$ 636,106	\$ 667,269	\$ 700,314			
Interest	\$	1,564,021	\$ 1,544,552	\$ 1,523,877	\$ 1,501,921	\$ 1,478,600	\$ 1,468,187	\$ 1,440,460	\$ 1,411,068	\$ 1,379,905	\$ 1,346,860			
Total Debt Service	\$	1,939,424	1,939,424	1,939,424	1,939,424	1,939,424	2,047,174	2,047,174	2,047,174	2,047,174	2,047,174	2,047,174		
Cash Flow After Debt Service	\$	593,738	662,414	733,043	805,678	880,379	849,456	928,472	1,009,740	1,093,325	1,179,297			
Overall DSCR			1.31	1.34	1.38	1.42	1.45	1.41	1.45	1.49	1.53	1.58		

Table 1.1 EGLE Environmental Eligible Activities Costs MICHIGAN MAPLE BLOCK REDEVELOPMENT EMMET COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY					
EGLE Environmental Eligible Activities	Cost	EGLE Grant	EGLE Loan*	Other Sources - RRC	Brownfield TIF Balance
Department Specific Activities					
BEA Activities					
Phase I ESA	\$3,000			\$3,000	
Phase II ESA	\$30,000			\$30,000	
Baseline Environmental Assessment	\$5,000			\$5,000	
<i>Subtotal</i>	\$38,000	\$0		\$38,000	\$0
Due Care Activities					
Due Care Investigation	\$100,000		\$100,000	\$0	\$100,000
Section 7A Compliance Analysis	\$5,000		\$5,000	\$0	\$5,000
Due Care Measures				\$0	\$0
Soil Removal, Transport and Disposal	\$1,510,000	\$410,000	\$445,000		\$1,100,000
Dewatering Effluent Treatment	\$65,000				\$65,000
Vapor Mitigation	\$1,210,000	\$300,000	\$300,000		\$910,000
Engineering Controls	\$0	\$0		\$0	\$0
<i>Subtotal</i>	\$2,890,000	\$710,000	\$850,000	\$0	\$2,180,000
Subtotal	\$2,928,000	\$710,000	\$850,000	\$38,000	\$2,180,000
Contingency (15%)	\$439,200				\$327,000
EGLE Eligible Activities Subtotal	\$3,367,200	\$710,000	\$850,000	\$38,000	\$2,507,000
Interest (5% for 15 Years)	\$1,499,000				\$1,116,000
Brownfield Plan/Act 381 Work Plan Preparation	\$15,000				\$15,000
Brownfield Plan/Act 381 Work Plan Implementation	\$15,000				\$15,000
EGLE Environmental Eligible Activities Total Costs	\$4,896,200	\$710,000	\$850,000	\$38,000	\$3,653,000

Administrative and Operation Costs \$50,000

***EGLE Loan will be reimbursed through Brownfield TIF**

Table 1.2 MSF Non-Environmental Eligible Activities Costs MICHIGAN MAPLE BLOCK REDEVELOPMENT EMMET COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY					
MSF Non-Environmental Eligible Activities	Cost	EGLE Loan	Blight Elimination Grant	Other Sources - LBRF	Brownfield TIF Balance
Lead, Asbestos, Mold Abatement					
Survey	\$16,300			\$16,300	\$16,300
Monitoring	\$50,000		\$20,000		\$30,000
Abatement	\$300,000		\$260,000		\$40,000
<i>Subtotal</i>	\$366,300	\$0	\$280,000	\$16,300	\$86,300
Demolition					
Site Demolition	\$184,380		\$184,380		\$0
Building Demolition	\$1,150,000		\$470,050		\$679,950
<i>Subtotal</i>	\$1,334,380	\$0	\$654,430	\$0	\$679,950
Site Preparation					
Clearing and Grubbing	\$3,000				\$3,000
Compaction and Sub-Base Preparatin	\$569,000				\$569,000
Excavation for Unstable Soils	\$690,500				\$690,500
Fill	\$200,100				\$200,100
Special Foundations	\$2,100,000	\$300,000			\$2,100,000
Geotechnical Engineering	\$35,000			\$15,000	\$35,000
Grading and Land Balancing	\$223,750				\$223,750
Relocation of Active Utilities	\$50,000				\$50,000
Staking	\$10,000				\$10,000
Temporary Facilities, Site Control, Protection	\$50,000				\$50,000
Engineering Costs	\$393,135				\$393,135
<i>Subtotal</i>	\$4,324,485	\$300,000		\$15,000	\$4,324,485
Private Infrastructure Improvements					
Vertical, underground, or integrated parking	\$0				\$0
Urban stormwater management system -traditional	\$485,500				\$485,500
Road Driveway Entrances in Public ROW	\$37,000				\$37,000
Water / Wastewater Improvements - Public	\$419,000				\$419,000
Engineering Costs	\$48,550				\$48,550
<i>Subtotal</i>	\$990,050	\$0		\$0	\$990,050
Private MSF Eligible Activities Sub-Total	\$7,015,215	\$300,000	\$934,430	\$31,300	\$6,080,785
Contingency (15%)	\$1,052,280		\$140,165		\$912,115
Private MSF Eligible Activities SubTotal	\$8,067,495	\$300,000	\$1,074,595	\$31,300	\$6,992,900
Interest (5% for 15 years)	\$3,592,000		\$515,000		\$3,077,000
Private MSF Eligible Activities Total	\$11,659,495	\$300,000	\$1,589,595	\$31,300	\$10,069,900
Brownfield Plan/Act 381 Work Plan Preparation					
	\$25,000				\$25,000
Brownfield Plan/Act 381 Work Plan Implementation					
Private MSF Eligible Activities Total	\$11,684,495	\$0		\$0	\$10,094,900
Public Infrastructure Improvements (Public ROW Only)					
Non-Motorized Trails	\$2,000,000				\$2,000,000
Sidewalks	\$130,000				\$130,000
Landscaping	\$50,000				\$50,000
Lighting	\$30,000				\$30,000
Engineering Costs	\$193,375				\$193,375
<i>Subtotal</i>	\$2,403,375	\$0		\$0	\$2,403,375
MSF Non-Environmental Eligible Activities Sub-Total	\$2,403,375	\$0		\$0	\$2,403,375
Contingency (15%)	\$360,505	\$0		\$0	\$360,505
Public MSF Eligible Activities SubTotal	\$2,763,880	\$0		\$0	\$2,763,880
Interest (5% for 15 years)	\$1,453,685				\$1,453,685
Public MSF Eligible Activities Total	\$4,217,565	\$0		\$0	\$4,217,565
Brownfield Plan/Act 381 Work Plan Preparation					
Brownfield Plan/Act 381 Work Plan Implementation					
MSF Non-Environmental Eligible Activities Total Costs	\$15,917,061	\$300,000	\$1,589,595	\$31,300	\$14,327,465
Adminstrative and Operation Costs	\$100,000				\$100,000

*EGLE Loan and LBRF will be reimbursed through Brownfield TIF

Table 1.3 MSHDA Housing Eligible Activities Costs MICHIGAN MAPLE BLOCK REDEVELOPMENT EMMET COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY	
MSHDA Housing Eligible Activities	Cost
Financing Gap	
<i>Financing Gap between Development and Qualified Income</i>	\$6,000,000
<i>Subtotal</i>	\$6,000,000
Private MSHDA Eligible Activities Sub-Total	\$6,000,000
Contingency (15%)	\$600,000
Brownfield Plan/Act 381 Work Plan Preparation	\$15,000
Private MSHDA Eligible Activities SubTotal	\$6,615,000
Interest (5% for 15 years)	\$2,671,000
Private MSHDA Eligible Activities Total	\$9,286,000
Brownfield Plan/Act 381 Work Plan Implementation	\$15,000
City MSF Eligible Activities Total	\$15,000
MSHDA Eligible Activities Total Costs	\$9,301,000
ECBRA Administrative and Operating Costs	\$100,000

**Table 2.1 - Annual Revenue and Brownfield Capture Estimates
Former Michigan Maple Block Redevelopment
Emmet County Brownfield Redevelopment Authority**

Plan Year	Res Housing Ends																			
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039			
Percentage Non-Homestead	100.00%																			
Estimated Taxable Value (TV) Increase Rate:	1.50%																			
Revenue Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039			
*Base Taxable Value	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680	\$ 442,680			
*Base Taxable Value - Land	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000			
*Base Taxable Value - Building	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680	\$ 242,680			
*Land Value	\$ 200,000	\$ 203,000	\$ 206,045	\$ 209,136	\$ 212,273	\$ 215,457	\$ 218,689	\$ 221,969	\$ 225,299	\$ 228,678	\$ 232,108	\$ 235,590	\$ 239,124	\$ 242,710	\$ 246,351	\$ 250,046	\$ 253,797			
Annual Value Additions \$	33,000,000	\$ -	\$ 16,500,000	\$ 16,500,000																
Cumulative Value Additions	\$ -	\$ -	\$ 16,500,000	\$ 33,247,500	\$ 33,746,213	\$ 34,252,406	\$ 34,766,192	\$ 35,287,685	\$ 35,817,000	\$ 36,354,255	\$ 36,899,569	\$ 37,453,062	\$ 38,014,858	\$ 38,585,081	\$ 39,163,857	\$ 39,751,315	\$ 40,347,585			
Estimated New TV	\$ 442,680	\$ 442,680	\$ 8,692,680	\$ 17,066,430	\$ 17,315,786	\$ 17,568,883	\$ 17,825,776	\$ 18,086,522	\$ 18,351,180	\$ 18,619,807	\$ 18,892,464	\$ 19,169,211	\$ 19,450,109	\$ 19,735,221	\$ 20,024,609	\$ 20,318,338	\$ 20,616,472			
Incremental Difference (New TV - Base TV)	\$ -	\$ -	\$ 8,250,000	\$ 16,623,750	\$ 16,873,106	\$ 17,126,203	\$ 17,383,096	\$ 17,643,842	\$ 17,908,500	\$ 18,177,127	\$ 18,449,784	\$ 18,726,531	\$ 19,007,429	\$ 19,292,541	\$ 19,581,929	\$ 19,875,658	\$ 20,173,792			
Base Taxes - State	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624	\$ 10,624			
Base Taxes - Local (w/out CAPS debt)	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276	\$ 12,276			
Base Taxes - Total	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900	\$ 22,900			
State Capture w/out NEZ	\$ -	\$ -	\$ 198,000	\$ 398,970	\$ 404,955	\$ 411,029	\$ 417,194	\$ 423,452	\$ 429,804	\$ 436,251	\$ 442,795	\$ 449,437	\$ 456,178	\$ 463,021	\$ 469,966	\$ 477,016	\$ 484,171			
Local Capture w/out NEZ	\$ -	\$ -	\$ 426,781	\$ 859,963	\$ 872,863	\$ 885,956	\$ 899,245	\$ 912,734	\$ 926,425	\$ 940,321	\$ 954,426	\$ 968,742	\$ 983,273	\$ 998,022	\$ 1,012,993	\$ 1,028,188	\$ 1,043,610			
Total Capture	\$ -	\$ -	\$ 426,781	\$ 859,963	\$ 872,863	\$ 885,956	\$ 899,245	\$ 912,734	\$ 926,425	\$ 940,321	\$ 954,426	\$ 968,742	\$ 983,273	\$ 998,022	\$ 1,012,993	\$ 1,028,188	\$ 1,043,610			
State Taxes w/out NEZ	\$ -	\$ 10,624	\$ 208,624	\$ 409,594	\$ 415,579	\$ 421,653	\$ 427,819	\$ 434,077	\$ 440,428	\$ 446,875	\$ 453,419	\$ 460,061	\$ 466,803	\$ 473,645	\$ 480,591	\$ 487,640	\$ 494,795			
Local Taxes w/out NEZ	\$ -	\$ 12,703	\$ 249,445	\$ 489,738	\$ 496,894	\$ 504,157	\$ 511,528	\$ 519,011	\$ 526,605	\$ 534,314	\$ 542,138	\$ 550,080	\$ 558,140	\$ 566,322	\$ 574,626	\$ 583,055	\$ 591,610			
Total Taxes	\$ -	\$ 23,327	\$ 458,069	\$ 899,333	\$ 912,473	\$ 925,810	\$ 939,347	\$ 953,087	\$ 967,034	\$ 981,189	\$ 995,557	\$ 1,010,141	\$ 1,024,943	\$ 1,039,967	\$ 1,055,217	\$ 1,070,695	\$ 1,086,406			
Res Housing Tax Abatement - State	25% SET/School Operating	\$0	\$0	\$49,500	\$99,743	\$101,239	\$102,757	\$104,299	\$105,863	\$107,451	\$109,063	\$110,699	\$112,359	\$114,045						
Res Housing Tax Abatement - Local	25%	\$0	\$0	\$57,195	\$115,248	\$116,977	\$118,732	\$120,513	\$122,320	\$124,155	\$126,017	\$127,908	\$129,826	\$131,774						
Res Housing Tax Abatement - Total		\$0	\$0	\$106,695	\$214,991	\$218,216	\$221,489	\$224,811	\$228,183	\$231,606	\$235,080	\$238,606	\$242,186	\$245,818						
Net Capture - State		\$ -	\$ -	\$ 148,500	\$ 299,228	\$ 303,716	\$ 308,272	\$ 312,896	\$ 317,589	\$ 322,353	\$ 327,188	\$ 332,096	\$ 337,078	\$ 342,134	\$ 463,021	\$ 469,966	\$ 477,016	\$ 484,171		
Net Capture - Local		\$ -	\$ -	\$ 171,586	\$ 345,745	\$ 350,931	\$ 356,195	\$ 361,538	\$ 366,961	\$ 372,465	\$ 378,052	\$ 383,723	\$ 389,479	\$ 395,321	\$ 535,001	\$ 543,026	\$ 551,172	\$ 559,439		
Net Capture Total		\$ -	\$ -	\$ 320,086	\$ 644,972	\$ 654,647	\$ 664,467	\$ 674,434	\$ 684,550	\$ 694,818	\$ 705,241	\$ 715,819	\$ 726,557	\$ 737,455	\$ 998,022	\$ 1,012,993	\$ 1,028,188	\$ 1,043,610		
Total School Revenue	Millage Rate	45.54%	24.0000	\$ 10,624	\$ 10,624	\$ 159,124	\$ 309,852	\$ 314,340	\$ 318,896	\$ 323,520	\$ 328,213	\$ 332,977	\$ 337,813	\$ 342,720	\$ 347,702	\$ 352,758	\$ 473,645	\$ 480,591	\$ 487,640	\$ 494,795
Total Local Revenue	Millage Rate	54.46%	28.6960	\$ 12,703	\$ 12,703	\$ 192,250	\$ 374,490	\$ 379,917	\$ 385,425	\$ 391,016	\$ 396,690	\$ 402,450	\$ 408,297	\$ 414,230	\$ 420,253	\$ 426,367	\$ 566,322	\$ 574,626	\$ 583,055	\$ 591,610
Total Revenue	Millage Rate		52.6960	\$ 23,327	\$ 23,327	\$ 351,374	\$ 684,342	\$ 694,257	\$ 704,321	\$ 714,536	\$ 724,904	\$ 735,428	\$ 746,109	\$ 756,951	\$ 767,955	\$ 779,125	\$ 1,039,967	\$ 1,055,217	\$ 1,070,695	\$ 1,086,406
School Capture	Millage Rate		46.39%																	
State Education Tax (SET)	25.00%	6.0000	\$ -	\$ -	\$ 37,125	\$ 74,807	\$ 75,929	\$ 77,068	\$ 78,224	\$ 79,397	\$ 80,588	\$ 81,797	\$ 83,024	\$ 84,269	\$ 85,533	\$ 115,755	\$ 117,492	\$ 119,254	\$ 121,043	
School Operating Tax	75.00%	18.0000	\$ -	\$ -	\$ 111,375	\$ 224,421	\$ 227,787	\$ 231,204	\$ 234,672	\$ 238,192	\$ 241,765	\$ 245,391	\$ 249,072	\$ 252,808	\$ 256,600	\$ 347,266	\$ 352,475	\$ 357,762	\$ 363,128	
School Total		24.0000	\$ -	\$ -	\$ 148,500	\$ 299,228	\$ 303,716	\$ 308,272	\$ 312,896	\$ 317,589	\$ 322,353	\$ 327,188	\$ 332,096	\$ 337,078	\$ 342,134	\$ 463,021	\$ 469,966	\$ 477,016	\$ 484,171	
Local Capture	Millage Rate		53.61%																	
CITY																				
General Operating	26.07%	7.2306	\$ -	\$ -	\$ 44,739	\$ 90,150	\$ 91,502	\$ 92,875	\$ 94,268	\$ 95,682	\$ 97,117	\$ 98,574	\$ 100,052	\$ 101,553	\$ 103,076	\$ 139,497	\$ 141,589	\$ 143,713	\$ 145,869	
Right of Way	13.43%	3.7233	\$ -	\$ -	\$ 23,038	\$ 46,421	\$ 47,118	\$ 47,824	\$ 48,542	\$ 49,270	\$ 50,009	\$ 50,759	\$ 51,521	\$ 52,293	\$ 53,078	\$ 71,832	\$ 72,909	\$ 74,003	\$ 75,113	
Library	2.92%	0.8103	\$ -	\$ -	\$ 5,014	\$ 10,103	\$ 10,254	\$ 10,408	\$ 10,564	\$ 10,723	\$ 10,883	\$ 11,047	\$ 11,212	\$ 11,381	\$ 11,551	\$ 15,633	\$ 15,867	\$ 16,105	\$ 16,347	
Library (Voted)	3.24%	0.8991	\$ -	\$ -	\$ 5,563	\$ 11,210	\$ 11,378	\$ 11,549	\$ 11,722	\$ 11,898	\$ 12,076	\$ 12,257	\$ 12,441	\$ 12,628	\$ 12,817	\$ 17,346	\$ 17,606	\$ 17,870	\$ 18,138	
Refuse Clean Up	1.76%	0.4890	\$ -	\$ -	\$ 3,026	\$ 6,097	\$ 6,188	\$ 6,281	\$ 6,375	\$ 6,471	\$ 6,568	\$ 6,666	\$ 6,766	\$ 6,868	\$ 6,971	\$ 9,434	\$ 9,576	\$ 9,719	\$ 9,865	
COUNTY	0.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operating	17.49%	4.8500	\$ -	\$ -	\$ 30,009	\$ 60,469	\$ 61,376	\$ 62,297	\$ 63,231	\$ 64,179	\$ 65,142	\$ 66,119	\$ 67,111	\$ 68,118	\$ 69,140	\$ 93,569	\$ 94,972	\$ 96,397	\$ 97,843	
CCE/911	0.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Senior Citizens	1.80%	0.5000	\$ -	\$ -	\$ 3,094	\$ 6,234	\$ 6,327	\$ 6,422	\$ 6,519	\$ 6,616	\$ 6,716	\$ 6,816	\$ 6,919	\$ 7,022	\$ 7,128	\$ 9,646	\$ 9,791	\$ 9,938	\$ 10,087	
Medical Care Facility	0.89%	0.2463	\$ -	\$ -	\$ 1,524	\$ 3,071	\$ 3,117	\$ 3,164	\$ 3,211	\$ 3,259	\$ 3,308	\$ 3,358	\$ 3,408	\$ 3,459	\$ 3,511	\$ 4,752	\$ 4,823	\$ 4,895	\$ 4,969	
Ambulance & Emergency	2.43%	0.6739	\$ -	\$ -	\$ 4,170	\$ 8,402	\$ 8,528	\$ 8,656	\$ 8,786	\$ 8,918	\$ 9,051	\$ 9,187	\$ 9,325	\$ 9,465	\$ 9,607	\$ 13,001	\$ 13,196	\$ 13,394	\$ 13,595	
GREENWOOD CEMETERY	2.19%	0.6074	\$ -	\$ -	\$ 3,758	\$ 7,573	\$ 7,687	\$ 7,802	\$ 7,919	\$ 8,038	\$ 8,158	\$ 8,281	\$ 8,405	\$ 8,531	\$ 8,659	\$ 11,718	\$ 11,894	\$ 12,072	\$ 12,254	
PETOSKEY AREA SCHOOLS SINKING FUND	5.18%	1.4371	\$ -	\$ -	\$ 8,892	\$ 17,917	\$ 18,186	\$ 18,459	\$ 18,736	\$ 19,017	\$ 19,302	\$ 19,592	\$ 19,886	\$ 20,184	\$ 20,487	\$ 27,725	\$ 28,141	\$ 28,563	\$ 28,992	
NCMC	7.20%	1.9958	\$ -	\$ -	\$ 12,349	\$ 24,883	\$ 25,257	\$ 25,635	\$ 26,020	\$ 26,410	\$ 26,806	\$ 27,208	\$ 27,617	\$ 28,031	\$ 28,451	\$ 38,504	\$ 39,082	\$ 39,668	\$ 40,263	
ISD	15.39%	4.2682	\$ -	\$ -	\$ 26,409	\$ 53,215	\$ 54,013	\$ 54,824	\$ 55,646	\$ 56,481	\$ 57,328	\$ 58,188	\$ 59,061	\$ 59,946	\$ 60,846	\$ 82,344	\$ 83,580	\$ 84,833	\$ 86,106	
Local Total	100.00%	27.7310	\$ -	\$ -	\$ 171,586	\$ 345,745	\$ 350,931	\$ 356,195	\$ 361,538	\$ 366,961	\$ 372,465	\$ 378,052	\$ 383,723	\$ 389,479	\$ 395,321	\$ 535,001	\$ 543,026	\$ 551,172	\$ 559,439	
Total Capture	Millage Rate																			
TOTAL		51.7310	\$ -	\$ -	\$ 320,086	\$ 644,972	\$ 654,647	\$ 664,467	\$ 674,434	\$ 684,550	\$ 694,818	\$ 705,241	\$ 715,819	\$ 726,557	\$ 737,455	\$ 998,022	\$ 1,012,993	\$ 1,028,188	\$ 1,043,610	
Non-Capturable Millages	Millage Rate																			
CCE/911	0.1150	\$ -	\$ -	\$ 949	\$ 1,912	\$ 1,940	\$ 1,970	\$ 1,999	\$ 2,029	\$ 2,059	\$ 2,090	\$ 2,122	\$ 2,154	\$ 2,186	\$ 2,219	\$ 2,252	\$ 2,286	\$ 2,320		
Petoskey Schools Debt	0.8500	\$ -	\$ -	\$ 7,013	\$ 14,130	\$ 14,342	\$ 14,557	\$ 14,776	\$ 14,997	\$ 15,222	\$ 15,451	\$ 15,682	\$ 15,918	\$ 16,156	\$ 16,399	\$ 16,645	\$ 16,894	\$ 17,148		
		\$ -	\$ -	\$ 7,961	\$ 16,042	\$ 16,283	\$ 16,527	\$ 16,775	\$ 17,026	\$ 17,282	\$ 17,541	\$ 17,804	\$ 18,071	\$ 18,342	\$ 18,617	\$ 18,897	\$ 19,180	\$ 19,468		
		52.5810																		

**Table 2.1 - Annual Revenue and Brownfield Capture Estimates
Former Michigan Maple Block Redevelopment
Emmet County Brownfield Redevelopment Authority**

Percentage Non-Homestead Estimated Taxable Value (TV) Increase Rate:	100.00% 1.50%	Plan Year															
		16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Revenue Year		2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	
*Base Taxable Value	\$	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	442,680	
*Base Taxable Value - Land	\$	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	
*Base Taxable Value - Building	\$	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	242,680	
*Land Value	\$	257,604	261,468	265,390	269,371	273,412	277,513	281,675	285,901	290,189	294,542	298,960	303,444	307,996	312,616	317,305	
Annual Value Additions \$	33,000,000																
Cumulative Value Additions	\$	40,952,799	41,567,091	42,190,597	42,823,456	43,465,808	44,117,795	44,779,562	45,451,255	46,133,024	46,825,019	47,527,395	48,240,306	48,963,910	49,698,369	50,443,844	
Estimated New TV	\$	20,919,079	21,226,225	21,537,978	21,854,408	22,175,584	22,501,577	22,832,461	23,168,308	23,509,192	23,855,190	24,206,377	24,562,833	24,924,635	25,291,864	25,664,602	
Incremental Difference (New TV - Base TV)	\$	20,476,399	20,783,545	21,095,298	21,411,728	21,732,904	22,058,897	22,389,781	22,725,628	23,066,512	23,412,510	23,763,697	24,120,153	24,481,955	24,849,184	25,221,922	
Base Taxes - State	\$	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	10,624	
Base Taxes - Local (w/out CAPS debt)	\$	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	12,276	
Base Taxes - Total	\$	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	22,900	
State Capture w/out NEZ	\$	491,434	498,805	506,287	513,881	521,590	529,414	537,355	545,415	553,596	561,900	570,329	578,884	587,567	596,380	605,326	
Local Capture w/out NEZ	\$	567,831	576,348	584,994	593,769	602,675	611,715	620,891	630,204	639,657	649,252	658,991	668,876	678,909	689,093	699,429	
Total Capture	\$	1,059,265	1,075,154	1,091,281	1,107,650	1,124,265	1,141,129	1,158,246	1,175,619	1,193,254	1,211,153	1,229,320	1,247,760	1,266,476	1,285,473	1,304,755	
State Taxes w/out NEZ	\$	502,058	509,429	516,911	524,506	532,214	540,038	547,979	556,039	564,221	572,525	580,953	589,508	598,191	607,005	615,950	
Local Taxes w/out NEZ	\$	600,294	609,108	618,054	627,134	636,351	645,705	655,200	664,838	674,620	684,549	694,626	704,855	715,237	725,775	736,471	
Total Taxes	\$	1,102,352	1,118,537	1,134,965	1,151,640	1,168,565	1,185,743	1,203,179	1,220,877	1,238,840	1,257,073	1,275,579	1,294,363	1,313,429	1,332,780	1,352,422	
Res Housing Tax Abatement - State	25% SET/School Operating																
Res Housing Tax Abatement - Local	25%																
Res Housing Tax Abatement - Total																	
Net Capture - State	\$	491,434	498,805	506,287	513,881	521,590	529,414	537,355	545,415	553,596	561,900	570,329	578,884	587,567	596,380	605,326	
Net Capture - Local	\$	567,831	576,348	584,994	593,769	602,675	611,715	620,891	630,204	639,657	649,252	658,991	668,876	678,909	689,093	699,429	
Net Capture Total	\$	1,059,265	1,075,154	1,091,281	1,107,650	1,124,265	1,141,129	1,158,246	1,175,619	1,193,254	1,211,153	1,229,320	1,247,760	1,266,476	1,285,473	1,304,755	
Total School Revenue	Millage Rate																
	45.54%	24.0000	\$ 502,058	\$ 509,429	\$ 516,911	\$ 524,506	\$ 532,214	\$ 540,038	\$ 547,979	\$ 556,039	\$ 564,221	\$ 572,525	\$ 580,953	\$ 589,508	\$ 598,191	\$ 607,005	\$ 615,950
Total Local Revenue	Millage Rate																
	54.46%	28.6960	\$ 600,294	\$ 609,108	\$ 618,054	\$ 627,134	\$ 636,351	\$ 645,705	\$ 655,200	\$ 664,838	\$ 674,620	\$ 684,549	\$ 694,626	\$ 704,855	\$ 715,237	\$ 725,775	\$ 736,471
Total Revenue	Millage Rate																
		52.6960	\$ 1,102,352	\$ 1,118,537	\$ 1,134,965	\$ 1,151,640	\$ 1,168,565	\$ 1,185,743	\$ 1,203,179	\$ 1,220,877	\$ 1,238,840	\$ 1,257,073	\$ 1,275,579	\$ 1,294,363	\$ 1,313,429	\$ 1,332,780	\$ 1,352,422
School Capture	Millage Rate																
State Education Tax (SET)	25.00%	6.0000	\$ 122,858	\$ 124,701	\$ 126,572	\$ 128,470	\$ 130,397	\$ 132,353	\$ 134,339	\$ 136,354	\$ 138,399	\$ 140,475	\$ 142,582	\$ 144,721	\$ 146,892	\$ 149,095	\$ 151,332
School Operating Tax	75.00%	18.0000	\$ 368,575	\$ 374,104	\$ 379,715	\$ 385,411	\$ 391,192	\$ 397,060	\$ 403,016	\$ 409,061	\$ 415,197	\$ 421,425	\$ 427,747	\$ 434,163	\$ 440,675	\$ 447,285	\$ 453,995
School Total	24.0000	\$ 491,434	\$ 498,805	\$ 506,287	\$ 513,881	\$ 521,590	\$ 529,414	\$ 537,355	\$ 545,415	\$ 553,596	\$ 561,900	\$ 570,329	\$ 578,884	\$ 587,567	\$ 596,380	\$ 605,326	
Local Capture	Millage Rate																
CITY																	
General Operating	26.07%	7.2306	\$ 148,057	\$ 150,278	\$ 152,532	\$ 154,820	\$ 157,142	\$ 159,499	\$ 161,892	\$ 164,320	\$ 166,785	\$ 169,286	\$ 171,826	\$ 174,403	\$ 177,019	\$ 179,675	\$ 182,370
Right of Way	13.43%	3.7233	\$ 76,240	\$ 77,383	\$ 78,544	\$ 79,722	\$ 80,918	\$ 82,132	\$ 83,364	\$ 84,614	\$ 85,884	\$ 87,172	\$ 88,479	\$ 89,807	\$ 91,154	\$ 92,521	\$ 93,909
Library	2.92%	0.8103	\$ 16,592	\$ 16,841	\$ 17,094	\$ 17,350	\$ 17,610	\$ 17,874	\$ 18,142	\$ 18,415	\$ 18,691	\$ 18,971	\$ 19,256	\$ 19,545	\$ 19,838	\$ 20,135	\$ 20,437
Library (Voted)	3.24%	0.8991	\$ 18,410	\$ 18,686	\$ 18,967	\$ 19,251	\$ 19,540	\$ 19,833	\$ 20,131	\$ 20,433	\$ 20,739	\$ 21,050	\$ 21,366	\$ 21,686	\$ 22,012	\$ 22,342	\$ 22,677
Refuse Clean Up	1.76%	0.4890	\$ 10,013	\$ 10,163	\$ 10,316	\$ 10,470	\$ 10,627	\$ 10,787	\$ 10,949	\$ 11,113	\$ 11,280	\$ 11,449	\$ 11,620	\$ 11,795	\$ 11,972	\$ 12,151	\$ 12,334
COUNTY	0.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	17.49%	4.8500	\$ 99,311	\$ 100,800	\$ 102,312	\$ 103,847	\$ 105,405	\$ 106,986	\$ 108,590	\$ 110,219	\$ 111,873	\$ 113,551	\$ 115,254	\$ 116,983	\$ 118,737	\$ 120,519	\$ 122,326
CCE/911	0.00%		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Senior Citizens	1.80%	0.5000	\$ 10,238	\$ 10,392	\$ 10,548	\$ 10,706	\$ 10,866	\$ 11,029	\$ 11,195	\$ 11,363	\$ 11,533	\$ 11,706	\$ 11,882	\$ 12,060	\$ 12,241	\$ 12,425	\$ 12,611
Medical Care Facility	0.89%	0.2463	\$ 5,043	\$ 5,119	\$ 5,196	\$ 5,274	\$ 5,353	\$ 5,433	\$ 5,515	\$ 5,597	\$ 5,681	\$ 5,767	\$ 5,853	\$ 5,941	\$ 6,030	\$ 6,120	\$ 6,212
Ambulance & Emergency	2.43%	0.6739	\$ 13,799	\$ 14,006	\$ 14,216	\$ 14,429	\$ 14,646	\$ 14,865	\$ 15,088	\$ 15,315	\$ 15,545	\$ 15,778	\$ 16,014	\$ 16,255	\$ 16,498	\$ 16,746	\$ 16,997
GREENWOOD CEMETERY	2.19%	0.6074	\$ 12,437	\$ 12,624	\$ 12,813	\$ 13,005	\$ 13,201	\$ 13,399	\$ 13,600	\$ 13,804	\$ 14,011	\$ 14,221	\$ 14,434	\$ 14,651	\$ 14,870	\$ 15,093	\$ 15,320
PETOSKEY AREA SCHOOLS SINKING FUND	5.18%	1.4371	\$ 29,427	\$ 29,868	\$ 30,316	\$ 30,771	\$ 31,232	\$ 31,701	\$ 32,176	\$ 32,659	\$ 33,149	\$ 33,646	\$ 34,151	\$ 34,663	\$ 35,183	\$ 35,711	\$ 36,246
NMCM	7.20%	1.9958	\$ 40,867	\$ 41,480	\$ 42,102	\$ 42,734	\$ 43,375	\$ 44,025	\$ 44,686	\$ 45,356	\$ 46,036	\$ 46,727	\$ 47,428	\$ 48,139	\$ 48,861	\$ 49,594	\$ 50,338
ISD	15.39%	4.2682	\$ 87,397	\$ 88,708	\$ 90,039	\$ 91,390	\$ 92,760	\$ 94,152	\$ 95,564	\$ 96,998	\$ 98,452	\$ 99,929	\$ 101,428	\$ 102,950	\$ 104,494	\$ 106,061	\$ 107,652
Local Total	100.00%	27.7310	\$ 567,831	\$ 576,348	\$ 584,994	\$ 593,769	\$ 602,675	\$ 611,715	\$ 620,891	\$ 630,204	\$ 639,657	\$ 649,252	\$ 658,991	\$ 668,876	\$ 678,909	\$ 689,093	\$ 699,429
Total Capture	Millage Rate																
TOTAL	51.7310	\$ 1,059,265	\$ 1,075,154	\$ 1,091,281	\$ 1,107,650	\$ 1,124,265	\$ 1,141,129	\$ 1,158,246	\$ 1,175,619	\$ 1,193,254	\$ 1,211,153	\$ 1,229,320	\$ 1,247,760	\$ 1,266,476	\$ 1,285,473	\$ 1,304,755	
Non-Capturable Millages	Millage Rate																
CCE/911	0.1150	\$ 2,355	\$ 2,390	\$ 2,426	\$ 2,462	\$ 2,499	\$ 2,537	\$ 2,575	\$ 2,613	\$ 2,653	\$ 2,692	\$ 2,733	\$ 2,774	\$ 2,815	\$ 2,858	\$ 2,901	
Petoskey Schools Debt	0.8500	\$ 17,405	\$ 17,666	\$ 17,931	\$ 18,200	\$ 18,473	\$ 18,750	\$ 19,031	\$ 19,317	\$ 19,607	\$ 19,901	\$ 20,199	\$ 20,502	\$ 20,810	\$ 21,122	\$ 21,439	
		\$ 19,760	\$ 20,056	\$ 20,357	\$ 20,662	\$ 20,972	\$ 21,287	\$ 21,606	\$ 21,930	\$ 22,259	\$ 22,593	\$ 22,932	\$ 23,276	\$ 23,625	\$ 23,979	\$ 24,339	
	52.5810																

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
Former Michigan Maple Block Redevelopment
Emmet County Brownfield Redevelopment Authority

Maximum Reimbursement	Proportionality	School & Local Taxes	State Brownfield Fund	LBRF	Local-Only Taxes	Total
State	46.4%	\$ 12,656,921	\$ 1,452,739	\$ -	\$ -	\$ 14,109,660
Local	53.6%	\$ 14,624,544	\$ -	\$ -	\$ 248,859	\$ 14,873,403
TOTAL	100.0%	\$ 27,281,465	\$ 1,452,739	\$ -	\$ -	\$ 28,983,063
EGLE Environmental		\$ 3,653,000				
MSF Non-Environmental		\$ 14,327,465				
MSHDA Housing		\$ 9,301,000				
TOTAL		\$ 27,281,465				

Estimated Total Years of Capture:	
Local Eligible Activities	30
State Eligible Activities	30
LBRF	N/A

Estimated Capture	\$ 27,281,465
Administrative Fees	\$ 248,859
State Revolving Fund	\$ 1,452,739
LSRRF	\$ -
TOTAL	\$ 28,983,063

Plan Year	Calendar Year	Res Housing Ends																
		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
	Total State Incremental Revenue	\$ -	\$ -	\$ 148,500	\$ 299,228	\$ 303,716	\$ 308,272	\$ 312,896	\$ 317,589	\$ 322,353	\$ 327,188	\$ 332,096	\$ 337,078	\$ 342,134	\$ 463,021	\$ 469,966	\$ 477,016	\$ 484,171
	State Brownfield Revolving Fund (50% of SET)	\$ -	\$ -	\$ 24,750	\$ 49,871	\$ 50,619	\$ 51,379	\$ 52,149	\$ 52,932	\$ 53,725	\$ 54,531	\$ 55,349	\$ 56,180	\$ 57,022	\$ 57,878	\$ 58,746	\$ 59,627	\$ 60,521
	State TIR Available for Reimbursement	\$ -	\$ -	\$ 123,750	\$ 249,356	\$ 253,097	\$ 256,893	\$ 260,746	\$ 264,658	\$ 268,627	\$ 272,657	\$ 276,747	\$ 280,898	\$ 285,111	\$ 405,143	\$ 411,221	\$ 417,389	\$ 423,650
	Total Local Incremental Revenue	\$ -	\$ -	\$ 171,586	\$ 345,745	\$ 350,931	\$ 356,195	\$ 361,538	\$ 366,961	\$ 372,465	\$ 378,052	\$ 383,723	\$ 389,479	\$ 395,321	\$ 535,001	\$ 543,026	\$ 551,172	\$ 559,439
	BRA Administrative Fee	\$ -	\$ -	\$ 8,579	\$ 17,287	\$ 17,547	\$ 18,348	\$ 18,077	\$ 18,348	\$ 18,623	\$ 18,903	\$ 19,186	\$ 19,474	\$ 19,766	\$ 26,750	\$ 27,151	\$ 27,552	\$ 27,953
	Local TIR Available for Reimbursement	\$ -	\$ -	\$ 163,006	\$ 328,458	\$ 333,385	\$ 338,385	\$ 343,461	\$ 348,613	\$ 353,842	\$ 359,150	\$ 364,537	\$ 370,005	\$ 375,555	\$ 508,251	\$ 515,875	\$ 523,627	\$ 531,486
	Total State & Local TIR Available	\$ -	\$ -	\$ 286,756	\$ 577,814	\$ 586,481	\$ 595,278	\$ 604,208	\$ 613,271	\$ 622,470	\$ 631,807	\$ 641,284	\$ 650,903	\$ 660,667	\$ 913,395	\$ 927,096	\$ 936,011	\$ 944,837
	DEVELOPER	Beginning Balance	% Allocation															
	Developer Reimbursement	Phase I	84%															
	Developer Reimbursement Balance	\$ 23,033,900	\$ 23,033,900	\$ 22,791,790	\$ 22,303,938	\$ 21,808,769	\$ 21,306,172	\$ 20,796,036	\$ 20,278,248	\$ 19,752,693	\$ 19,219,255	\$ 18,677,815	\$ 18,128,254	\$ 17,570,449	\$ 16,799,265	\$ 16,016,513	\$ 15,199,897	\$ 14,369,870
	CITY	Beginning Balance	% Allocation															
	City Reimbursement	Balance	16%															
	City Reimbursement Balance	\$ 4,247,565	\$ 4,247,565	\$ 4,202,919	\$ 4,112,957	\$ 4,021,645	\$ 3,928,964	\$ 3,834,892	\$ 3,739,409	\$ 3,642,494	\$ 3,544,126	\$ 3,444,282	\$ 3,342,940	\$ 3,240,078	\$ 3,097,868	\$ 2,953,524	\$ 2,802,936	\$ 2,649,875
	MSF Non-Environmental Costs	\$ 14,327,465	\$ -	\$ 150,596	\$ 303,452	\$ 308,004	\$ 312,624	\$ 317,313	\$ 322,073	\$ 326,904	\$ 331,807	\$ 336,784	\$ 341,836	\$ 346,964	\$ 479,689	\$ 486,885	\$ 507,948	\$ 516,291
	State Tax Reimbursement	\$ 6,647,062	\$ -	\$ 64,990	\$ 130,955	\$ 132,919	\$ 134,913	\$ 136,937	\$ 138,991	\$ 141,076	\$ 143,192	\$ 145,340	\$ 147,520	\$ 149,733	\$ 212,770	\$ 215,962	\$ 219,201	\$ 222,489
	Local Tax Reimbursement	\$ 7,680,403	\$ -	\$ 85,606	\$ 172,497	\$ 175,084	\$ 177,711	\$ 180,376	\$ 183,082	\$ 185,828	\$ 188,615	\$ 191,445	\$ 194,316	\$ 197,231	\$ 266,919	\$ 270,923	\$ 288,747	\$ 293,802
	Total MSF Reimbursement Balance	\$ 14,327,465	\$ 14,176,869	\$ 13,873,417	\$ 13,565,413	\$ 13,252,790	\$ 12,935,477	\$ 12,613,404	\$ 12,286,500	\$ 11,954,693	\$ 11,617,909	\$ 11,276,073	\$ 10,929,109	\$ 10,449,419	\$ 9,962,535	\$ 9,454,587	\$ 8,938,296	
	State MSF Balance to Be Reimbursed	\$ 6,647,062	\$ 6,582,072	\$ 6,451,117	\$ 6,318,198	\$ 6,183,285	\$ 6,046,348	\$ 5,907,357	\$ 5,766,281	\$ 5,623,090	\$ 5,477,750	\$ 5,330,230	\$ 5,180,497	\$ 4,967,727	\$ 4,751,766	\$ 4,532,565	\$ 4,310,076	
	Local MSF Balance to Be Reimbursed	\$ 7,680,403	\$ 7,594,797	\$ 7,422,300	\$ 7,247,216	\$ 7,069,505	\$ 6,889,129	\$ 6,706,047	\$ 6,520,219	\$ 6,331,604	\$ 6,140,159	\$ 5,945,843	\$ 5,748,611	\$ 5,481,692	\$ 5,210,769	\$ 4,922,022	\$ 4,628,220	
	EGLE Environmental Costs	\$ 3,653,000	\$ -	\$ 38,397	\$ 77,370	\$ 78,530	\$ 79,708	\$ 80,904	\$ 82,117	\$ 83,349	\$ 84,599	\$ 85,868	\$ 87,156	\$ 88,464	\$ 122,304	\$ 124,139	\$ 129,509	\$ 131,636
	State Tax Reimbursement	\$ 1,694,767	\$ -	\$ 16,570	\$ 33,389	\$ 33,890	\$ 34,398	\$ 34,914	\$ 35,438	\$ 35,969	\$ 36,509	\$ 37,057	\$ 37,612	\$ 38,177	\$ 54,249	\$ 55,063	\$ 55,889	\$ 56,727
	Local Tax Reimbursement	\$ 1,958,233	\$ -	\$ 21,827	\$ 43,981	\$ 44,640	\$ 45,310	\$ 45,990	\$ 46,679	\$ 47,380	\$ 48,090	\$ 48,812	\$ 49,544	\$ 50,287	\$ 68,055	\$ 69,076	\$ 73,620	\$ 74,909
	Total MDEQ Reimbursement Balance	\$ 3,653,000	\$ 3,614,603	\$ 3,537,234	\$ 3,458,704	\$ 3,378,996	\$ 3,298,092	\$ 3,215,975	\$ 3,132,626	\$ 3,048,027	\$ 2,962,158	\$ 2,875,002	\$ 2,786,539	\$ 2,664,235	\$ 2,540,096	\$ 2,410,587	\$ 2,278,951	
	State EGLE Balance to Be Reimbursed	\$ 1,694,767	\$ 1,678,197	\$ 1,644,808	\$ 1,610,918	\$ 1,576,520	\$ 1,541,606	\$ 1,506,168	\$ 1,470,199	\$ 1,433,690	\$ 1,396,634	\$ 1,359,021	\$ 1,320,845	\$ 1,266,596	\$ 1,211,533	\$ 1,155,645	\$ 1,098,918	
	Local EGLE Balance to Be Reimbursed	\$ 1,958,233	\$ 1,936,406	\$ 1,892,426	\$ 1,847,785	\$ 1,802,475	\$ 1,756,486	\$ 1,709,806	\$ 1,662,427	\$ 1,614,336	\$ 1,565,525	\$ 1,515,981	\$ 1,465,694	\$ 1,397,639	\$ 1,328,563	\$ 1,254,943	\$ 1,180,033	
	MSHDA Housing Development Costs	\$ 9,301,000	\$ -	\$ 97,763	\$ 196,993	\$ 199,948	\$ 202,947	\$ 205,991	\$ 209,081	\$ 212,217	\$ 215,400	\$ 218,631	\$ 221,911	\$ 225,239	\$ 311,401	\$ 316,072	\$ 329,746	\$ 335,162
	State Tax Reimbursement	\$ 4,315,092	\$ -	\$ 42,190	\$ 85,012	\$ 86,288	\$ 87,582	\$ 88,896	\$ 90,229	\$ 91,582	\$ 92,956	\$ 94,351	\$ 95,766	\$ 97,202	\$ 138,124	\$ 140,196	\$ 142,299	\$ 144,434
	Local Tax Reimbursement	\$ 4,985,908	\$ -	\$ 55,573	\$ 111,980	\$ 113,660	\$ 115,365	\$ 117,095	\$ 118,852	\$ 120,635	\$ 122,444	\$ 124,281	\$ 126,145	\$ 128,037	\$ 173,277	\$ 175,876	\$ 187,447	\$ 190,728
	Total MDEQ Reimbursement Balance	\$ 9,301,000	\$ 9,203,237	\$ 9,006,244	\$ 8,806,297	\$ 8,603,350	\$ 8,397,359	\$ 8,188,278	\$ 7,976,061	\$ 7,760,661	\$ 7,542,030	\$ 7,320,119	\$ 7,094,880	\$ 6,783,478	\$ 6,467,406	\$ 6,137,660	\$ 5,802,498	
	State EGLE Balance to Be Reimbursed	\$ 4,315,092	\$ 4,272,902	\$ 4,187,889	\$ 4,101,602	\$ 4,014,020	\$ 3,925,124	\$ 3,834,895	\$ 3,743,313	\$ 3,650,357	\$ 3,556,006	\$ 3,460,240	\$ 3,363,038	\$ 3,224,913	\$ 3,084,717	\$ 2,942,418	\$ 2,797,984	
	Local EGLE Balance to Be Reimbursed	\$ 4,985,908	\$ 4,930,335	\$ 4,818,355	\$ 4,704,695	\$ 4,589,330	\$ 4,472,235	\$ 4,353,383	\$ 4,232,749	\$ 4,110,305	\$ 3,986,024	\$ 3,859,879	\$ 3,731,842	\$ 3,558,565	\$ 3,382,689	\$ 3,195,242	\$ 3,004,514	
	Local Only Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Local Only Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Annual Reimbursement	\$ -	\$ 286,756	\$ 577,814	\$ 586,481	\$ 595,278	\$ 604,208	\$ 613,271	\$ 622,470	\$ 631,807	\$ 641,284	\$ 650,903	\$ 660,667	\$ 913,395	\$ 927,096	\$ 936,011	\$ 944,837	
	LOCAL BROWNFIELD REVOLVING FUND	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
	LBRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total LBRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from EGLE & Local TIR only.

Total Capture	\$ -	\$ 213,743	\$ 430,693	\$ 437,153	\$ 443,710	\$ 450,366	\$ 457,121	\$ 463,978	\$ 470,938	\$ 478,002	\$ 485,172	\$ 492,450	\$ 659,871	\$ 669,769	\$ 697,084	\$ 708,448
	\$0	\$106,342	\$214,280	\$217,494	\$220,756	\$224,068	\$227,429	\$230,840	\$234,303	\$237,817	\$241,385					

Footnotes:

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
Former Michigan Maple Block Redevelopment
Emmet County Brownfield Redevelopment Authority

Plan Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Calendar Year	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Total State Incremental Revenue	\$ 491,434	\$ 498,805	\$ 506,287	\$ 513,881	\$ 521,590	\$ 529,414	\$ 537,355	\$ 545,415	\$ 553,596	\$ 561,900	\$ 570,329	\$ 578,884	\$ 587,567	\$ 596,380	\$ 605,326
State Brownfield Revolving Fund (50% of SET)	\$ 61,429	\$ 62,351	\$ 63,286	\$ 64,235	\$ 65,199	\$ 66,177	\$ 67,169	\$ 68,177	\$ 69,200	\$ 70,238					
State TIR Available for Reimbursement	\$ 430,004	\$ 436,454	\$ 443,001	\$ 449,646	\$ 456,391	\$ 463,237	\$ 470,185	\$ 477,238	\$ 484,397	\$ 491,663	\$ 570,329	\$ 578,884	\$ 587,567	\$ 596,380	\$ 605,326
Total Local Incremental Revenue	\$ 567,831	\$ 576,348	\$ 584,994	\$ 593,769	\$ 602,675	\$ 611,715	\$ 620,891	\$ 630,204	\$ 639,657	\$ 649,252	\$ 658,991	\$ 668,876	\$ 678,909	\$ 647,512	\$ 657,848
BRA Administrative Fee															
Local TIR Available for Reimbursement	\$ 567,831	\$ 576,348	\$ 584,994	\$ 593,769	\$ 602,675	\$ 611,715	\$ 620,891	\$ 630,204	\$ 639,657	\$ 649,252	\$ 658,991	\$ 668,876	\$ 678,909	\$ 647,512	\$ 657,848
Total State & Local TIR Available	\$ 997,835	\$ 1,012,803	\$ 1,027,995	\$ 1,043,415	\$ 1,059,066	\$ 1,074,952	\$ 1,091,076	\$ 1,107,443	\$ 1,124,054	\$ 1,140,915	\$ 1,229,320	\$ 1,247,760	\$ 1,266,476	\$ 1,243,892	\$ 1,263,174
DEVELOPER	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%
Developer Reimbursement	\$ 842,478	\$ 855,115	\$ 867,942	\$ 880,961	\$ 894,176	\$ 907,588	\$ 921,202	\$ 934,120	\$ 949,046	\$ 963,281	\$ 1,037,922	\$ 1,053,491	\$ 1,069,293	\$ 1,050,225	\$ 1,066,505
Developer Reimbursement Balance	\$ 13,527,391	\$ 12,672,276	\$ 11,804,334	\$ 10,923,372	\$ 10,029,197	\$ 9,121,608	\$ 8,200,406	\$ 7,266,286	\$ 6,317,241	\$ 5,353,959	\$ 4,316,037	\$ 3,262,547	\$ 2,193,254	\$ 1,143,028	\$ 76,523
CITY	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%	16%
City Reimbursement	\$ 155,357	\$ 157,688	\$ 160,053	\$ 162,454	\$ 164,890	\$ 167,364	\$ 169,874	\$ 172,768	\$ 175,009	\$ 177,634	\$ 191,398	\$ 194,269	\$ 197,183	\$ 193,667	\$ 196,669
City Reimbursement Balance	\$ 2,494,518	\$ 2,336,830	\$ 2,176,778	\$ 2,014,324	\$ 1,849,434	\$ 1,682,070	\$ 1,512,196	\$ 1,339,427	\$ 1,164,418	\$ 986,785	\$ 795,387	\$ 601,118	\$ 403,935	\$ 210,268	\$ 13,599
MSF Non-Environmental Costs	\$ 524,035	\$ 531,896	\$ 539,874	\$ 547,972	\$ 556,192	\$ 564,535	\$ 573,003	\$ 581,598	\$ 590,322	\$ 599,177	\$ 645,605	\$ 655,289	\$ 665,118	\$ 653,257	\$ 663,384
State Tax Reimbursement	\$ 225,826	\$ 229,214	\$ 232,652	\$ 236,142	\$ 239,684	\$ 243,279	\$ 246,928	\$ 250,632	\$ 254,392	\$ 258,208	\$ 299,521	\$ 304,014	\$ 308,574	\$ 313,202	\$ 317,900
Local Tax Reimbursement	\$ 298,209	\$ 302,682	\$ 307,222	\$ 311,831	\$ 316,508	\$ 321,256	\$ 326,075	\$ 330,966	\$ 335,930	\$ 340,969	\$ 346,084	\$ 351,275	\$ 356,544	\$ 340,055	\$ 345,483
Total MSF Reimbursement Balance	\$ 8,414,260	\$ 7,882,364	\$ 7,342,490	\$ 6,794,518	\$ 6,238,326	\$ 5,673,791	\$ 5,100,788	\$ 4,519,190	\$ 3,928,868	\$ 3,329,691	\$ 2,684,087	\$ 2,028,798	\$ 1,363,680	\$ 710,423	\$ 47,039
State MSF Balance to Be Reimbursed	\$ 4,084,250	\$ 3,855,036	\$ 3,622,384	\$ 3,386,242	\$ 3,146,558	\$ 2,903,279	\$ 2,656,351	\$ 2,405,719	\$ 2,151,327	\$ 1,893,120	\$ 1,593,599	\$ 1,289,585	\$ 981,012	\$ 667,809	\$ 349,909
Local MSF Balance to Be Reimbursed	\$ 4,330,011	\$ 4,027,328	\$ 3,720,106	\$ 3,408,275	\$ 3,091,767	\$ 2,770,511	\$ 2,444,437	\$ 2,113,471	\$ 1,777,541	\$ 1,436,571	\$ 1,090,488	\$ 739,213	\$ 382,668	\$ 42,613	\$ (302,870)
EGLE Environmental Costs	\$ 133,611	\$ 135,615	\$ 137,649	\$ 139,714	\$ 141,809	\$ 143,937	\$ 146,096	\$ 148,287	\$ 150,511	\$ 152,769	\$ 164,606	\$ 167,076	\$ 169,582	\$ 166,558	\$ 169,140
State Tax Reimbursement	\$ 57,578	\$ 58,441	\$ 59,318	\$ 60,208	\$ 61,111	\$ 62,028	\$ 62,958	\$ 63,902	\$ 64,861	\$ 65,834	\$ 76,367	\$ 77,513	\$ 78,675	\$ 79,856	\$ 81,053
Local Tax Reimbursement	\$ 76,033	\$ 77,173	\$ 78,331	\$ 79,506	\$ 80,698	\$ 81,909	\$ 83,138	\$ 84,385	\$ 85,650	\$ 86,935	\$ 88,239	\$ 89,563	\$ 90,906	\$ 86,702	\$ 88,086
Total EGLE Reimbursement Balance	\$ 2,145,341	\$ 2,009,726	\$ 1,872,077	\$ 1,732,363	\$ 1,590,554	\$ 1,446,617	\$ 1,300,522	\$ 1,152,235	\$ 1,001,723	\$ 848,954	\$ 684,348	\$ 517,272	\$ 347,690	\$ 181,133	\$ 11,993
State EGLE Balance to Be Reimbursed	\$ 1,041,340	\$ 982,899	\$ 923,581	\$ 863,373	\$ 802,262	\$ 740,234	\$ 677,276	\$ 613,374	\$ 548,513	\$ 482,679	\$ 406,312	\$ 328,799	\$ 250,123	\$ 170,268	\$ 89,214
Local EGLE Balance to Be Reimbursed	\$ 1,104,000	\$ 1,026,827	\$ 948,496	\$ 868,990	\$ 788,292	\$ 706,383	\$ 623,245	\$ 538,861	\$ 453,210	\$ 366,275	\$ 278,036	\$ 188,473	\$ 97,567	\$ 10,865	\$ (77,221)
MSHDA Housing Development Costs	\$ 340,189	\$ 345,292	\$ 350,422	\$ 355,729	\$ 361,065	\$ 366,481	\$ 371,978	\$ 377,558	\$ 383,221	\$ 388,969	\$ 419,109	\$ 425,395	\$ 431,776	\$ 424,077	\$ 430,651
State Tax Reimbursement	\$ 146,600	\$ 148,799	\$ 151,031	\$ 153,297	\$ 155,596	\$ 157,930	\$ 160,299	\$ 162,704	\$ 165,144	\$ 167,621	\$ 194,441	\$ 197,357	\$ 200,318	\$ 203,322	\$ 206,372
Local Tax Reimbursement	\$ 193,589	\$ 196,493	\$ 199,440	\$ 202,432	\$ 205,468	\$ 208,551	\$ 211,679	\$ 214,854	\$ 218,077	\$ 221,348	\$ 224,668	\$ 228,038	\$ 231,459	\$ 220,755	\$ 224,278
Total MDEQ Reimbursement Balance	\$ 5,462,309	\$ 5,117,016	\$ 4,766,544	\$ 4,410,816	\$ 4,049,751	\$ 3,683,270	\$ 3,311,292	\$ 2,933,735	\$ 2,550,514	\$ 2,161,545	\$ 1,742,436	\$ 1,317,040	\$ 885,264	\$ 461,187	\$ 30,536
State EGLE Balance to Be Reimbursed	\$ 2,651,384	\$ 2,502,584	\$ 2,351,553	\$ 2,198,256	\$ 2,042,660	\$ 1,884,730	\$ 1,724,431	\$ 1,561,727	\$ 1,396,583	\$ 1,228,962	\$ 1,034,521	\$ 837,164	\$ 636,846	\$ 433,524	\$ 227,151
Local EGLE Balance to Be Reimbursed	\$ 2,810,925	\$ 2,614,432	\$ 2,414,991	\$ 2,212,559	\$ 2,007,091	\$ 1,798,540	\$ 1,586,862	\$ 1,372,008	\$ 1,153,931	\$ 932,583	\$ 707,915	\$ 479,877	\$ 248,418	\$ 27,663	\$ (196,615)
Local Only Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Reimbursement	\$ 997,835	\$ 1,012,803	\$ 1,027,995	\$ 1,043,415	\$ 1,059,066	\$ 1,074,952	\$ 1,091,076	\$ 1,107,443	\$ 1,124,054	\$ 1,140,915	\$ 1,229,320	\$ 1,247,760	\$ 1,266,476	\$ 1,243,892	\$ 1,263,174
LOCAL BROWNFIELD REVOLVING FUND	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
LBRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total LBRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Up to five years of capture for LBRF Deposits from EGLE & Local TIR only.

Total Capture \$ 719,075 \$ 729,861 \$ 740,809 \$ 751,921 \$ 763,200 \$ 774,648 \$ 786,268 \$ 798,062 \$ 810,033 \$ 822,183 \$ 810,211 \$ 822,364 \$ 834,700 \$ 819,815 \$ 832,523

Footnotes:



BOARD: City Council

MEETING DATE: September 11, 2023 **PREPARED:** September 7, 2023

AGENDA SUBJECT: Maple Block Flats Residential Housing Facility Act

RECOMMENDATION: Set two public hearings

Background A proposal has been presented to the City Council for incentives to assist in the redevelopment of the former Michigan Maple Block property that includes Brownfield Tax Increment Financing (TIF) for reimbursement of certain Brownfield Eligible Activities through capture of future increase property tax revenues generated by increase private investment, participation with a Michigan Department of Environment, Great Lakes, and Energy (EGLE) Brownfield Grant and Loan of \$1 million, and consideration of a Residential Housing District and Certificate which would effectively abate 25% of the property taxes for a 12 year period.

Act 237 of 2022 provides for the exemption of certain taxes to support workforce housing for approved projects on properties established as a “Residential Housing District” for residential units for qualified households with income no greater than 120% of Area Median Income (AMI). The local governmental unit must establish a District after notice to the County and the property owner(s) and a public hearing and must approve an Application for an Exemption Certificate for a proposed project within the District after notices to the Assessor and to each taxing jurisdiction.

Great Lakes Capital/Maple Block Flats, LLC, the developer, has requested consideration of establishing a Residential Housing District and approving an Application for an Exemption Certificate. The application is for 102 residential units of the total 204 residential units of the proposed Maple Block Flat project at the former Michigan Maple Block property at 1420 Standish Avenue.

Based on the direction from City Council at the August 21 meeting, notices of a public hearing for September 18, 2023 were sent to Emmet County and the property owner and posted for the general public for the District establishment and to the Assessor and taxing jurisdictions for the Exemption Certificate Application in accordance with Act 237.

At the September 18, 2023 meeting, a public hearing will be held to consider the establishment of the Residential Housing District for 1420 Standish Avenue. Following the District public hearing, Council will consider adopting the resolution approving establishing the District. If approved, the public hearing to consider approving the Application for Exemption Certificate for the Maple Block Lofts project will be held. Following the Certificate public hearing, the Council will consider adopting the resolution to approve the Certificate.

Action Set two public hearings for **September 18, 2023**. At this meeting the following actions will be considered:

1. **Residential Housing District:** Adopt a proposed resolution scheduling a public hearing for September 18, 2023 on establishing the Residential Housing District for 1420 Standish Avenue.
2. **Residential Housing Application:** Adopt a proposed resolution scheduling a public hearing for September 18, 2023 on the Application for Residential Housing Exemption Certificate for the Maple Block Flat project at 1420 Standish Avenue.



Resolution No. 23 - ____

WHEREAS, the Michigan Residential Housing Facilities Act, Act 237, P.A. 2022 (“Residential Housing Exemption”), authorizes municipalities to establish “Residential Housing Districts” to promote the development of workforce housing through property tax abatements; and

WHEREAS, the City understands that certain property located at 1420 Standish Avenue with the Parcel Identification Number 52-19-07-200-12 (“Michigan Maple Block”) qualifies as a Residential Housing District and that the future owner intends to develop the property for residential use, at least 50% of which will be for qualified households of not more the 120% of the Average Median Income (AMI); and

WHEREAS, the City has determined that the establishment of the Residential Housing District for the aforementioned property would encourage redevelopment of the property; and

WHEREAS, Act 237 requires the governing body to hold a public hearing on the establishment of the Residential Housing District and provide notice of the public hearing in compliance with the requirements of Act 237; and

WHEREAS, the City Council desires to hold a public hearing to receive comments on the establishment of the Residential Housing District at its September 18, 2023 regular meeting.

NOW, THEREFORE, BE IT RESOLVED THAT the City of Petoskey City Council:

1. Pursuant to Act 237, a public hearing for the establishment of the Residential Housing District for the property located at 1420 Standish Avenue with the Parcel Identification Number 52-19-07-200-12 known as the Maple Block Flats Redevelopment shall be held on September 18, 2023, at 6:00 p.m. in the City Council Chambers, 101 East Lake Street, Petoskey, Michigan.
2. Notice of the public hearing has been provided to Emmet County, all property owners within the District and to the public in accordance with Act 237.
3. 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.
4. Any prior resolution, or any part thereof, in conflict with any of the provisions of this Resolution is hereby repealed, but only to the extent necessary to give this Resolution full force and effect.

I, Sarah Bek, City Clerk of the City of Petoskey, do hereby certify that the foregoing is a true copy of a resolution adopted by the City of Petoskey City Council in regular session assembled on the 11th day of September 2023, and of the whole thereof.

In witness whereof, I have here unto set my hand and affirmed the corporate seal of said City this ____ day of September 2023.

Sarah Bek, City Clerk



BOARD: City Council

MEETING DATE: September 11, 2023 **PREPARED:** September 7, 2023

AGENDA SUBJECT: Maple Block Flats Residential Housing Facility Act

RECOMMENDATION: Set two public hearings

Background A proposal has been presented to the City Council for incentives to assist in the redevelopment of the former Michigan Maple Block property that includes Brownfield Tax Increment Financing (TIF) for reimbursement of certain Brownfield Eligible Activities through capture of future increase property tax revenues generated by increase private investment, participation with a Michigan Department of Environment, Great Lakes, and Energy (EGLE) Brownfield Grant and Loan of \$1 million, and consideration of a Residential Housing District and Certificate which would effectively abate 25% of the property taxes for a 12 year period.

Act 237 of 2022 provides for the exemption of certain taxes to support workforce housing for approved projects on properties established as a “Residential Housing District” for residential units for qualified households with income no greater than 120% of Area Median Income (AMI). The local governmental unit must establish a District after notice to the County and the property owner(s) and a public hearing and must approve an Application for an Exemption Certificate for a proposed project within the District after notices to the Assessor and to each taxing jurisdiction.

Great Lakes Capital/Maple Block Flats, LLC, the developer, has requested consideration of establishing a Residential Housing District and approving an Application for an Exemption Certificate. The application is for 102 residential units of the total 204 residential units of the proposed Maple Block Flat project at the former Michigan Maple Block property at 1420 Standish Avenue.

Based on the direction from City Council at the August 21 meeting, notices of a public hearing for September 18, 2023 were sent to Emmet County and the property owner and posted for the general public for the District establishment and to the Assessor and taxing jurisdictions for the Exemption Certificate Application in accordance with Act 237.

At the September 18, 2023 meeting, a public hearing will be held to consider the establishment of the Residential Housing District for 1420 Standish Avenue. Following the District public hearing, Council will consider adopting the resolution approving establishing the District. If approved, the public hearing to consider approving the Application for Exemption Certificate for the Maple Block Lofts project will be held. Following the Certificate public hearing, the Council will consider adopting the resolution to approve the Certificate.

Action Set two public hearings for **September 18, 2023**. At this meeting the following actions will be considered:

1. **Residential Housing District:** Adopt a proposed resolution scheduling a public hearing for September 18, 2023 on establishing the Residential Housing District for 1420 Standish Avenue.
2. **Residential Housing Application:** Adopt a proposed resolution scheduling a public hearing for September 18, 2023 on the Application for Residential Housing Exemption Certificate for the Maple Block Flat project at 1420 Standish Avenue.



Resolution No. 23 - ____

WHEREAS, the Michigan Residential Housing Facilities Act, Act 237, P.A. 2022 (“Residential Housing”), authorizes municipalities to establish “Residential Housing Districts” to promote the development of workforce housing through property tax abatements; and

WHEREAS, the City understands that certain property located at 1420 Standish Avenue with the Parcel Identification Number 52-19-07-200-12 (“Michigan Maple Block”) qualifies as a Residential Housing District and that the future owner intends to develop the property for residential use, at least 50% of which will be for qualified households of not more the 120% of the Average Median Income (AMI); and

WHEREAS, the City has determined that the establishment of the Residential Housing District for the aforementioned property would encourage redevelopment of the property and is holding a public hearing on the establishment of the Residential Housing District at its September 18, 2023 regular meeting; and

WHEREAS, the property owner in conjunction with Great Lakes Capital has requested consideration of an Application for Residential Housing Exemption Certificate for the property at 1420 Standish Avenue (“Maple Block Flats Redevelopment”); and

WHEREAS, Act 237 requires the governing body to hold a public hearing on the consideration of a Residential Housing Exemption Certificate application and provide notice of the public hearing in compliance with the requirements of Act 237; and

WHEREAS, the City Council desires to hold a public hearing to receive comments on the consideration of the Residential Housing Exemption Certificate application at its September 18, 2023 regular meeting:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council:

1. Pursuant to Act 237, a public hearing for consideration of a Residential Housing Exemption Certificate application by Great Lakes Capital for the property located at 1420 Standish Avenue with the Parcel Identification Number 52-19-07-200-12 for the project known as the Maple Block Flats Redevelopment shall be held on September 18, 2023, at 6:00 p.m. in the City Council Chambers, 101 East Lake Street, Petoskey, Michigan.
2. Notice of the public hearing will be provided to the applicant, assessor, taxing jurisdictions and to the public in accordance with Act 237.
3. 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.
4. Any prior resolution, or any part thereof, in conflict with any of the provisions of this Resolution is hereby repealed, but only to the extent necessary to give this Resolution full force and effect.

I, Sarah Bek, City Clerk of the City of Petoskey, do hereby certify that the foregoing is a true copy of a resolution adopted by the City of Petoskey City Council in regular session assembled on the 11th day of September 2023, and of the whole thereof.

In witness whereof, I have here unto set my hand and affirmed the corporate seal of said City this ___ day of September 2023.

Sarah Bek, City Clerk