



**PONTIAC CITY COUNCIL
FORMAL MEETING**

January 12, 2017

6:00 p.m.

166th Session of the 9th Council

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

Call to order

Invocation

Pledge of Allegiance

Roll Call

Authorization for excused absences for councilmember

Amendments to and approve the agenda

Approval of Minutes

1. Minutes of December 28, 2016 and January 5, 2017
2. Closed Session Minutes of January 5, 2017

Consent Agenda

3. Resolution for Mr. Michael Bellentine.
4. Resolution for Mr. Elzy Jones Jr.

Closed Session

5. Resolution for Closed Session

Public Hearing to receive public comment(s) for the direct sale of City-Owned real property Parcel ID # 14-29-484-006.

Deputy Mayor Report or Department Heads

Recognition of Elected Officials

Agenda Address

AGENDA ITEMS FOR CITY COUNCIL CONSIDERATION

6. Request for approval of waiving the seal bid or auction procedure for the sale of real property.
7. Request for approval of the sale of Parcel ID# 14-29-484-006 known as the Phoenix Center Parking Garage.
8. Request for approval of resolution for settlement of litigation.
9. Request for approval of a resolution concurring with the provisions of a Brownfield Redevelopment Authority for the village of Bloomfield Project.
10. Request for approval of the Hold Harmless Agreement.

11. Request for ratification of 2016 Development Agreement between City of Pontiac and Bloomfield Village Owner, LLC Regarding Village at Bloomfield Park.
12. Request for approval of the removal of parcels of 14-29-428-002, 14-29-284-007, and 14-29-284-008 from the boundaries of the Tax Increment Finance Authority and the establishment of a Brownfield District for the parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.
13. Request for approval requesting the Oakland County Brownfield Redevelopment Authority to Review the Pontiac East Gateway Redevelopment Project.
14. Request for approval of a resolution concurring with the provisions of a Brownfield Redevelopment Authority for the Pontiac East Gateway Redevelopment Project.

Public Comment

Mayor, Clerk, City Attorney, and Council Closing Comments

Adjournment

December 28, 2016

Official Proceedings
Pontiac City Council
164th Session of the Ninth Council

A Regular Meeting of the City Council of Pontiac, Michigan was called to order in City Hall, Wednesday, December 28, 2016 at Noon by President Patrice Waterman.

Moment of Silence

Invocation – Kermit Williams

Pledge of Allegiance

Roll Call

Members Present: Pietila, Taylor-Burks, Waterman and Williams.

Members Absent: Carter, Holland and Woodward.

Mayor Waterman was present.

Clerk announced a quorum.

16-335 **Excuse Councilperson Randy Carter, Mark Holland and Don Woodward for personal reasons.** Moved by Councilperson Pietila and supported by Councilperson Taylor-Burks.

Ayes: Pietila, Taylor-Burks, Waterman and Williams.

No: None

Motion Carried.

16-336 **Approval of the Agenda.** Moved by Councilperson Pietila and supported by Councilperson Taylor-Burks.

Ayes: Pietila, Taylor-Burks, Waterman and Williams.

No: None

Motion Carried.

16-330 **Journal of December 19, 2016.** Moved by Councilperson Taylor-Burks and supported by Councilperson Pietila.

Ayes: Taylor-Burks, Waterman, Williams, and Pietila.

No: None

Motion Carried.

Special Presentation – Auch Construction and Deputy County Executive Matthew Gibbs

Councilman Mark Holland arrived at 12:14 p.m

Departmental Head Reports – Deputy Mayor Jane Bais-DiSessa

Pro-Tem Mary Pietila left meeting at 2:26 p.m.

There were 10 individuals who addressed the body during public comments.

December 28, 2016

Honorable Mayor Waterman Reported.

Clerk Sherikia L. Hawkins, Attorney J. Travis Mihelick, Councilwoman Taylor-Burks, Councilman Mark Holland, Councilman Kermit Williams and President Patrice Waterman made closing comments.

President Patrice Waterman adjourned the meeting at 3:35 p.m.

SHERIKIA L. HAWKINS
CITY CLERK

January 5, 2017

Official Proceedings
Pontiac City Council
165th Session of the Ninth Council

A Study Session Meeting of the City Council of Pontiac, Michigan was called to order in City Hall, Thursday, January 5, 2017 at 6:00 p.m. by President Patrice Waterman.

Call to Order at 6:00 p.m.

Roll Call

Members Present: Carter, Holland, Pietila, Taylor-Burks, Waterman and Woodward.

Members Absent: Williams.

Mayor Waterman was present.

Clerk announced a quorum.

17-1 **Excuse Councilperson Kermit Williams for personal reasons.** Moved by Councilperson Taylor-Burks and supported by Councilperson Pietila.

Ayes: Holland, Pietila, Taylor-Burks, Waterman, Woodward and Carter.

No: None

Motion Carried.

There were 6 individuals who addressed the body during public comments.

President Patrice Waterman opened up public hearing at 6:20 p.m. regarding removal from the boundaries of the Tax Increment Authority Parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.

There were 6 individuals who spoke during public hearing.

1. Mike McGuinness, 26 Union Street. He just wanted to say that he is excited about the project.
2. Chuck Johnson, 375 S. Blvd. He stated that we need to support the development in the city.
3. Marcia Robovitsky, 7449 Deep Run Apt 111 Bloomfield, Twp., Michigan . She stated she was concerned about Public Hearing in regards to Brownfield(s) Project.
4. Billie Swazer, 1619 Marshbank. She has questions about the parcel numbers and stated that we need to make sure they are correct.
5. Coleman Yoakum, 32 Newberry. He stated that he gets excited when he thinks about the gateways to our city. He loves seeing the development in the city.
6. Linda Hasson, 1075 Williamson. She would like to know where the Bloomfield meetings are held.

President Patrice Waterman closed public hearing at 6:40 p.m.

17-2 **Resolution to go into closed session.** Moved by Councilperson Pietila and supported by Councilperson Taylor-Burks.

Whereas, Section 8 (e), MCL 15.268, permits a public body “[to] consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have detrimental financial effect on the litigation or settlement position of the public body”: and, Whereas section 8 (h) to consider material exempt from discussion or disclosure by state or federal statute.

January 5, 2017

Whereas, the Pontiac City Council believes that an open meeting would have a detrimental financial effect on the litigating or settlement position of the City:

Therefore, Be It Resolved that the Pontiac City Council recesses into closed session for the purpose of consulting in reference to a legal opinion and pending litigation Ottawa Towers vs. the City of Pontiac.

Ayes: Pietila, Taylor-Burks, Waterman, Woodward, Carter and Holland.

No: None

Resolution Passed.

17-3 **Council suspends the rules to amend the agenda.** Moved by Councilperson Pietila and supported by Councilperson Woodward.

Ayes: Taylor-Burks, Waterman, Woodward, Carter, Holland and Pietila.

No: None

Motion Carried.

17-4 **Council added an amendment to the agenda to include a resolution to set a public hearing of city owed property.** Moved by Councilperson Pietila and supported by Councilperson Woodward.

Ayes: Waterman, Woodward, Carter, Holland, Pietila and Taylor-Burks.

No: None

Motion Carried.

17-5 **Council schedules a public hearing on January 12, 2016 at 6:00 p.m. regarding the release of interest in city owed property.** Moved by Councilperson Pietila and supported by Councilperson Woodward.

Resolved, that the Pontiac City Council schedules a public hearing on granting and releasing an interest in parcel 14-29-453-033 commonly known as 112 W. Pike and the W. Lawrence Parking lot.

Ayes: Woodward, Carter, Holland, Pietila, Taylor-Burks and Waterman

No: None

Resolution Passed.

Councilman Kermit Williams arrived at 7:35 p.m.

17-6 **Items 6-12 will be published in the paper for consideration at the January 26, 2017 council meeting. (request for approval of the first reading of an Ordinance to amend various sections of Chapter 22, Article VII; Article 22, Section 22-3; Chapter 86, Article VI Section 86-223; and Chapter 22, Article VI of the city of Pontiac Code of Ordinances. Release of interest in property, sale of vacant land parcel 14-28-380-035 and 14-29-130-011.)** Moved by Councilperson Williams and supported by Councilperson Pietila.

Ayes: Carter, Holland, Pietila, Taylor-Burks, Waterman and Williams

No: None

Motion Carried.

Councilman Don Woodward was temporarily away during the vote.

January 5, 2017

President Patrice Waterman adjourned the meeting at 8:40 p.m.

SHERIKIA L. HAWKINS
CITY CLERK

City of Pontiac

Pontiac City Council

Whereas, Section 8 (e), MCL 15.268, permits a public body "[to] consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have detrimental financial effect on the litigation or settlement position of the public body": and,

Whereas section 8 (h) to consider material exempt from discussion or disclosure by state or federal statute.

Whereas, the Pontiac City Council believes that an open meeting would have a detrimental financial effect on the litigating or settlement position of the City:

Therefore, Be It Resolved that the Pontiac City Council recesses into closed session for the purpose of consulting in reference to a legal opinion and pending litigation Ottawa Towers Vs. The City of Pontiac.

City of Pontiac Resolution

WHEREAS, The Pontiac City Council recognizes the acts of heroism and sacrifice, and honoring the individuals who lost their lives in the tragic fire in Pontiac, Michigan on December 24, 2016; and,

WHEREAS, Mr. Michael Ballentine was born on December 12, 1963 and departed this life at the age of 53; and,

WHEREAS, Mr. Ballentine was a lifelong resident of the City of Pontiac; and,

WHEREAS, Mr. Ballentine worked as a chef for 28 years until his retirement; and,

WHEREAS, Mr. Ballentine was a family man and was extremely close to his three brothers and three sisters who all reside in Pontiac, Michigan; and

WHEREAS, Mr. Ballentine was a resident of Woodland Heights.

NOW, THEREFORE, BE IT RESOLVED, that the members of the Pontiac City Council, Mayor and residents of the city offer our deepest and sincerest condolences to the family of **Mr. Michael Ballentine** may you rest in peace.

DR. DEIRDRE WATERMAN, MAYOR

PATRICE WATERMAN, PRESIDENT

MARY PIETILA, PRESIDENT PRO-TEM

DONALD WOODWARD, COUNCILMAN

RANDOLPH CARTER, COUNCILMAN

MARK E. HOLLAND, SR., COUNCILMAN

DORIS TAYLOR-BURKS, COUNCILWOMAN

KERMIT WILLIAMS, COUNCILMAN

City of Pontiac Resolution

- WHEREAS,** The Pontiac City Council is deeply saddened by the tragic fire that took place on December 24, 2016; and,
- WHEREAS,** The tragedy claimed the life of Mr. Elzy Jones Jr.; and,
- WHEREAS,** Mr. Elzy Jones Jr. was born on September 2, 1937; and
- WHEREAS,** Mr. Elzy Jones Jr. was a resident of Pontiac for 38 years; and,
- WHEREAS,** Mr. Elzy Jones Jr. was a resident of Woodland Heights for eighteen years; and,
- WHEREAS,** Mr. Elzy Jones Jr. loved his four children, three daughters and one son; and,
- WHEREAS,** Mr. Elzy Jones worked at St. Paul United Methodist Church until he retired.

NOW, THEREFORE, BE IT RESOLVED, that the members of the Pontiac City Council, Mayor and residents of the city offer our deepest and sincerest condolences to the family of **Mr. Elzy Jones Jr.** may you rest in peace.

DR. DEIRDRE WATERMAN, MAYOR

PATRICE WATERMAN, PRESIDENT

MARY PIETILA, PRESIDENT PRO-TEM

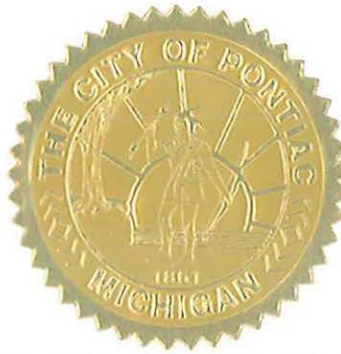
DONALD WOODWARD, COUNCILMAN

RANDOLPH CARTER, COUNCILMAN

MARK E. HOLLAND, SR., COUNCILMAN

DORIS TAYLOR-BURKS, COUNCILWOMAN

KERMIT WILLIAMS, COUNCILMAN



CITY OF PONTIAC CITY COUNCIL

**RESOLUTION APPROVING THE DIRECT SALE OF THE REAL PROPERTY WITH
PARCEL ID #14-29-484-006, COMMONLY KNOWN AS THE PHOENIX CENTER
PARKING GARAGE**

WHEREAS, the City has engaged in discussions with a potential purchaser for the Real Property with Parcel ID #14-29-484-006, commonly known as the Phoenix Center Parking Garage; and

WHEREAS, the proposed sale of the Real Property would be part of a Settlement Agreement and closing package that includes the sale of the Ottawa Tower buildings and the Settlement of all the current and past litigation regarding the Phoenix Center Parking Garage; and

WHEREAS, Section 2-520 of the City Ordinances provides that real property may be sold or exchanged by open public auction, online auction, sealed bid auction, or direct sale; and

WHEREAS, the City Council may waive a sealed bid or auction procedure for real property upon a unanimous vote and after the public has had an opportunity to comment on the proposed disposal procedure; and

WHEREAS, the City Council has held a public hearing on the issue of a direct sale on January 12, 2017; and

WHEREAS, the City Council finds that it is in the best interest of the City to proceed with a direct sale of the Real Property with Parcel ID #14-29-484-006, commonly known as the Phoenix Center Parking Garage.

NOW THEREFORE, BE IT RESOLVED, that the Council formally waives the sealed bid or auction procedure for the Real Property with Parcel ID #14-29-484-006, commonly known as the Phoenix Center Parking Garage and approves the direct sale of the Real Property; and

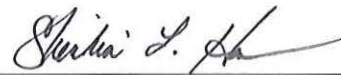
NOW THEREFORE, BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to take any action necessary to accomplish and finalize the direct sale of the property to the purchaser.

PASSED AND APPROVED BY THE CITY COUNCIL, Pontiac, Michigan, this 12th day of January, 2017.

AYES: Carter, Holland, Pietila, Taylor-Burks, Waterman, Williams, and Woodward.

NAYS: None

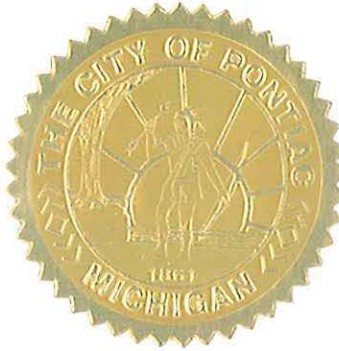
I, Sherikia Hawkins, M.A., Clerk of the City of Pontiac, hereby certify that the above Resolution is a true and accurate copy of the Resolution passed by the City Council of the City of Pontiac on January 12, 2017.



Sherikia Hawkins, City Clerk

Dated: January 13, 2017





City of Pontiac City Council

Resolution Sale of Phoenix Center

At a meeting of the City Council of the City of Pontiac, Michigan, held on January 12, 2017, a resolution approving the sale of the of the Phoenix Center to BoonEx Inc., a Georgia corporation, was adopted.

WHEREAS, the City Council of the City of Pontiac, does hereby find as follows:

WHEREAS, On October 30, 1979, the City of Pontiac (the “City”), the Pontiac Downtown Development Authority, and the Downtown Pontiac Development Company entered into a Comprehensive Development Agreement that required the developer to construct a parking deck (the “Deck”), a pedestrian plaza (the “Plaza”), and improvements on the public sites of a certain parcel of land located in the City of Pontiac, now commonly known as the “Phoenix Center”; and

WHEREAS, the Comprehensive Development Agreement provided for the City to convey certain parcels of land within the project area to the developer for development of various private buildings on said parcels of land, including a hotel (which was never constructed), two office buildings (constructed and now known as the Ottawa Towers), a senior citizens building (constructed), and retail buildings (which were never constructed); and

WHEREAS, on May 8, 2016 the City made a Declaration of Easements that created certain reciprocal easements and obligations on the Phoenix Center and adjacent properties; and

WHEREAS, for many years the Ottawa Towers office buildings were occupied by General Motors and other automotive entities until the reorganization and bankruptcy of General Motors; and

WHEREAS, the office buildings are now owned by Ottawa Tower II, LLC and Charles R. Stephens, as Trustee of the North Bay Drywall, Inc. Profit Sharing Plan and Trust (collectively “Ottawa Towers”); and

WHEREAS, the City has been involved in protracted litigation with Ottawa Towers over the use and operation of the Phoenix Center and certain actions that the City was required to undertake as a result of the orders of the City’s Emergency Manager; and

WHEREAS, the Phoenix Center parking garage is only partially utilized by the sole tenant of Ottawa Towers, and the Ottawa Towers office buildings have significant vacancies and are economically under-utilized; and

WHEREAS, BoonEx, Inc. ("BoonEx"), a Georgia corporation, has now entered into a Purchase and Sale Agreement for the Ottawa Towers office buildings; and

WHEREAS, BoonEx also desires to enter into a Purchase and Sale Agreement with the City to purchase the Phoenix Center for \$3,000,000; and

WHEREAS, Ottawa Towers, the City, and BoonEx have proposed to enter into a mutual and simultaneous closing whereby:

- (a) All pending litigation between Ottawa Towers and the City would be settled;
- (b) The Ottawa Towers buildings would be sold to BoonEx by Ottawa Towers;
- (c) Ottawa Towers, with the consent of BoonEx, would discharge all encumbrances that burden the Phoenix Center and impose continuing financial obligations and burdens on the City;
- (d) The City would sell the Phoenix Center to BoonEx for \$3,000,000; and

WHEREAS, the Pontiac City Council has been provided with a legal opinion from the City's attorneys concerning the financial risk of continued litigation with Ottawa Towers in the pending Oakland County Circuit Court cases and the advisability of settlement of the pending litigation with Ottawa Towers; and

WHEREAS, Pontiac City Council believes that the sale of the Phoenix Center to BoonEx, in conjunction with the sale of the Ottawa Towers to BoonEx, is in the best interest of the City in order to revitalize the Ottawa Towers office buildings and the Phoenix Center development.

NOW THEREFORE, BE IT RESOLVED, that the City Council approves the sale of the Phoenix Center to BoonEx, Inc. in the amount of \$3,000,000 pursuant to the terms of a certain Purchase and Sale Agreement that has been presented to the City Council, But contingent upon Ottawa Towers full execution of the comprehensive settlement agreement.

BE IT FURTHER RESOLVED, that the Mayor of the City of Pontiac is hereby authorized to take any action necessary to accomplish and finalize the conveyance of the Phoenix Center to BoonEx, Inc., including but not limited to executing any and all documents necessary to convey the Phoenix Center to BoonEx; discharge the City's obligations in the record of title to the Phoenix Center; and to execute a Multiple Party Simultaneous Closing Agreement between Ottawa Towers, the City, and BoonEx that has been presented to the City Council.

PASSED AND APPROVED BY THE CITY COUNCIL, Pontiac, Michigan, this 12th day of January, 2017.

AYES: Carter, Holland, Pietila, Taylor-Burks, Waterman, Williams, and Woodward.

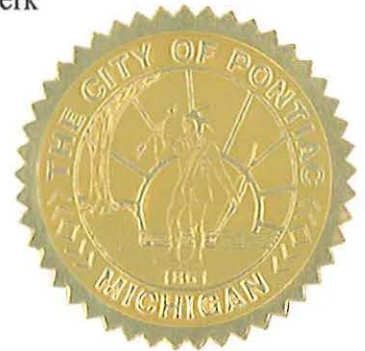
NAYS: None

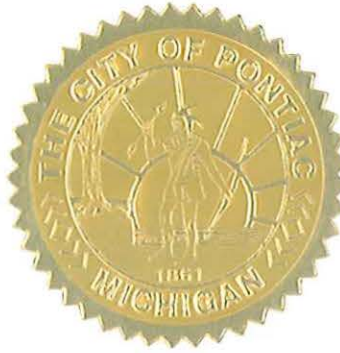
I, Sherikia Hawkins, M.A., Clerk of the City of Pontiac, hereby certify that the above Resolution is a true and accurate copy of the Resolution passed by the City Council of the City of Pontiac on January 12, 2017.



Sherikia Hawkins, City Clerk

Dated: January 13, 2017





City of Pontiac City Council

Resolution for Settlement of Litigation

At a meeting of the City Council of the City of Pontiac, Michigan, held on January 12, 2017, a resolution authorizing the settlement of the case of *Ottawa Towers v City of Pontiac*, Oakland County Circuit Court case no. 12-130331-CH and *City of Pontiac v Ottawa Tower II*, et. al., Oakland County Circuit Court case no. 14-139761-CC was adopted.

WHEREAS, the City Council of the City of Pontiac, does hereby find as follows:

WHEREAS, On November 2, 2012, Ottawa Towers II, LLC and Charles R. Stephens, as Trustee for North Bay Drywall, Inc. Profit Sharing Trust (collectively, "Ottawa Towers") filed a Complaint in Oakland County Circuit Court, Case No. 12-130331-CH, against the City of Pontiac (the "City"), et. al., seeking, *inter alia*, to enforce and/or recover money damages for alleged impairment of their property interests in the Phoenix Center Parking Garage & Pedestrian Plaza (the "Phoenix Center") by the City. On November 30, 2012, the Oakland County Circuit Court granted an injunction to enjoin the City from undertaking any demolition activities or interference in the use and operation of the Phoenix Center; and

WHEREAS, on March 26, 2014, the City filed a Condemnation Complaint, in Oakland County Circuit Court, Case No. 14-139761-CC, pursuant to the Uniform Condemnation Procedures Act ("UCPA"), MCL 213.51 *et seq.* seeking to acquire certain private property rights that burden the Phoenix Center and benefit the office buildings owned by Ottawa Towers; and

WHEREAS, on October 22, 2014, the Oakland County Circuit Court issued an order that dismissed the condemnation action filed by the City without prejudice as to the Ottawa Towers Defendants; and

WHEREAS, the City appealed the Circuit Court order and the decision was affirmed by the Michigan Court of Appeals on March 15, 2016, No. 32548. On April 26, 2016, the City filed an Application for Leave to Appeal with the Michigan Supreme Court. On October 26, 2016, the Michigan Supreme Court denied the City's Application for Leave to Appeal. Therefore, the October 22, 2014 dismissal by the Oakland County Circuit Court stands as a final judgment and Ottawa Towers can now pursue post-judgment attorney fee and expenses against the City pursuant to MCL 213.66(1); and

WHEREAS, on December 22, 2016, the Receivership Transition Advisory Board ("RTAB") voted to release the City from the obligation of having to demolish the Phoenix Center and it is expected that the State Treasurer will issue an order shortly confirming the recommendation of the RTAB; and

WHEREAS, the City and Ottawa Towers now desire to settle and dismiss all pending litigation between and among the City and Ottawa Towers upon the payment of \$3,000,000 by the City to Ottawa Towers (or its designee); and

WHEREAS, having been fully advised of the facts and circumstances regarding the claims of Ottawa Towers and the financial risk to the City of continued litigation, the Pontiac City Council has concluded that settlement of all claims by, between and among the Ottawa Towers parties in the pending litigation referenced herein is in the best interest of the City.

NOW THEREFORE, BE IT RESOLVED, by the Pontiac City Council that the litigation pending between and among the City of Pontiac, its co-defendants, and Ottawa Towers, as identified herein, be resolved by payment to Ottawa Towers or its duly appointed designee of \$3,000,000 by the City in complete and total satisfaction of all claims and demands in the pending litigation described herein; and but contingent upon Ottawa Towers full execution of the comprehensive settlement agreement.

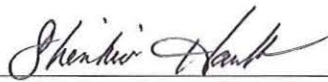
BE IT FURTHER RESOLVED, that the Mayor of the City of Pontiac is authorized on behalf of the City to execute all necessary documents to effectuate the settlement, and to direct the City's attorneys to execute and file with the court all necessary papers to effectuate the settlement in complete and total satisfaction of all claims and demands by Ottawa Towers against the City of Pontiac and its co-defendants.

PASSED AND APPROVED BY THE CITY COUNCIL, Pontiac, Michigan, this 12th day of January, 2017.

AYES: Carter, Holland, Pietila, Taylor-Burks, Waterman, Williams, and Woodward.

NAYS: None

I, Sherikia Hawkins, M.A., Clerk of the City of Pontiac, hereby certify that the above Resolution is a true and accurate copy of the Resolution passed by the City Council of the City of Pontiac on January 12, 2017.



Sherikia Hawkins, City Clerk

Dated: January 13, 2017





January 9, 2017

Mayor Deirdre Waterman
Pontiac City Hall
47450 Woodward Ave
Pontiac, MI 48342

Dear Mayor Waterman:

I am writing on behalf of Bloomfield Village Owner, LLC to respond to several questions that arose during the January 5th City Council Study Session. Please allow me to clarify the relationships of the various parties referenced in the documents before you:

- Bloomfield Park was the name given to the project promoted by Mr. Craig Schubiner, Developers Diversified Realty Corp. (DDR), and other affiliated parties. Neither this name nor these individuals are associated with the current project or development team, and any references to this project name have only been made for the sake of historical context.
- The new project is named The Village at Bloomfield for marketing and branding purposes.
- The new project is owned and will be developed by Bloomfield Village Owner, LLC.
- Bloomfield Village Investor Holdings, LLC is a party related to Bloomfield Village Owner, LLC that acquired and later foreclosed on the loans made to the prior developers, and later transferred the property to Bloomfield Village Owner, LLC. Bloomfield Village Owner, LLC assumed the development rights to the project, and also the obligations of prior Development Agreements.
- Southfield-based REDICO is a member of Bloomfield Village Owner, LLC and Bloomfield Village Investor Holdings, LLC (along with its partner PCCP). REDICO is the developer of The Village at Bloomfield project.

The following Agreements are before the Council for its consideration:

- Amendment to the 2014 Brownfield Plan Bloomfield Village Owner, LLC requests a concurring resolution be made by Council to support the amendment.
- Hold Harmless Agreement—Bloomfield Village Owner, LLC will shield the City of Pontiac from its existing obligation to remit to the Charter Township of Bloomfield the equivalent of three mills annually based on the assessed value of the property.
2016 Development Agreement—between Bloomfield Village Owner, LLC and the City of Pontiac, addressing various desires of the City such as engagement of Pontiac based business, job creation and public safety.



For reference, other relevant agreements include:

- Agreement for Conditional Transfer of Property (i.e. Act 425 Agreement) between the City of Pontiac and the Charter Township of Bloomfield. This Agreement remains in effect as is and can only be modified by court action.
- 2002 Development Agreement between the City of Pontiac, the Charter Township of Bloomfield, and various developer entities. Bloomfield Village Owner, LLC assumed the rights and obligations contained within this agreement through its succession as the developer, and is obligated to seek approvals through the Joint Development Council referenced in the Act 425 Agreement. Bloomfield Village Owner, LLC's request for four minor amendments necessary to effectuate a market relevant development plan was supported by the Joint Development Council at their December 2016 meeting.

All of the above agreements run with the land, Transfers to other parties (e.g. Menards, Edward Rose & Sons) do not negate any obligations set forth in these agreements. Bloomfield Village Owner, LLC will either retain these obligations or privately negotiate their maintenance by other parties, but in any case the obligations will survive for the duration of the amended Brownfield Plan.

Please note that the construction of any building within the portions of The Village at Bloomfield in Pontiac (including Act 425 Agreement area) will be subject to the regular plan approval and building plan review processes. As mentioned above, although the Act 425 Agreement requires the City of Pontiac to remit the equivalent of three mills based on assessed value of the property to Bloomfield Township, this burden will be assumed in full by Bloomfield Village Owner through the Hold Harmless Agreement. Another question raised during the Study Session, whether Bloomfield Township public safety crews will be directly compensated if dispatched to the property, is not addressed in the Act 425 Agreement. This service will be provided as customary and as expected by any other property or business operating in Bloomfield Township.

The 2016 Development Agreement and the Hold Harmless Agreement will provide the City of Pontiac with the additional protections it has sought. The Hold Harmless Agreement and 2016 Development Agreement obligations are to survive for the life of the Amended Brownfield Plan.

Thank you for your consideration, and I hope that this letter helps to clarify matters. We look forward to appearing before the Council on the evening of the 12th. If in the meantime you have any questions, please don't hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kenneth Till". The signature is fluid and cursive, with a large initial "K" and "T".

Kenneth Till
Senior Vice President Development

MEMORANDUM

TO: Pontiac City Council

FROM: J. Travis Mihelick

DATE: January 3, 2017

RE: Bloomfield Village Brownfield Plan Documents

Honorable Council:

As part of the Bloomfield Village Brownfield Plan proposal that is before Council, Council President requested that I put together a brief summary of the three documents that have been presented to Council. The three documents are as follows:

1. **Brownfield Resolution:** The Oakland County Brownfield Redevelopment Authority has supplied a proposed resolution for the City Council to adopt to concur with the Brownfield Plan adopted by the County BRA. The proposed resolution was modified by adding the italicized paragraph, which would make the City's concurrence with the Brownfield Plan conditional on Bloomfield Township agreeing to forego any payment from the City of property taxes captured under the Brownfield Plan, unless that payment is offset or reimbursed to the City by the Developer. This is addressed further in the Hold Harmless Agreement. This is the operative document necessary to complete the Brownfield.
2. **Hold Harmless Agreement:** This Agreement between the City and the Developer is designed to guarantee the Developer (or the Developer's successor in interest) will reimburse the City for any portion of the property taxes to be captured under the Brownfield Plan that the City may be required to pay to Bloomfield Township. It is unsettled whether the Township is entitled to receive any of the increase in captured taxes, but this Agreement ensures that the City will be made whole if it is ultimately determined that the City must pay the Township. The term of this Agreement corresponds to the term of the Brownfield Plan.
3. **Development Agreement:** This 2017 Development Agreement between the City and the Developer is intended to supplement the previous development agreement entered into among the City, Township and the original Bloomfield Park developer. This Agreement is between the City and the new Developer and sets forth various the commitments the Developer is willing to make to induce the City's support for the project and the Brownfield Plan. These commitments include giving preference to City residents and businesses for construction jobs, paying up to \$50,000 towards Gateway signage, and paying a public safety fee (starting at \$150, and increasing 3% each year) for every public safety response to the new development in excess of 200 within any calendar year. The term of this Agreement also corresponds to the term of the Brownfield Plan, and is binding on the Developer's successors.

If you have any questions regarding the documents, please do not hesitate to let me know.

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF PONTIAC

RESOLUTION CONCURRING WITH THE PROVISIONS OF
AN AMENDED BROWNFIELD PLAN ADOPTED BY THE OAKLAND COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY FOR THE
VILLAGE AT BLOOMFIELD PROJECT

RECITATIONS:

WHEREAS, the Oakland County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), have established a Brownfield Redevelopment Authority and Board (OCBRA) to facilitate the clean-up and redevelopment of Brownfields within Oakland County's communities; and

WHEREAS, The Village at Bloomfield project, in the City of Pontiac is a Brownfield under state statute; and

WHEREAS, a Brownfield clean up and redevelopment plan (the "Plan") has been prepared to help redevelop the site in order to restore the environmental and economic viability of it which the OCBRA has reviewed and approved; and

WHEREAS, pursuant to OCBRA by-laws, a local committee has been appointed, participated in discussions regarding the proposed plan and project, reviewed the plan, and recommends its approval; and

WHEREAS, the OCBRA, pursuant to and in accordance with Section 13 of the Act, shall consider recommending that the Oakland County Board of Commissioners approve the Brownfield Plan to be carried out within the City of Pontiac, relating to the redevelopment of The Village at Bloomfield (the "Property"); and

WHEREAS, the City of Pontiac has reviewed the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Sections 13(13) of the Act; and

NOW THEREFORE BE IT RESOLVED THAT, the City of Pontiac hereby concurs with the provisions of the Plan including approval of the Plan by the Oakland County Board of Commissioners and implementation of the Plan by the Oakland County Brownfield Redevelopment Authority.

BE IT FURTHER RESOLVED THAT, the City's concurrence with the Plan is conditional and will be effective if, and only if, Bloomfield Township agrees to forego any share or payment from the City of Pontiac of property taxes to be captured under the Plan, as otherwise

called for in that certain Agreement for Conditional Transfer of Property, as the same may be amended, unless such share or payment is offset or reimbursed to the City by other means.

BE IT FURTHER RESOLVED THAT, should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

BE IT FURTHER RESOLVED THAT, all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Pontiac at a meeting duly called and held on the ____ day of January, 2017.

CITY OF PONTIAC

By: _____
_____, Clerk

HOLD HARMLESS AGREEMENT

This Agreement, dated and effective on _____, is entered into between the City of Pontiac (the “City”), of 47450 Woodward Avenue, Pontiac, MI 48342, and Bloomfield Village Owner, LLC (the “Developer”), a Delaware limited liability company with an address at One Town Square, Suite 1600, Southfield, Michigan 48076.

Whereas, a land development project known as Bloomfield Park, to be located on land (“Project Land”, as described in attached Exhibit A) straddling the municipal boundaries of and located in both the City and the Charter Township of Bloomfield (the “Township”) has sat dormant and incomplete since 2008 with partially completed, and weathered structures still standing on the property; and

Whereas, after foreclosure and lengthy litigation, Bloomfield Village Investors Holdings LLC, the sole member of the Developer (i) purchased the rights and interests of the mortgagee holding mortgages and other security interests encumbering the Project Land and various rights pertaining thereto, (ii) foreclosed on the mortgages and other security interests, and (iii) transferred title to the Project Land and related rights to the Developer; and

Whereas, Developer has applied for and received approval from the Oakland County Brownfield Redevelopment Authority of an Amended Brownfield Plan to facilitate redevelopment of the project site and financing of environmental remediation of the site, including demolition of obsolete structures located thereon; and

Whereas, the Amended Brownfield Plan proposes to capture property taxes corresponding to the increased taxable value of the Village At Bloomfield Project’s real and personal property and to reimburse Developer up to Sixty Million Dollars (\$60,000,000) over thirty (30) years for eligible activities; and

Whereas, the City has been requested to pass a resolution concurring with the provisions of the Amended Brownfield Plan adopted by the Oakland County Brownfield Redevelopment Authority; and

Whereas, the project site is subject to a Development Agreement, dated November 27, 2002, and an Agreement for Conditional Transfer of Property (“Act 425 Agreement”), dated November 27, 2002, which, among other things, govern the sharing of tax collections between the City and the Township concerning the project site; and

Whereas, at the time of this Agreement it is unsettled whether the Township may claim entitlement under the Act 425 Agreement to payment from the City for any portion of the property taxes that would be captured under the Amended Brownfield Plan; and

Whereas, it is of paramount concern to the City that its concurrence in the Amended Brownfield Plan not cause or result in the City being obligated to pay over to the Township any taxes, or equivalent amounts, corresponding to the taxes to be captured under the Amended Brownfield Plan; and

Whereas, the Developer acknowledges that its entry into this Agreement to hold the City harmless from any such possible payment obligation to the Township is of major importance to the City and is a material inducement for the City to concur with the Amended Brownfield Plan.

THEREFORE, the City and Developer agree:

1. In the event, following final approval and implementation of the Amended Brownfield Plan, it is held by a court of competent jurisdiction or it is otherwise legally determined or claimed that the City is responsible under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement to pay to the Township any taxes, or an equivalent amount, corresponding to taxes captured for the Project Land under the Brownfield Plan (the "City Tax Obligation"), Developer shall reimburse the City for all amounts paid by the City to the Township with respect to such City Tax Obligation due to any increase in value caused by the development of the Project Land and/or defend and hold the City harmless from any such payment obligation. In the event the City or Developer desire to contest the right of the Township to receive payment from the City under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement, they shall jointly, in the name of the City, pursue such action and cooperate in such efforts without impacting the indemnification provided in the preceding sentence.
2. The parties' rights and obligations under this Agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto and shall run with the land; provided, however (i) the obligations of the Developer under this Agreement shall not be binding on any successor owner or user of any portion of the Project Land; and (ii) in the event the Developer assigns its right to reimbursement corresponding to the increased taxable value of the Village At Bloomfield Project's real and personal property as provided in any reimbursement agreement or other document entered into in connection with the Brownfield Plan, such assignee shall be required to assume the Developer's obligations under this Agreement, whereupon the Developer shall be automatically released from any liability or responsibility under this Agreement assumed by such assignee.
3. The parties' rights and obligations under this Agreement shall survive and shall not merge into any future agreement or amended agreement – including, but not limited to, the Brownfield Plan and any associated reimbursement agreement, amended Development Agreement, or amended Act 425 Agreement – unless the parties rights and obligations under this Agreement are expressly and specifically modified, terminated or superseded in such later Agreement.
4. The term of this Agreement shall correspond to the term of the Brownfield Plan and associated reimbursement agreement, or, if shorter, the period that it is determined the City is responsible for paying to the Township any portion of captured taxes for the Project Land. This Agreement may be amended only in writing signed and dated by the parties hereto.

[Signatures on Following Page]

**Signature Page to Hold Harmless Agreement between the
City of Pontiac and Bloomfield Village Owner, LLC**

CITY OF PONTIAC

BLOOMFIELD VILLAGE OWNER, LLC

By: _____
Dr. Deirdre Waterman, Mayor

By: _____
Its: _____

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Hold Harmless Agreement was acknowledged before me on _____, 2017, by
Dr. Deirdre Waterman, the Mayor, of the City of Pontiac., on behalf of the City.

Subscribed and sworn to before me
on _____, 2017.

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Hold Harmless Agreement was acknowledged before me on _____, 2017, by
_____, the _____, of Bloomfield Village Owner, LLC, on behalf of the
company.

Subscribed and sworn to before me
on _____, 2017.

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____

**2017 DEVELOPMENT AGREEMENT BETWEEN CITY OF PONTIAC
AND BLOOMFIELD VILLAGE OWNER, LLC REGARDING VILLAGE AT
BLOOMFIELD PROJECT**

This Development Agreement (“Agreement”) is executed and is effective on _____, 2017, between the CITY OF PONTIAC (“City”), a Michigan municipal corporation, and BLOOMFIELD VILLAGE OWNER, LLC (“Developer”), a Delaware limited liability company.

WHEREAS, a land development project known as Bloomfield Park, straddling the municipal boundaries of and located in both the City and the Charter Township of Bloomfield (the “Township”), has sat dormant and incomplete since 2008 with partially completed, and weathered structures still standing on the property; and

WHEREAS, after foreclosure and lengthy litigation, Bloomfield Village Investors Holdings LLC, the sole member of the Developer (i) purchased the rights and interests of the mortgagee holding mortgages and other security interests encumbering the Bloomfield Park land and various rights pertaining thereto, (ii) foreclosed on the mortgages and other security interests, and (iii) transferred title to the Bloomfield Park land and related rights to the Developer; and

WHEREAS, the Developer intends to redevelop the site as a mixed-use project, to be known as the Village at Bloomfield Project (the “New Development”), which may include residential, dining, grocery, retail, entertainment, and healthcare components; and

WHEREAS, Developer has applied for and received approval from the Oakland County Brownfield Redevelopment Authority of an Amended Brownfield Plan to facilitate redevelopment of the project site and financing of environmental remediation of the site, including demolition of obsolete structures located thereon; and

WHEREAS, the Brownfield Plan proposes to capture property taxes corresponding to the increased taxable value of the Village At Bloomfield Project’s real and personal property and to reimburse Developer up to Sixty Million Dollars (\$60,000,000) over thirty (30) years for eligible activities; and

WHEREAS, the City has been requested to pass a resolution concurring with the provisions of the Brownfield Plan adopted by the Oakland County Brownfield Redevelopment Authority; and

WHEREAS, the project site is already subject to a Development Agreement, among the City, Township, and the previous owners of the Bloomfield Park land, dated November 27, 2002 (as the same may be amended, the “Joint Development Agreement”), and an Agreement for Conditional Transfer of Property between the City and Township, dated November 27, 2002 (as the same may be amended, the “Act 425 Agreement”); and

WHEREAS, the City and Developer intend, through this Agreement, to supplement the Joint Development Agreement as between the City and Developer only, by setting forth and agreeing to herein additional promises and commitments between the City and Developer; and

WHEREAS, the City's Mayor and City Council have determined that this Agreement is appropriate for the proposed development of the New Development, is consistent with the public health, safety and welfare of the City's residents and businesses, and will result in positive impacts and benefits for the City and its residents and businesses; and

WHEREAS, the City and Developer are concurrently entering into a Hold Harmless Agreement (which is incorporated herein by reference and made a part hereof) concerning responsibility for payment, if any is determined to be owed, to the Township by the City under Sections 3.1A, 3.1C and 3.1D of the Act 425 Agreement of any portion of taxes to be captured under the Brownfield Plan; and

WHEREAS, the Developer acknowledges that its entry into this Agreement is of major importance to the City and is a material inducement for the City to proceed with various approvals and authorizations for the New Development.

THEREFORE, the City and Developer agree as follows in consideration for the mutual promises and consideration given and received by them:

1. No Preemption. Unless otherwise expressly provided herein, this Agreement shall not be deemed to waive, preempt, supersede, or render ineffective any applicable municipal or governmental laws, ordinances, codes, regulations or processes, including but not limited to zoning, brownfield and economic incentives, taxes, assessments or fees, and Developer shall be subject to all review and approval processes required under the City's ordinances, regulations and rules; provided, however, the foregoing is not intended to modify any such agreements contained in the Joint Development Agreement or Act 425 Agreement.

2. Construction Jobs.

(a) In connection with the initial development and construction of each component of the New Development, Developer shall implement, or require its general or prime contractor(s) to implement, a local hiring policy which provides (i) a preference for such general or prime contractor(s) to hire Pontiac Based Businesses (as defined below) as subcontractors and suppliers for jobs relating to the development and construction of the New Development, and (ii) a preference for such general or prime contractor(s), and, to the extent possible, their subcontractors and suppliers, to hire City residents to perform jobs relating to the development and construction of the New Development. Further, the Developer may retain Pontiac Based Businesses to provide architectural, engineering, environmental and other professional and consulting firms services relating to the development and construction of the New Development. For purposes of this Agreement, a "Pontiac Based Business" shall mean a business that is either (y) headquartered in the City, or (z) has an office, store or other facility within the City. Developer shall require its general or prime contractors to advertise available on-site jobs in local media and electronically on a City-sponsored website and social media, if such resources exist. In addition, Developer shall consult with and provide written notice to at least two local hiring organizations, which may include non-profit organizations involved in referring eligible applicants for job opportunities. Developer shall require its general or prime contractors to consider in good faith all applications submitted by City residents and businesses and maintain a preference for hiring City residents and businesses that are qualified to perform the on-site jobs

relating to the initial development and construction of each component of the New Development. Developer shall, in its agreements with its general or prime contractors, include a requirement for this local hiring policy, and, in connection therewith, Developer will introduce such contractors to, and encourage such contractors to participate in, the "Community Ventures" program offered by the Michigan Economic Development Corporation. For avoidance of doubt, the foregoing terms and requirements shall not apply to the initial development and construction of components of the New Development performed by or on behalf of other owners or users thereof (or their general or prime contractors), although the Developer will notify such owners and users of this local hiring policy and encourage them to comply therewith.

(b) In the event Pontiac Based Businesses and City residents do not receive, in the aggregate, payments totaling at least Two Million One Hundred Thousand Dollars (\$2,100,000.00) for jobs relating to the development and construction of the New Development (computed before deductions for taxes, other governmental payments, offsets and similar items) during the period ending when the development and construction of each phase and component of the New Development is complete, the Developer will donate to job training and/or work force programs designated by the City, an amount equal to fifty percent (50%) of the difference between Two Million One Hundred Thousand Dollars (\$2,100,000.00) and the total sum actually paid to Pontiac Based Businesses and City residents for jobs relating to the development and construction of the New Development.

3. Gateway Signage. The Developer, together with the City, shall design a gateway entrance sign (the "Sign") to be installed at a location determined by the City and reasonably approved by the Developer. If the designated location is not situated within the boundaries of the New Development owned by Developer, the Developer will work with the City to obtain any easements necessary to install, maintain, repair and replace the Sign. Further, the design, installation, and use of the Sign shall be subject to the approval of the Joint Development Council, and meet the requirements of the Town Center District Zoning Ordinance. The Developer will pay the cost to design, make and install the Sign, in an aggregate amount not to exceed Fifty Thousand Dollars (\$50,000.00). The City will be responsible for maintaining, repairing and replacing the Sign, at its sole expense.

4. Permanent Jobs. The City acknowledges the Developer has limited control to influence or affect the hiring practices of the ultimate users and tenants of the New Development. But, Developer agrees to in good faith, use commercially reasonable efforts to encourage the ultimate users and tenants of the New Development to advertise, reach out, recruit, and consider for hire, City residents for full or part time employment opportunities, and to afford those residents a fair opportunity to apply and compete for such jobs.

5. Public Safety. In the event the New Development, within any calendar year, generates or necessitates more than 200 public safety (i.e., police, fire and EMS) responses, , Developer shall be responsible for paying the City \$150.00 (which amount shall increase annually by 3% starting on January 1, 2018) per public safety response over 200. The City shall invoice the Developer after the close of each calendar year for any such public safety response overage.

6. City Support. The City shall support, and cause its representative on the Joint Development Council to approve the Developer's preliminary site plan for the New Development as set forth on Exhibit A attached hereto and made a part hereof, as the same may be modified to accommodate any reasonable requests acceptable to Developer made by proposed users or other members of the Joint Development Council, or in response to market conditions. Further, the City will support the Developer's request to the State of Michigan to allow the Developer to capture tax increment revenue attributable to school millages.

7. Term. The term of this Agreement shall correspond to the term of the Brownfield Plan and associated reimbursement agreement.

8. Binding Effect. This Agreement may be recorded at the Register of Deeds and shall inure to the benefit of and shall be binding upon the parties hereto and their successors and assigns, and shall run with the land; provided, however (i) the obligations of the Developer under this Agreement shall not be binding on any successor owner or user of any portion of the property located within the New Development unless such owner or user receives any assignment of, and assumes, the development rights of the Developer with respect to the New Development; and (ii) at such time as one or more property owners' associations, condominium associations, or successor owners or users, take over the maintenance, repair and/or administration of the New Development, or any portion thereof, and, in connection therewith, agrees to perform some or all of the obligations of the Developer under this Agreement, the Developer shall be automatically released from any liability or responsibility under this Agreement assumed or taken over by such property owners' association(s), condominium association(s) and/or successor owners or users.

[Signatures on Following Page]

**Signature Page to 2017 Development Agreement between the
City of Pontiac and Bloomfield Village Owner, LLC
Regarding Village at Bloomfield Project**

CITY OF PONTIAC

BLOOMFIELD VILLAGE OWNER, LLC

By: _____
Dr. Deirdre Waterman, Mayor

By: _____
Its: _____

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Hold Harmless Agreement was acknowledged before me on _____, 2017, by Dr. Deirdre Waterman, the Mayor, of the City of Pontiac., on behalf of the City.

Subscribed and sworn to before me
on _____, 2017.

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing Hold Harmless Agreement was acknowledged before me on _____, 2017, by _____, the _____, of Bloomfield Village Owner, LLC, on behalf of the company.

Subscribed and sworn to before me
on _____, 2017.

_____, Notary Public
Oakland County, Michigan
My Commission Expires: _____



DEPARTMENT OF COMMUNITY DEVELOPMENT

Memorandum

To: Honorable City Council

From: Garland S. Doyle, M.P.A., CNP, Deputy Director, Community Development Department

Thru: Jane Bais-DiSessa, Deputy Mayor

Date: January 9, 2017

Re: Pontiac East Gateway Redevelopment Project

On December 8, 2016, we informed your honorable body of a request from George W. Auch Company (Auch) to establish a brownfield on parcels 14-29-428-002 commonly known as 65 University Dr., 14-29-284-007 (vacant land) and 14-29-284-008 (vacant land). The brownfield plan for Auch to build a new headquarters on the parcels is known as the Pontiac East Gateway Redevelopment Project. The plan was presented at that time. Auch is proposing a \$5.5 million investment. As a result of their expansion, they estimate their workforce will increase by eight employees. Currently, they have 45 employees. The project was presented to both the TIFA and Brownfield Boards on December 8, 2016 as well. The TIFA Board voted to make a recommendation that the parcels be removed from TIFA District 3 so they can qualify for a brownfield. The brownfield request will be forwarded to the Oakland County Brownfield Redevelopment Authority once authorized by your honorable body. Because the parcels in which the brownfield would be designated are part of an existing Tax Increment Finance Authority district, either the parcels must be entirely removed from the district or the development plan must be amended. Currently, the parcels values are significantly under the base value. The City would have a better benefit if the parcels were removed from the TIFA district.

On January 5, 2017, your honorable body held a public hearing for the purpose of receiving public comment on the proposal to remove from the boundaries of the Tax Increment Finance Authority parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.

We are now asking for your approval of the three attached resolutions. The first resolution is to approve the removal of parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008 from the boundaries of the Tax Increment Finance Authority and establish a brownfield district for parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.

The subsequent resolutions are requesting the Oakland County Brownfield Redevelopment Authority to review the Pontiac East Gateway Redevelopment Project and the Resolution concurring with the provisions of a Brownfield Plan adopted by the Oakland County Brownfield Redevelopment Authority for the Pontiac East Gateway Redevelopment Project.

Resolution for the removal of parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008 from the boundaries of the Tax Increment Finance Authority and the establishment of a Brownfield District for parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008

WHEREAS, the Pontiac City Council held a public hearing during its regular scheduled City Council meeting at 6:00 P.M. on Thursday, January 5, 2017 in Pontiac City Hall, City Council Chambers, 47450 Woodward Ave., for the purpose of receiving public comment on the proposal to remove from the boundaries of the Tax Increment Finance Authority parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.

Parcel 14-29-428-002:

A parcel of land situated in the Southeast $\frac{1}{4}$ of Section 29, T3N, R10E, within the City of Pontiac, Oakland County, Michigan, more particularly described as: Part of "Assessor's Plat No. 121", as recorded in Liber 53 of Plats, Page 41, Oakland County Records; Lot 2, except that part described as follows: Beginning at a point on the southeasterly lot line, said point being 120.2 feet southwestly from the southeast corner of "Assessor's Plat No. 121"; thence N $21^{\circ}20'37''$ E, 39.75 feet; thence N $26^{\circ}51'04''$ W, 221 feet; thence S $63^{\circ}08'56''$ W, 5 feet; thence N $26^{\circ}51'04''$ W, 18.22 feet to a point on a curve to the left having a radius of 553.11 feet; thence northwestly along the arc of said curve to a point on the northwestly lot line; thence northeasterly to the northeast corner of Lot 2; thence southeasterly along the northeasterly lot line to the southeasterly corner of Lot 2; thence southwestly along the southeasterly lot line to the point of beginning; Also, all of Lots 3 through 15 except the westerly 10 feet of Lots 8 through 15, inclusive, measured at right angles with the westerly line of said Lots 8 through 15.

Parcel 14-29-284-007:

A parcel of land situated in the Southeast $\frac{1}{4}$ of Section 29, T3N, R10E, within the City of Pontiac, Oakland County, Michigan, more particularly described as: Lot 17 of "Assessor's Plat No. 121" as recorded in Liber 53 of Plats, Page 41, Oakland County Records.

Parcel 14-29-284-008:

A parcel of land situated in the Southeast $\frac{1}{4}$ of Section 29, T3N, R10E, within the City of Pontiac, Oakland County, Michigan, more particularly described as: Lot 16 of "Assessor's Plat No. 121" as recorded in Liber 53 of Plats, Page 41, Oakland County Records.

WHEREAS, the City of Pontiac Community Development Department recommends the removal of parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008 from the boundaries of the Tax Increment Finance Authority.

WHEREAS, the City of Pontiac Community Development Department recommends the approval of the establishment of a brownfield district for parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008

NOW THEREFORE BE IT RESOLVED THAT, the Pontiac City Council approves the removal from the boundaries of the Tax Increment Finance Authority parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008 and establishes a brownfield district for parcels 14-29-428-002, 14-29-284-007 and 14-29-284-008.

**Resolution Requesting the Oakland County Brownfield Redevelopment Authority
to Review the Pontiac East Gateway Redevelopment Project**

WHEREAS the City of Pontiac has a Brownfield project known as the Pontiac East Gateway Redevelopment project that it would like to have reviewed and processed by the Oakland County Brownfield Redevelopment Authority;

WHEREAS the City of Pontiac has a Brownfield Authority but desires to have the Oakland County Brownfield Redevelopment Authority handle the Pontiac East Gateway Redevelopment Project

WHEREAS the Oakland County Brownfield Redevelopment Authority was created by Oakland County pursuant to MCL 125.2651 et seq. to assist jurisdictions like the City of Pontiac;

WHEREAS the Oakland County Brownfield Redevelopment Authority is prepared to assist the City of Pontiac by reviewing the proposed Pontiac East Gateway Redevelopment project, provided that the City of Pontiac acknowledges certain rights that the Oakland County Brownfield Redevelopment Authority has, to wit:

- OCBRA intends to collect an administrative fee of \$5,000.00 per year for the length of the Brownfield plan; and

WHEREAS the City of Pontiac will have the opportunity to provide public comment on any Brownfield plan (including the amount of the administrative fee to be collected) before it is finally adopted by the OCBRA and/or the Oakland County Board of Commissioners;

NOW BE IT THEREFORE RESOLVED that the City of Pontiac requests that the OCBRA undertake review of the Pontiac East Gateway Redevelopment Project.

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF PONTIAC

**RESOLUTION CONCURRING WITH THE PROVISIONS OF
A BROWNFIELD PLAN ADOPTED BY THE OAKLAND COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY FOR THE
PONTIAC EAST GATEWAY REDEVELOPMENT PROJECT**

RECITATIONS:

WHEREAS, the Oakland County Board of Commissioners, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), have established a Brownfield Redevelopment Authority and Board (OCBRA) to facilitate the clean up and redevelopment of Brownfields within Oakland County's communities; and

WHEREAS, the property located at 65 East University (Property), a former General Motors (GM) site in the City of Pontiac is an environmental hazard, a "facility" under state statute; and

WHEREAS, a Brownfield clean up and redevelopment plan (the "Plan") has been prepared to restore the environmental and economic viability to this parcel which the OCBRA has reviewed and approved; and

WHEREAS, pursuant to OCBRA by-laws, a local committee has been appointed, participated in discussions regarding the proposed plan and project, reviewed the plan, and recommends its approval; and

WHEREAS, the OCBRA, pursuant to and in accordance with Section 13 of the Act, shall consider recommending that the Oakland County Board of Commissioners approve the Brownfield Plan to be carried out within the City of Pontiac, relating to the redevelopment of the 65 East University; and

WHEREAS, the City has reviewed the Plan, and have been provided a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Sections 13(13) of the Act; and

NOW THEREFORE BE IT RESOLVED THAT, the City of Pontiac hereby concurs with the provisions of the Plan including approval of the Plan by the Oakland County Board of Commissioners and implementation of the Plan by the Oakland County Brownfield Redevelopment Authority.

BE IT FURTHER RESOLVED THAT should any section, clause or phrase of this Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

BE IT FURTHER RESOLVED THAT all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

AYES:
NAYS:
ABSTENTIONS:
ABSENT:

CERTIFICATION

It is hereby certified that the foregoing Resolution is a true and accurate copy of the Resolution adopted by the City Council of the City of Pontiac at a meeting duly called and held on the ____ day of January, 2017.

CITY of PONTIAC

By: _____
_____, CLERK

CITY OF PONTIAC, MICHIGAN BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN FOR:

Pontiac East Gateway Redevelopment Project
65 East University Drive, Pontiac, Michigan
Oakland County Brownfield Redevelopment Authority

Prepared on behalf of George W. Auch Company by:
SME, 43980 Plymouth Oaks Boulevard, Plymouth, Michigan 48170

November 21, 2016
Revision 1

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
A.	PLAN PURPOSE	1
B.	PROPERTY DESCRIPTION.....	1
C.	BASIS OF ELIGIBILITY AND BROWNFIELD CONDITIONS	2
D.	PROJECT DESCRIPTION	2
II.	GENERAL DEFINITIONS AS USED IN THIS PLAN	2
III.	BROWNFIELD PLAN.....	3
A.	DESCRIPTION OF COSTS TO BE PAID WITH TAX INCREMENT REVENUES AND SUMMARY OF ELIGIBLE ACTIVITIES	3
B.	ESTIMATE OF CAPTURED TAXABLE VALUE AND TAX INCREMENT REVENUES	3
C.	METHOD OF FINANCING PLAN COSTS AND DESCRIPTION OF ADVANCES BY THE MUNICIPALITY	4
D.	MAXIMUM AMOUNT OF NOTE OR BONDED INDEBTEDNESS ..	4
E.	DURATION OF BROWNFIELD PLAN	4
F.	ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON REVENUES OF TAXING JURISDICTIONS.....	4
G.	LEGAL DESCRIPTION, PROPERTY MAP, PROPERTY CHARACTERISTICS AND PERSONAL PROPERTY	4
H.	ESTIMATES OF RESIDENTS AND DISPLACEMENT OF FAMILIES	5
I.	PLAN FOR RELOCATION OF DISPLACED PERSONS	5
J.	PROVISIONS FOR RELOCATION COSTS.....	5
K.	STRATEGY FOR COMPLIANCE WITH MICHIGAN'S RELOCATION ASSISTANCE LAW	5
L.	DESCRIPTION OF THE PROPOSED USE OF LOCAL PROPERTY REMEDATION REVOLVING FUND (LSRRF)	5
M.	OTHER MATERIAL THAT THE AUTHORITY OR GOVERNING BODY CONSIDERS PERTINENT	5

APPENDIX A

ELIGIBLE ACTIVITIES COST SCHEDULE

APPENDIX B

SUMMARY OF TAX INCREMENT FINANCING AND REIMBURSEMENT OF ELIGIBLE ACTIVITIES

APPENDIX C

LEGAL DESCRIPTION DESCRIBED IN SECTION III(G) OF THIS PLAN

APPENDIX D

PARCEL MAP PROJECT CONCEPTUAL DRAWINGS

I. INTRODUCTION

A. PLAN PURPOSE

The Oakland County Brownfield Redevelopment Authority (OCBRA), duly established by resolution of the Oakland County Board of Commission, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. Seq., as amended (Act 381), is authorized to exercise its powers within the limits of Oakland County. The purpose of this Brownfield Plan (the "Plan"), to be implemented by the OCBRA, is to satisfy the requirements of Act 381 for including the eligible property described below, designated as 65 East University Drive, Pontiac, Michigan (the "Property"), in the Plan. This Plan is submitted by the George W. Auch Company ("Auch") to create a development involving the construction of up to two buildings and greenspace. It is intended to be a living document, which may be modified or amended in accordance with the requirements of the Act, as necessary to achieve the purposes of the Act. The applicable sections of the Act are noted throughout the Plan for reference purposes. This Plan contains information required by Section 13 (1) of the Act.

A primary purpose of the Plan is to promote and support the revitalization, redevelopment and reuse of contaminated and contiguous property in downtown Pontiac, described below, and which qualifies as Eligible Property under the Act (the "Eligible Property"). The Plan also is intended to satisfy the requirements of the Act for inclusion of the Eligible Property in the Plan.

The development project within the Eligible Property is known as the Pontiac East Gateway Redevelopment Project (the "Project"). The basis of eligibility under the Act is summarized in Section I(B) and Section I(C). This Plan will allow the OCBRA to capture incremental taxes on the Eligible Property and reimburse Auch for the costs of Eligible Activities, as defined under the Act, including environmental and non-environmental activities required to prepare the Eligible Property for redevelopment and reuse (see Section III). The success of the Project depends on the support and approval of the local and state brownfield redevelopment incentives by the OCBRA, the Michigan Department of Environmental Quality ("MDEQ"), the Michigan Economic Growth Authority ("MEDC") and the Michigan Strategic Fund ("MSF").

B. PROPERTY DESCRIPTION

The Property consists of three parcels occupying approximately 3.66 acres in the City of Pontiac as shown in Figure 1, Appendix D. The tax parcel numbers, associated addresses, parcel sizes, taxable value, and basis of eligibility under the Act are summarized on the tables presented below. The parcels that comprise the Eligible Property are currently vacant land covered with asphalt, concrete, and portions of a former building floor pad. The parcels are currently zoned C-3 for Corridor Commercial. The legal description of the Eligible Property is included in Appendix C.

PARCEL DETAILS

Parcel ID	Address(es)	Parcel Size (Acres)	2016 Taxable Value	Basis of Eligibility
14-29-428-002	65 University Drive	3.427	\$13,440	Facility
14-29-284-007	Vacant (no address)	0.094	\$2,340	Facility
14-29-284-008	Vacant (no address)	0.142	\$4,660	Facility
Totals		3.66	\$20,440	

PROPERTY TOTALS

PROPERTY SIZE = 3.66 ACRES

INITIAL TAXABLE VALUE (2016) = \$20,440

C. BASIS OF ELIGIBILITY AND BROWNFIELD CONDITIONS

The Eligible Property qualifies for inclusion in this Plan in accordance with MCL 125.2652(n) because the Eligible Property is located in the City of Pontiac, a qualified local governmental unit, and because its individual parcels are considered a "facility" as defined by 1994 P.A. 451..

D. PROJECT DESCRIPTION

Auch has strong ties to southeast Michigan, specifically to the cities of Detroit and Pontiac. Auch was originally founded in 1908 in Detroit, Michigan. In the 1980s, Auch moved their headquarters to the City of Pontiac. Auch had a front row seat to the booming prosperities of these two cities and the following periods of economic decline. As a result of planting their roots in the region and blossoming in the City of Pontiac, Auch would like to do their part in contributing to the revival of a once thriving City. This Project is representative of Auch's passion for the revitalization of the City of Pontiac. This project will transform a neglected, underutilized property in a challenged portion of the City into the new eastern gateway into downtown Pontiac in a manner that symbolizes the City's rebirth and renewal. Preliminary project renderings are provided in Appendix D.

Auch intends on transforming the Property into a place that serves as their new, two-story, 20,000 square-foot headquarters on the eastern portion of the Property surrounded by over 3 1/2 acres of open urban meadow and green space. Auch's headquarters will provide them with a 21st Century work space in the heart of downtown Pontiac, with walkable access to many urban amenities. The new building will help Auch provide a second century of service to Pontiac and the rest of Michigan and help them continue to attract and retain top talent in an increasingly competitive talent war where talent demands a work environment with an exciting urban experience. The green space and urban meadow will provide Auch employees with a natural and relaxing amenity on-site and be integrated into the overall site storm water management system, with additional ecological benefits related to reduced runoff and creation of flora and fauna habitat. The green space and urban meadow concept will also have the benefit of creating a strong visual symbol of Pontiac's renewal and rejuvenation, right at the eastern entrance to downtown. Auch is also interested in exploring ways to provide access to the City for use of the greenspace during special ceremonies and events.

Finally, Auch understands the potential value of a long-term redevelopment plan which could potentially include construction of a second, mixed-use building on the Property which may include future office, retail, and/or residential use. Auch's goal with the second building is to provide a modern, move-in ready space to either draw new business to the City of Pontiac or give current Pontiac-based businesses a place to grow their business.

The success of the Project is important to Auch. Investing in and redeveloping the City supports Auch's long-term commitment to the City by creating a modern office space, new greenspace and potentially additional office/retail/residential space all within walking distance of the heart of the City. As Auch continues to grow, the new headquarters will provide space to accommodate its employees and bring employment to the City. This Project will rejuvenate the City's tax base and bring to the downtown jobs, modernized greenspace, and move-in ready retail, office, and/or residential space.

II. GENERAL DEFINITIONS AS USED IN THIS PLAN

All words or phrases not defined herein shall have the same meaning as such words and phrases included in Act 381.

III. BROWNFIELD PLAN

A. DESCRIPTION OF COSTS TO BE PAID WITH TAX INCREMENT REVENUES AND SUMMARY OF ELIGIBLE ACTIVITIES

Auch will be reimbursed for the costs of eligible non-environmental and environmental activities necessary to prepare the Property for redevelopment. The costs of Eligible Activities included in, and authorized by, this Plan will be reimbursed with incremental local and school operating tax revenues generated by the Eligible Property after redevelopment and captured by the OCBRA, subject to any limitations and conditions described in this Plan, approvals of the Michigan Department of Environmental Quality (MDEQ) and Michigan Economic Development Corporation (MEDC) for school operating tax capture, and the terms of a Reimbursement Agreement between Auch and the OCBRA (the "Reimbursement Agreement"). The OCBRA is anticipated to collect incremental local taxes for administrative expenses for this Plan. No personal property taxes are projected to be captured by this Plan at this time, but if incremental personal property taxes are generated by this Plan in the future, they will be captured by the OCBRA.

At this time, the eligible activities are expected to include site preparation, public infrastructure improvements, BEA activities, due care planning activities, additional response activities, and the preparation of this Plan and an Act 381 Work Plan. The public infrastructure improvements will include improvements to the surrounding streets, curbs, public utilities, and sidewalks, and creation of over 2 ½ acres of greenspace. The estimated total cost of environmental and non-environmental activities eligible for reimbursement from tax increment revenues is \$3,641,000. The Eligible Activities are summarized in Table 1 in Appendix A.

The costs of environmental and non-environmental activities eligible for reimbursement are estimated and may increase or decrease depending on the nature and extent of known and unknown conditions encountered. The OCBRA shall be governed by the terms of the Reimbursement Agreements for Auch. The Auch will be in first position for reimbursement. No costs of Eligible Activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item categories and costs of eligible activities may be adjusted after the date this Plan, to the extent the adjustments do not violate the terms of Act 381.

B. ESTIMATE OF CAPTURED TAXABLE VALUE AND TAX INCREMENT REVENUES

The aggregated 2016 taxable value of the Property is reported by the City as \$20,440, based on the values established on 12/31/2015. The projections within this plan use that value as the initial taxable value. The anticipated taxable value at project completion (estimated in 2020) is \$2,300,000 based on preliminary estimates. The actual taxable value will be determined by the City and County Assessor.

Estimated taxable values, tax increment revenues to be captured, impacts on taxing jurisdictions, and eligible activities reimbursement cash flows are presented in Table 2 (Appendix B). The actual annual incremental taxable value and captured tax increment revenue will be determined by the City and County. The actual increased taxable value of the land and all future taxable improvements on the Property may vary. This Plan assumes the BRA will obtain a tax increment revenue pass-through agreement with the City of Pontiac Tax Increment Finance Authority (TIFA) for the project and the BRA will capture the available tax increment revenues.

It is the intent of this Plan to provide for the proportional capture of all eligible tax increments in whatever amounts and in whatever years they become available until all eligible costs described in the Plan are paid or 30 years, whichever is shorter.

C. METHOD OF FINANCING PLAN COSTS AND DESCRIPTION OF ADVANCES BY THE MUNICIPALITY

Auch is ultimately responsible for financing the costs of eligible activities included in this Plan. Neither the OCBRA nor the City of Pontiac will advance any funds to finance the eligible activities. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the OCBRA to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement.

Reimbursements under the Reimbursement Agreements shall not exceed the cost of Eligible Activities and reimbursement limits described in this Plan, unless it is further amended.

D. MAXIMUM AMOUNT OF NOTE OR BONDED INDEBTEDNESS

Not applicable to this Plan.

E. DURATION OF BROWNFIELD PLAN

The duration of this Brownfield Plan for the Property shall not exceed the shorter of the following:

- Reimbursement of all eligible costs (cumulatively not to exceed \$3,641,000) reimbursement of OCBRA administrative operating expenses (\$5,000 per year), as described in this Plan, or
- 30 years tax capture after the first year of tax capture under this Plan.

The date for beginning tax capture shall be 2018, unless otherwise amended by the OCBRA.

F. ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON REVENUES OF TAXING JURISDICTIONS

Incremental local and state tax revenues generated by the Project will be captured by the OCBRA until all incurred costs for Eligible Activities are reimbursed or when the Plan terminates at the maximum of 30-years of capture, whichever first occurs. The impact of the OCBRA incremental tax capture on local taxing authorities is presented in Table 2 (Appendix B).

G. LEGAL DESCRIPTION, PROPERTY MAP, PROPERTY CHARACTERISTICS AND PERSONAL PROPERTY

The property is composed of three parcels (14-29-428-002, 14-29-284-007, and 14-29-284-008) having a total area of 3.66 acres. The legal description of the Property is included in Appendix C. A map of the Property and their basis of eligibility is included in Appendix D.

H. ESTIMATES OF RESIDENTS AND DISPLACEMENT OF FAMILIES

No occupied residential areas are within the Project, no persons reside within the Project, and no families or individuals will be displaced as a result of this Project. Therefore, a demographic survey and information regarding housing in the community are not applicable and are not needed for this Plan.

I. PLAN FOR RELOCATION OF DISPLACED PERSONS

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

J. PROVISIONS FOR RELOCATION COSTS

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

K. STRATEGY FOR COMPLIANCE WITH MICHIGAN'S RELOCATION ASSISTANCE LAW

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

L. DESCRIPTION OF THE PROPOSED USE OF LOCAL PROPERTY REMEDIATION REVOLVING FUND (LSRRF)

No excess tax increment revenues will be captured by the OCBRA for funding of its LSRRF.

M. OTHER MATERIAL THAT THE AUTHORITY OR GOVERNING BODY CONSIDERS PERTINENT

There is no other material that the BRA or governing body considers pertinent.

APPENDIX A

ELIGIBLE ACTIVITIES COST SCHEDULE

ELIGIBLE ACTIVITIES				
ACTIVITY		ELIGIBLE COST	INCREMENTAL TAX CAPTURE	
NON-ENVIRONMENTAL COSTS			LOCAL	STATE SCHOOL
Demolition		\$ 100,000	\$ 52,380	\$ 47,620
Site Preparation		\$ 1,600,000	\$ 838,088	\$ 761,912
Public Infrastructure Improvements		\$ 950,000	\$ 497,615	\$ 452,385
Brownfield Plan and Work Plan		\$ 15,000	\$ 7,857	\$ 7,143
Non-Environmental Subtotal		\$ 2,665,000	\$ 1,395,940	\$ 1,269,060
Contingency (15%)		\$ 397,500	\$ 208,212	\$ 189,288
NON-ENVIRONMENTAL TOTAL		\$ 3,062,500	\$ 1,604,152	\$ 1,458,348
ENVIRONMENTAL COSTS			LOCAL	STATE SCHOOL
BEA Activities		\$ 30,000	\$ 15,714	\$ 14,286
Due Care Planning Activities		\$ 60,000	\$ 31,428	\$ 28,572
Additional Response Activities		\$ 400,000	\$ 209,522	\$ 190,478
Brownfield Plan and Work Plan		\$ 15,000	\$ 7,857	\$ 7,143
Environmental Subtotal		\$ 505,000	\$ 264,521	\$ 240,479
Contingency (15%)		\$ 73,500	\$ 38,500	\$ 35,000
ENVIRONMENTAL TOTAL		\$ 578,500	\$ 303,021	\$ 275,479
TOTAL ESTIMATED ELIGIBLE COSTS		\$ 3,641,000	\$ 1,907,173	\$ 1,733,827

Notes:

(1) Lump sum cost estimates are based on preliminary project estimates.

APPENDIX B

SUMMARY OF TAX INCREMENT FINANCING AND REIMBURSEMENT OF ELIGIBLE ACTIVITIES

		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12
	\$ 20,440												
		\$ 1,300,000	\$ 1,313,000	\$ 2,301,130	\$ 2,324,141	\$ 2,347,383	\$ 2,370,857	\$ 2,394,565	\$ 2,418,511	\$ 2,442,696	\$ 2,467,123	\$ 2,491,794	\$ 2,516,712
		\$ 1,279,560	\$ 1,292,560	\$ 2,280,690	\$ 2,303,701	\$ 2,326,943	\$ 2,350,417	\$ 2,374,125	\$ 2,398,071	\$ 2,422,256	\$ 2,446,683	\$ 2,471,354	\$ 2,496,272
	6.0000	\$ 7,677	\$ 7,755	\$ 13,684	\$ 13,822	\$ 13,962	\$ 14,103	\$ 14,245	\$ 14,388	\$ 14,534	\$ 14,680	\$ 14,828	\$ 14,978
	18.0000	\$ 23,032	\$ 23,266	\$ 41,052	\$ 41,467	\$ 41,885	\$ 42,308	\$ 42,734	\$ 43,165	\$ 43,601	\$ 44,040	\$ 44,484	\$ 44,933
y BRA	24.0000	\$ 30,709	\$ 31,021	\$ 54,736	\$ 55,289	\$ 55,847	\$ 56,411	\$ 56,979	\$ 57,553	\$ 58,135	\$ 58,720	\$ 59,312	\$ 59,911
	4.0400	\$ 5,169	\$ 5,222	\$ 9,214	\$ 9,307	\$ 9,401	\$ 9,496	\$ 9,591	\$ 9,688	\$ 9,786	\$ 9,885	\$ 9,984	\$ 10,085
	3.3398	\$ 4,273	\$ 4,317	\$ 7,617	\$ 7,694	\$ 7,772	\$ 7,850	\$ 7,929	\$ 8,009	\$ 8,090	\$ 8,171	\$ 8,254	\$ 8,337
	1.5707	\$ 2,010	\$ 2,030	\$ 3,582	\$ 3,618	\$ 3,655	\$ 3,692	\$ 3,729	\$ 3,767	\$ 3,805	\$ 3,843	\$ 3,882	\$ 3,921
	11.2737	\$ 14,425	\$ 14,572	\$ 25,712	\$ 25,971	\$ 26,233	\$ 26,498	\$ 26,765	\$ 27,035	\$ 27,308	\$ 27,583	\$ 27,861	\$ 28,142
	1.4091	\$ 1,803	\$ 1,821	\$ 3,214	\$ 3,246	\$ 3,279	\$ 3,312	\$ 3,345	\$ 3,379	\$ 3,413	\$ 3,448	\$ 3,482	\$ 3,517
	2.8183	\$ 3,606	\$ 3,643	\$ 6,428	\$ 6,493	\$ 6,558	\$ 6,624	\$ 6,691	\$ 6,758	\$ 6,827	\$ 6,895	\$ 6,965	\$ 7,035
	0.5000	\$ 640	\$ 646	\$ 1,140	\$ 1,152	\$ 1,163	\$ 1,175	\$ 1,187	\$ 1,199	\$ 1,211	\$ 1,223	\$ 1,236	\$ 1,248
	0.2392	\$ 306	\$ 309	\$ 546	\$ 551	\$ 557	\$ 562	\$ 568	\$ 574	\$ 579	\$ 585	\$ 591	\$ 597
	0.2146	\$ 275	\$ 277	\$ 489	\$ 494	\$ 499	\$ 504	\$ 509	\$ 515	\$ 520	\$ 525	\$ 530	\$ 536
	0.9941	\$ 1,272	\$ 1,285	\$ 2,267	\$ 2,290	\$ 2,313	\$ 2,337	\$ 2,360	\$ 2,384	\$ 2,408	\$ 2,432	\$ 2,457	\$ 2,482
Subtotal -	26.3995	\$ 33,779	\$ 34,122	\$ 60,209	\$ 60,816	\$ 61,430	\$ 62,050	\$ 62,674	\$ 63,308	\$ 63,947	\$ 64,590	\$ 65,242	\$ 65,900
y BRA	26.3995	\$ 33,779	\$ 34,122	\$ 60,209	\$ 60,816	\$ 61,430	\$ 62,050	\$ 62,674	\$ 63,308	\$ 63,947	\$ 64,590	\$ 65,242	\$ 65,900
al + State Millages)	50.3995	\$ 64,488	\$ 65,143	\$ 114,945	\$ 116,105	\$ 117,277	\$ 118,461	\$ 119,653	\$ 120,861	\$ 122,082	\$ 123,310	\$ 124,554	\$ 125,811
ar)		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	3.839	\$ 3,878	\$ 3,878	\$ 6,842	\$ 6,911	\$ 6,981	\$ 7,052	\$ 7,123	\$ 7,194	\$ 7,267	\$ 7,340	\$ 7,414	\$ 7,489
		\$ 26,870	\$ 27,143	\$ 47,894	\$ 48,378	\$ 48,866	\$ 49,359	\$ 49,856	\$ 50,359	\$ 50,868	\$ 51,380	\$ 51,896	\$ 52,422
		\$ 28,779	\$ 29,122	\$ 55,209	\$ 55,816	\$ 56,430	\$ 57,050	\$ 57,674	\$ 58,308	\$ 58,947	\$ 59,590	\$ 60,242	\$ 60,900
		\$ 55,649	\$ 56,265	\$ 103,103	\$ 104,194	\$ 105,296	\$ 106,409	\$ 107,530	\$ 108,667	\$ 109,815	\$ 110,970	\$ 112,140	\$ 113,322
		\$ 22,601	\$ 22,830	\$ 40,284	\$ 40,691	\$ 41,102	\$ 41,517	\$ 41,935	\$ 42,358	\$ 42,786	\$ 43,216	\$ 43,652	\$ 44,093
portion)	\$ 1,458,348	\$ 1,435,747	\$ 1,412,917	\$ 1,372,633	\$ 1,331,942	\$ 1,290,840	\$ 1,249,323	\$ 1,207,368	\$ 1,165,030	\$ 1,122,244	\$ 1,079,028	\$ 1,035,376	\$ 991,283
		\$ 24,206	\$ 24,495	\$ 46,437	\$ 46,948	\$ 47,464	\$ 47,986	\$ 48,510	\$ 49,044	\$ 49,581	\$ 50,122	\$ 50,670	\$ 51,224
l portion)	\$ 1,604,152	\$ 1,579,946	\$ 1,555,451	\$ 1,509,014	\$ 1,462,066	\$ 1,414,602	\$ 1,366,616	\$ 1,318,106	\$ 1,269,062	\$ 1,219,481	\$ 1,169,359	\$ 1,118,689	\$ 1,067,465
	\$ 3,062,500	\$ 3,015,693	\$ 2,968,368	\$ 2,881,647	\$ 2,794,008	\$ 2,705,442	\$ 2,615,939	\$ 2,525,494	\$ 2,434,092	\$ 2,341,725	\$ 2,248,387	\$ 2,154,065	\$ 2,058,748
		\$ 4,269	\$ 4,313	\$ 7,610	\$ 7,687	\$ 7,764	\$ 7,842	\$ 7,921	\$ 8,001	\$ 8,082	\$ 8,164	\$ 8,246	\$ 8,329
ion)	\$ 275,479	\$ 271,210	\$ 266,897	\$ 259,287	\$ 251,600	\$ 243,836	\$ 235,994	\$ 228,073	\$ 220,072	\$ 211,990	\$ 203,826	\$ 195,580	\$ 187,251
		\$ 4,573	\$ 4,627	\$ 8,772	\$ 8,868	\$ 8,966	\$ 9,064	\$ 9,164	\$ 9,264	\$ 9,366	\$ 9,468	\$ 9,572	\$ 9,676
ion)	\$ 303,021	\$ 298,448	\$ 293,821	\$ 285,049	\$ 276,181	\$ 267,215	\$ 258,151	\$ 248,987	\$ 239,723	\$ 230,357	\$ 220,889	\$ 211,317	\$ 201,641
	\$ 578,500	\$ 569,658	\$ 560,718	\$ 544,336	\$ 527,781	\$ 511,051	\$ 494,145	\$ 477,060	\$ 459,795	\$ 442,347	\$ 424,715	\$ 406,897	\$ 388,892
RRF) Capture		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ement for Eligible Activities		\$ 55,649	\$ 56,265	\$ 103,103	\$ 104,194	\$ 105,296	\$ 106,409	\$ 107,530	\$ 108,667	\$ 109,815	\$ 110,970	\$ 112,140	\$ 113,322

	Y16	Y17	Y18	Y19	Y20	Y21	Y22	Y23	Y24	Y25	Y26	Y27	Y28
	\$ 2,618,901	\$ 2,645,090	\$ 2,671,540	\$ 2,698,256	\$ 2,725,238	\$ 2,752,491	\$ 2,780,016	\$ 2,807,816	\$ 2,835,894	\$ 2,864,253	\$ 2,892,896	\$ 2,921,824	\$ 2,951,043
	\$ 2,598,461	\$ 2,624,650	\$ 2,651,100	\$ 2,677,816	\$ 2,704,798	\$ 2,732,051	\$ 2,759,576	\$ 2,787,376	\$ 2,815,454	\$ 2,843,813	\$ 2,872,456	\$ 2,901,384	\$ 2,930,603
	\$ 15,591	\$ 15,748	\$ 15,907	\$ 16,067	\$ 16,229	\$ 16,392	\$ 16,557	\$ 16,724	\$ 16,893	\$ 17,063	\$ 17,235	\$ 17,408	\$ 17,584
	\$ 46,772	\$ 47,244	\$ 47,720	\$ 48,201	\$ 48,686	\$ 49,177	\$ 49,672	\$ 50,173	\$ 50,678	\$ 51,189	\$ 51,704	\$ 52,225	\$ 52,751
BRA	\$ 62,363	\$ 62,992	\$ 63,627	\$ 64,268	\$ 64,915	\$ 65,569	\$ 66,229	\$ 66,897	\$ 67,571	\$ 68,252	\$ 68,939	\$ 69,633	\$ 70,335
	\$ 10,498	\$ 10,604	\$ 10,710	\$ 10,818	\$ 10,927	\$ 11,037	\$ 11,149	\$ 11,261	\$ 11,374	\$ 11,489	\$ 11,605	\$ 11,722	\$ 11,840
	\$ 8,678	\$ 8,766	\$ 8,854	\$ 8,943	\$ 9,033	\$ 9,125	\$ 9,216	\$ 9,309	\$ 9,403	\$ 9,498	\$ 9,593	\$ 9,690	\$ 9,788
	\$ 4,081	\$ 4,123	\$ 4,164	\$ 4,206	\$ 4,248	\$ 4,291	\$ 4,334	\$ 4,378	\$ 4,422	\$ 4,467	\$ 4,512	\$ 4,557	\$ 4,603
	\$ 29,294	\$ 29,590	\$ 29,888	\$ 30,189	\$ 30,493	\$ 30,800	\$ 31,111	\$ 31,424	\$ 31,741	\$ 32,060	\$ 32,383	\$ 32,709	\$ 33,039
	\$ 3,661	\$ 3,698	\$ 3,736	\$ 3,773	\$ 3,811	\$ 3,850	\$ 3,889	\$ 3,928	\$ 3,967	\$ 4,007	\$ 4,048	\$ 4,088	\$ 4,130
	\$ 7,323	\$ 7,397	\$ 7,472	\$ 7,547	\$ 7,623	\$ 7,700	\$ 7,777	\$ 7,856	\$ 7,935	\$ 8,015	\$ 8,095	\$ 8,177	\$ 8,259
	\$ 1,299	\$ 1,312	\$ 1,326	\$ 1,339	\$ 1,352	\$ 1,366	\$ 1,380	\$ 1,394	\$ 1,408	\$ 1,422	\$ 1,436	\$ 1,451	\$ 1,465
	\$ 622	\$ 628	\$ 634	\$ 641	\$ 647	\$ 654	\$ 660	\$ 667	\$ 673	\$ 680	\$ 687	\$ 694	\$ 701
	\$ 558	\$ 563	\$ 569	\$ 575	\$ 580	\$ 586	\$ 592	\$ 598	\$ 604	\$ 610	\$ 616	\$ 623	\$ 629
	\$ 2,583	\$ 2,609	\$ 2,635	\$ 2,662	\$ 2,689	\$ 2,716	\$ 2,743	\$ 2,771	\$ 2,799	\$ 2,827	\$ 2,856	\$ 2,884	\$ 2,913
Subtotal -	\$ 68,597	\$ 69,290	\$ 69,988	\$ 70,693	\$ 71,403	\$ 72,125	\$ 72,851	\$ 73,586	\$ 74,326	\$ 75,075	\$ 75,831	\$ 76,595	\$ 77,367
Y BRA	\$ 68,597	\$ 69,290	\$ 69,988	\$ 70,693	\$ 71,403	\$ 72,125	\$ 72,851	\$ 73,586	\$ 74,326	\$ 75,075	\$ 75,831	\$ 76,595	\$ 77,367
al + State Millages)	\$ 130,960	\$ 132,282	\$ 133,615	\$ 134,961	\$ 136,318	\$ 137,694	\$ 139,080	\$ 140,483	\$ 141,897	\$ 143,327	\$ 144,770	\$ 146,228	\$ 147,702
ar)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 7,796	\$ 7,874	\$ 7,954	\$ 8,034	\$ 8,115	\$ 8,196	\$ 8,279	\$ 8,362	\$ 8,447	\$ 8,532	\$ 8,618	\$ 8,704	\$ 8,791
	\$ 54,567	\$ 55,118	\$ 55,673	\$ 56,234	\$ 56,800	\$ 57,373	\$ 57,950	\$ 58,535	\$ 59,124	\$ 59,720	\$ 60,323	\$ 60,933	\$ 61,549
	\$ 63,597	\$ 64,290	\$ 64,988	\$ 65,693	\$ 66,403	\$ 67,125	\$ 67,851	\$ 68,586	\$ 69,326	\$ 70,075	\$ 70,831	\$ 71,595	\$ 72,367
	\$ 118,164	\$ 119,408	\$ 120,661	\$ 121,927	\$ 123,203	\$ 124,498	\$ 125,801	\$ 127,121	\$ 128,450	\$ 129,795	\$ 131,155	\$ 132,528	\$ 133,914
	\$ 45,897	\$ 46,361	\$ 46,827	\$ 47,299	\$ 47,775	\$ 48,257	\$ 48,743	\$ 49,235	\$ 49,730	\$ 50,231	\$ 50,738	\$ 51,250	\$ 51,767
portion)	\$ 810,424	\$ 764,063	\$ 717,236	\$ 669,937	\$ 622,162	\$ 573,905	\$ 525,162	\$ 475,927	\$ 426,197	\$ 375,966	\$ 325,735	\$ 275,504	\$ 225,273
	\$ 53,492	\$ 54,075	\$ 54,662	\$ 55,255	\$ 55,853	\$ 56,460	\$ 57,071	\$ 57,689	\$ 58,311	\$ 58,941	\$ 59,577	\$ 60,220	\$ 60,869
l portion)	\$ 856,925	\$ 802,850	\$ 748,188	\$ 692,933	\$ 637,080	\$ 580,620	\$ 523,549	\$ 465,860	\$ 407,549	\$ 348,608	\$ 289,031	\$ 228,811	\$ 167,942
	\$ 1,667,349	\$ 1,566,913	\$ 1,465,424	\$ 1,362,870	\$ 1,259,242	\$ 1,154,525	\$ 1,048,711	\$ 941,787	\$ 833,746	\$ 724,574	\$ 607,011	\$ 488,222	\$ 368,193
	\$ 8,670	\$ 8,757	\$ 8,846	\$ 8,935	\$ 9,025	\$ 9,116	\$ 9,207	\$ 9,300	\$ 9,394	\$ 9,489	\$ 9,585	\$ 9,682	\$ 9,780
ion)	\$ 153,087	\$ 144,330	\$ 135,484	\$ 126,549	\$ 117,524	\$ 108,408	\$ 99,201	\$ 89,901	\$ 80,507	\$ 71,018	\$ 60,065	\$ 49,001	\$ 37,826
	\$ 10,105	\$ 10,215	\$ 10,326	\$ 10,438	\$ 10,550	\$ 10,665	\$ 10,780	\$ 10,897	\$ 11,015	\$ 11,134	\$ 11,254	\$ 11,375	\$ 11,498
ion)	\$ 161,870	\$ 151,655	\$ 141,329	\$ 130,891	\$ 120,341	\$ 109,676	\$ 98,896	\$ 87,999	\$ 76,984	\$ 65,850	\$ 54,596	\$ 43,221	\$ 31,723
	\$ 314,957	\$ 295,985	\$ 276,813	\$ 257,440	\$ 237,865	\$ 218,084	\$ 198,097	\$ 177,900	\$ 157,491	\$ 136,868	\$ 114,661	\$ 92,222	\$ 69,549
RRF) Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ement for Eligible Activities	\$ 118,164	\$ 119,408	\$ 120,661	\$ 121,927	\$ 123,203	\$ 124,498	\$ 125,801	\$ 127,121	\$ 128,450	\$ 129,795	\$ 131,155	\$ 132,528	\$ 133,914

APPENDIX C

LEGAL DESCRIPTION DESCRIBED IN SECTION III(G) OF THIS PLAN

LEGAL DESCRIPTION OF PROPERTY BOUNDARY

All those tracts or parcels of land lying and being in the eastern quarter of Section 29, Township 3 North, Range 10 East, City of Pontiac, County of Oakland, State of Michigan, more particularly described as follows, to wit:

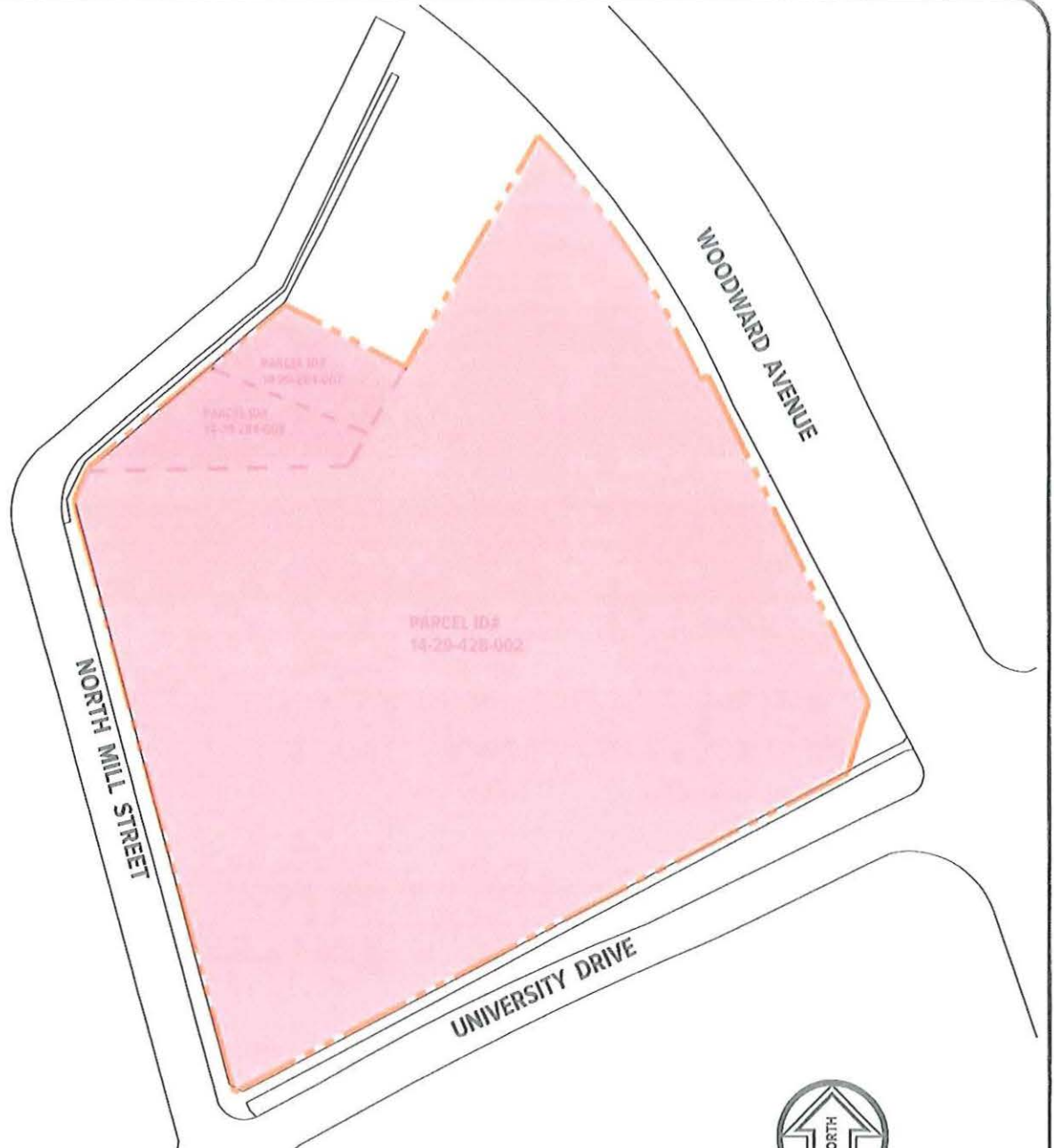
That part of Lot 2 which lies West of U.S. Highway 10 (Wide Track Drive East) as opened, also all of Lots 3 through 7 inclusive, all of Lots 16 and 17, also Lots 8 through 15 inclusive except the West 10 feet of said lots as taken for the widening of Mill Street, all being part of "Assessor's Plat No. 121, a replat of part of Chamberlin's Addition, City of Pontiac, Oakland County, Michigan," as recorded in Liber 53 of Plats on Page 41, Oakland County Records. Being more particularly described as follows:

Beginning at the Northeasterly corner of Mill Street (50 feet more or less in width) as widened and University Drive (formerly Mt. Clemens Street), said point of beginning being distant 10.24 feet Easterly as measured along the Southerly line of Lot 8 of said "Assessor's Plat No. 121," (L. 53, P. 41 Plats) from the Southwesterly corner of said Lot 8; running thence from said point of beginning North 15 degrees 22 minutes 50 seconds West along the Easterly line of said Mill Street as widened, through the interior of Lots 8 through 15 inclusive of said subdivision, said line being 10.00 feet Easterly of, as measured as right angles to and parallel to the Westerly line of said lots as platted, a measured distance of 380.89 feet (recorded as 381.04 feet per street widening) to an angle point on said Mill Street, said angle point being located in a North line of said Lot 15, and being distant 10.96 feet Easterly, as measured along the North line of said Lot 15, from the Northwesterly corner thereof; thence North 50 degrees 27 minutes 10 seconds East along Southerly line of said Mill Street (40 feet more or less in width at this point), said line being also the Northerly line of part of said Lot 15 and all of Lots 16 and 17 of said subdivision, a measured distance of 170.42 feet (recorded as 170.59 feet) to the Northeasterly corner of said Lot 17; thence South 64 degrees 20 minutes 26 seconds East along the Northeasterly line of said Lot 17, a measured distance of 80.57 feet (recorded as 80.70 feet) to the Southeasterly corner thereof; thence North 30 degrees 53 minutes 44 seconds East along the rear of part of Lot 4, Lot 3 and part of Lot 2 of said subdivision, a distance of 160.00 feet to a point in the Westerly line of U.S. Highway 10 (Wide Track Drive East) as opened through Lots 1 and 2 of said subdivision; thence along the Westerly right-of-way line of said U.S. Highway 10, by the following courses and distances: Southerly along the arc of a curve which is concave to the West, radius 553.11 feet, an arc distance of 162.95 feet to the end of said curve (chord bears South 36 degrees 17 minutes 12 seconds East 162.36 feet); thence South 26 degrees 51 minutes 04 seconds East a distance of 18.22 feet to a point; thence North 63 degrees 08 minutes 56 seconds East a distance of 5.00 feet to a point; thence South 26 degrees 51 minutes 04 seconds East a distance of 221.00 feet to a point; thence South 21 degrees 20 minutes 37 seconds West a distance of 39.75 feet to a point of intersection of said Westerly line of U.S. Highway 10 as opened, with the Northerly line University Drive, said point being distant 40 feet Westerly as measured along the Southerly line of said Lot 2 from the Southeasterly corner thereof; thence South 62 degrees 17 minutes 40 seconds West along the Northerly line of said University Drive, said line being also the Southerly line of part of Lot 2, Lots 3 through 7 inclusive and part of Lot 8, a measured distance of 426.34 feet (recorded as 426.39 feet) to the point of beginning.

Subject to all recorded easements and rights-of-way.

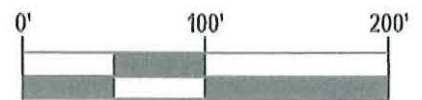
Commonly known as 65 University Drive, Pontiac, Michigan 48342 and comprising tax parcels 14-29-428-002, 14-29-284-007, and 14-29-284-008.

APPENDIX D
PARCEL MAP
PROJECT CONCEPTUAL DRAWING



LEGEND

	APPROXIMATE PROPERTY BOUNDARY
	APPROXIMATE PARCEL BOUNDARY
	FACILITY



GRAPHIC SCALE: 1" = 100'

NOTE:

1. DRAWING INFORMATION TAKEN FROM GOOGLE EARTH PRO WITH IMAGE DATE 4-11-2015 AND SITE RECONNAISSANCE.

No.	Revision Date	Date	10-07-16
		Drawn By	GM
		Designed By	AT
		Scale	1" = 100'
		Project	073735.00

PROPERTY ELIGIBILITY DIAGRAM
PROPOSED AUCH HEADQUARTERS SITE
65 EAST UNIVERSITY DRIVE
PONTIAC, MICHIGAN



Figure No. 1

