



BROWNFIELD REDEVELOPMENT

AUTHORITY MEETING

Friday, March 15, 2024 – 10:00 a.m.

Farmington City Hall

23600 Liberty Street

Farmington, MI 48335

AGENDA

- 1. Roll Call**
- 2. Approval of Agenda**
- 3. Approval of Items on the Consent Agenda**
 - A. January 25, 2024 Minutes**
- 4. Hillside Townes: Brownfield Agreements Review – Maxfield Training Center, 33000 Thomas Street**
- 5. Legion Square: Brownfield Agreements Review – American Legion Hall, 31775 Grand River Avenue**
- 6. Other Business**
- 7. Public Comment**
- 8. Brownfield Redevelopment Authority Comment**
- 9. Adjournment**

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BROWNFIELD REDEVELOPMENT AUTHORITY
January 25, 2024

A meeting of the City of Farmington Brownfield Redevelopment Authority Board was held on Thursday, January 25, 2024 at Farmington City Hall, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order by Chair LaRussa at 11:03 a.m.

BOARD MEMBERS PRESENT: Kevin Christiansen, Chuck Eudy, Kate Knight, Joe LaRussa, Dave Murphy

BOARD MEMBERS ABSENT: None

CITY REPRESENTATIVES PRESENT: Chris Weber, Meaghan Bachman, Beth Saarela

2. APPROVAL OF AGENDA

MOTION by Christensen, seconded by Eudy to approve the agenda as presented.

MOTION CARRIED UNANIMOUSLY

3. MINUTES OF PREVIOUS MEETING

MOTION by Murphy, seconded by Christiansen to approve the Minutes of July 14, 2023, with the amendment to remove the repeated word "that" form the Maxfield Training Center motion.

MOTION CARRIED UNANIMOUSLY

4. ELECTION OF OFFICERS

MOTION by Christiansen, seconded by Murphy to approve the Brownfield Redevelopment Authority Board of Directors as presented and to reflect Joe LaRussa as Chair and Kate Knight as Vice Chair.

MOTION CARRIED UNANIMOUSLY

5. Legion Square: Brownfield Plan Review -American Legion Hall, 31775 Grand River Avenue

Member Christiansen briefed the board on the project status and provided an overview.

Chair LaRussa thanked the representatives from AKT Environmental Services for joining the meeting and opened the floor to the board members for discussion. Member

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Christiansen asked Jenn from ATK to give an overview of the development plan and documents presented. Chair LaRussa noted the table from AKT did not match the tables submitted by McDowell & Associates and asked which set of tables should be included to adopt the Brownfield Plan. It was noted by Jenn that the plan will need to be updated with tables from ATK and submitted to legal. The plan will need to include the updated tables and other minor changes.

MOTION by Christiansen, supported by Murphy, to approve the Brownfield Plan for Legion Square 31775 Grand River, as presented with the amendments and adjustments necessary to address the current tables that have been presented by AKT Peerless, reviewed by the board; the recommended plan shall be sent to City Council for their consideration.

Discussion: Chair LaRussa noted the plan is predicated on an affidavit from the assessing officer indicating the building is functionally obsolete; he asked what would a challenge to that finding look like? Attorney Saarela responded that another assessor with the same credentials would have to disagree in writing and state reasons why.

MOTION CARRIED UNANIMOUSLY

6. OTHER BUSINESS

Board member Christiansen noted a meeting will need to be scheduled soon for upcoming agreements. He further suggested establishing a standing meeting date for the meetings throughout the year. Chair LaRussa noted this would be a discussion for the next meeting.

Board member Murphy noted a replacement for Sue Arlin's position.

7. PUBLIC COMMENT

There was no public comment heard.

8. BROWNFIELD REDEVELOPMENT AUTHORITY COMMENT

Christiansen thanked all for attending and thanked the Chairperson.

LaRussa thanked all for their hard work and congratulated Vice Chair Knight on her re-election.

ADJOURNMENT

MOTION by Murphy, supported by Knight to adjourn the meeting.

MOTION CARRIED UNANIMOUSLY.

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The meeting adjourned at 11:21 a.m.

Meaghan K. Bachman - Secretary

Farmington Brownfield Redevelopment Authority Staff Report	Board Meeting Date: March 15, 2024	Reference Number
Submitted by: Kevin Christiansen, Planning and Building Department Director		
<p>Description: Consideration of the following Agreements relating to the Brownfield Plan for Maxfield Training Center (Hillside Townes)—Maxfield Training Center/Robertson Bros:</p> <ol style="list-style-type: none"> 1. The Maxfield Training Center Redevelopment Project – Hillside Townes And Associated Parcels - Reimbursement Agreement 2. Interlocal Agreement To Use Local Tax Increment Revenues for the Maxfield Training Center Redevelopment Project – Hillside Townes And Associated Parcels 		
<p>Requested Action:</p> <p>A. Motion by _____, Seconded by _____,</p> <p>RESOLVED, that the Farmington Brownfield Redevelopment Authority (FBRA) enter into an Interlocal Agreement with the Farmington Downtown Development Authority (FDDA) to use tax increment revenues for the Maxfield Training Center Redevelopment Project – Hillside Townes And Associated Parcels, as described in the Brownfield Plan, with the following conditions:</p> <ol style="list-style-type: none"> 1. DDA to transfer approximately eighty-five percent (85%) of the FDDA tax increment revenues generated from the Property to the FBRA to reimburse Eligible Activities and other reimbursable costs identified in the Plan. 2. The FDDA Property Capture to be transferred to the Brownfield Authority pursuant to this Interlocal Agreement for reimbursement of Eligible Activities shall will commence upon completion of the payments of the not-to-exceed amount of \$1,485,549.00 of TIF Capture under the Maxfield Training Center Redevelopment Project – Hillside Townes And Associated Parcels Tax Increment Finance Assistance Development Agreement. 3. The FBRA Chairperson and attorney are authorized to work with the FDDA and others as needed to finalize the terms of the Interlocal Agreement consistent with this motion and obtain all necessary signatures. 4. Approval is subject to closing of the sale of the MTC Property from the City to Robertson Hillside Townes, LLC, the terms of the Planned Unit Development Agreement for Hillside <p>Motion by _____, Seconded by _____,</p> <p>RESOLVED, that the Farmington Brownfield Redevelopment Authority and Robertson Hillside Townes, LLC, enter into the Maxfield Training Center Redevelopment Project</p>		

– Hillside Townes And Associated Parcels Tax Increment Finance Assistance Reimbursement Agreement, with the following conditions:

1. FBRA has no obligation to reimburse expenses or costs for any activities other than Eligible Activities and interest thereon as provided in the Brownfield Plan, and said payments shall not exceed Two Million Nine Hundred Fifty-Nine Thousand Four Hundred Ninety-Seven Dollars (\$2,959,497.00).
2. Prior to reimbursing the Applicant's expenses, the FBRA shall retain an amount not to exceed the lesser of (a) the maximum amount authorized to be captured under Act 381 for FBRA administrative and operating expenses, or (b) a total of \$15,000 for administrative implementation fees (expected to be paid over the initial three years of the Plan's term), plus an annual administrative fee of \$5,000 during reimbursement of Eligible Activities and deposits made in the Local Brownfield Revolving Fund ("LBRF") beginning year 2 of the capture (provided the annual administrative fee during the 2026 Plan year may be \$10,000), unless otherwise agreed between the parties, which is estimated to total \$115,000. The combined administrative implementation fee and annual administrative fee over the Plan term are estimated to total \$130,000 then to reimburse Owner for Reimbursable Activities
3. The FBRA Chairperson and attorney are authorized to work with the FDDA and others as needed to finalize the terms of the Maxfield Training Center Redevelopment Project – Hillside Townes and Associated Parcels Tax Increment Finance Assistance Reimbursement Agreement consistent with this motion and obtain all necessary signatures.
4. Approval is subject to closing of the sale of the MTC Property from the City to Robertson Hillside Townes, LLC and the terms of the Planned Unit Development Agreement for Hillside Townes.

Background: The City signed a Purchase Agreement with Robertson Bros for the sale and development of the Maxfield Training Center and two residential parcels effective August 31, 2021. The PUD Agreement for the Development requires completion of environmental remediation of the Maxfield Training Center Property, which has been determined to be a "Facility" as defined by Act 381, or adjacent and contiguous to Eligible Property. Demolition and possible remediation must also be completed with respect to the two adjacent City-owned properties.

The north portion of the Property (north of Thomas Street) has a history as far back as the 1880s as a school building, with the main structure of the current building constructed in 1940, including a boiler room with a concrete underground coal bin. Over the ensuing years, additions were made to the building, including underground heating oil storage tanks. The Farmington School District ceased operations on this north portion of the Property in 2011. This portion of the Property consists of 58,675 square feet of unoccupied space and related surface parking across the site. The surrounding area is mixed-use.

The portions of the Property south of Thomas Street were historically used for residential purposes. Contaminants above Michigan Department of Environment, Great Lakes, and

Energy ("EGLE") criteria were reported along with the potential existence of an underground gas tank.

The determination of Facility status is due to the identified contaminants found on 33000 Thomas Street and 33107 Thomas Street. The remaining parcel of the Property is adjacent and contiguous.

Pre-Approved Activities include a Phase I and II Environmental Site Assessment (ESA), baseline environmental assessment, and due care investigation required as part of the transaction due diligence conducted on the Property at an estimated total cost of \$43,502.

Department Specific Activities include removal of contaminated soils, off-site disposal of hazardous materials in a licensed disposal facility, and backfill of excavated areas.

Asbestos Assessment and Removal. A pre-demolition hazardous materials assessment of the former Maxfield Training Center building and two homes for the presence of hazardous materials including asbestos, mercury vapor light tubes, and PCB-containing light ballasts in the building and the proper removal and disposal of asbestos containing materials prior to the demolition of the buildings.

Demolition. The building and all site improvements on both parcels will be removed, properly disposed of, and backfilled. Materials will be recycled to the extent reasonable practical.

A 15% contingency of \$242,917 is provided to address unanticipated environmental, demolition and/or other costs or conditions that may be encountered prior to or during the implementation of eligible activities. The contingency amount is not based on the cost of Pre-Approved Activities and Preparation and Implementation of the Brownfield Plan and Act 381 Work Plan.

Interest will be paid on the unreimbursed eligible costs.

All activities are intended to be "Eligible Activities" under Act 381. The total estimated cost of Eligible Activities subject to reimbursement from tax increment revenues is \$2,959,497, including contingency and interest. Therefore, the total cost for reimbursement to the applicant is a not-to-exceed amount of \$2,959,497, unless the Plan is amended and approved by the BRA and City of Farmington City Council. A portion of the Eligible Activities is expected to be reimbursed to Developer pursuant to an agreement between Developer and the City of Farmington Downtown Development Authority (the "DDA"). Any Eligible Activities reimbursed under such agreement shall not be reimbursed with the proceeds of tax increment revenues captured pursuant to this Plan.

This approval is subject to the terms and conditions of the Planned Unit Development (PUD) Agreement between the City of Farmington and Robertson Hillside Townes in connection with the subject development and to approval of and entry into all intergovernmental agreements relating to Brownfield activities and DDA TIF activities determined to be necessary and appropriate by the City.

Agenda Review

Department Head

Finance/Treasurer

City Attorney

City Manager

**THE MAXFIELD TRAINING CENTER REDEVELOPMENT PROJECT – HILLSIDE
TOWNES AND ASSOCIATED PARCELS
REIMBURSEMENT AGREEMENT**

This Reimbursement Agreement (“Agreement”) is made and entered into as of the _____ day of _____, 2024, by and between Robertson Hillside Townes, LLC, a Michigan limited liability company, whose address is 6905 Telegraph Rd., Suite 200, Bloomfield Hills, MI 48301, (hereinafter referred to as the “Owner”), and City of Farmington Brownfield Redevelopment Authority, a Michigan municipal corporation (hereinafter referred to as the “FBRA”), whose address is 23600 Liberty Street, Farmington, Michigan 48355

RECITALS:

Owner purchased or intends to purchase one or more parcels of land situated in the City of Farmington, Oakland County, Michigan (the “City”), described on the attached Exhibit A and hereinafter referred to as the “Property.”

The FBRA has been created under Act 381, Public Acts of Michigan, 1996, as amended, MCL 125.2651, et. seq. (“Act 381”), to promote the revitalization of environmentally distressed areas through the implementation of brownfield plans for certain eligible property under Act 381.

To induce and facilitate the proposed redevelopment of the Property (the “Project”), on July 14, 2023, the FBRA approved, and on August 7, 2023, the City of Farmington City Council approved, a brownfield plan (the “Plan” or “Brownfield Plan”) for the Property pursuant to Act 381 under which the Owner may receive, subject to this Agreement, the benefit of reimbursement from “Tax Increment Revenues” and transfers from the DDA pursuant to the Interlocal Agreement described below (collectively, “FBRA Receipts”) for the cost of “Eligible Activities,” as those terms are defined under Act 381, undertaken by the Owner on the Property.

The Owner is undertaking a substantial redevelopment of the Property which is currently the site of the Maxfield Training Center building, formerly owned and maintained by Farmington Public School District and is considered "eligible property" as defined by Act 381, Section 2, because the Property parcels have been determined to be a facility, as that term is defined in Part 201 of Michigan’s Natural Resources and Environmental Protection Act (1994 PA 451), or a parcel adjacent or contiguous to a facility, as described in the brownfield plan prepared by Richard A. Barr of Honigman LLP, dated July 14, 2023 (the “Plan”) on behalf of the Owner in connection with the redevelopment of the Property into a 53 unit, for sale multiple-family residential attached condominium development known as Hillside Townes. All activities are intended to be "Eligible Activities" under Act 381. The total estimated cost of Eligible Activities subject to reimbursement from FBRA Receipts is \$2,959,497.00 including contingency and interest. Therefore, the reimbursement to the Owner shall not exceed \$2,959,497.00 unless the Plan is amended and approved by the City of Farmington City Council. In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsections (4) and (5) of Section 13 of Act 381 or 30 years.

The Property is located in the City of Farmington Downtown Development Authority (the “FDDA”) district. On _____, 2024, the FDDA and FBRA entered into an Interlocal

Agreement to use local tax increment revenues for the Maxfield Training Center Redevelopment Project - Hillside Townes and Associated Parcels ("Interlocal Agreement"), authorized by the Urban Cooperation Act, PA 7 of 1967, Extra Session (Act 7), to transfer approximately eighty-five percent (85%) of the FDDA tax increment revenues generated from the Property to the FBRA to reimburse Eligible Activities and other reimbursable costs identified in the Plan.

The FBRA and the Owner desire to establish the terms and conditions upon which the FBRA shall utilize FBRA Receipts to reimburse the Owner for the costs of Eligible Activities under the Plan.

NOW THEREFORE, the parties agree as follows:

1. Eligible Activities. For purposes of this Agreement, "Eligible Activities" means those activities set forth in the Plan. FBRA Receipts will be used to reimburse the costs of "Eligible Activities". An estimated itemization of the Eligible Activities is included in Table 1 of the Brownfield Plan in the not to exceed amount of \$2,959,497.00.

2. Revenues Captured. It is understood that the Brownfield Plan as approved is intended to capture Tax Increment Revenues from several taxing jurisdictions (see the Brownfield Plan, Tables 1 and 2), including levies of the City of Farmington, Oakland County, and other taxing jurisdictions that levy ad valorem or specific taxes that are considered Local Taxes under Act 381, and taxes levied for school operating purposes (as defined in Act 381) (the "School Operating Taxes"). If the proposed use of Tax Increment Revenues derived from School Operating Taxes is not permitted by law or is denied in whole or in part, the FBRA shall continue to capture and apply all Tax Increment Revenues other than from School Operating Taxes until all Eligible Activities have been paid or reimbursed to the Owner.

3. Reimbursement Process. Reimbursement shall be completed in accordance with the Brownfield Plan.

3.1 The Owner shall have sole responsibility to advance the funds to pay for the completion of Eligible Activities. FBRA has no obligation to reimburse expenses or costs for any activities other than Eligible Activities as approved in Brownfield Plan, and said reimbursement shall not exceed \$2,959,497.00. It is further understood and agreed that any reimbursement to or on behalf of Owner contemplated by this Agreement shall only occur to the extent that FBRA Receipts are received by the FBRA from Tax Increment Revenues are generated under the Plan and payments are made by the FDDA to the FBRA pursuant to the Interlocal Agreement and those Tax Increment Revenues or other revenue are available under Act 381 and this Agreement for the making of reimbursements to the Owner.

3.2 Owner shall maintain the financial information and data used in support of the requests for reimbursement for Eligible Activities in accordance with generally accepted accounting principles and practices. Such records shall be maintained for thirty-six (36) months after the completion of the Eligible Activities. The FBRA shall have access to these records during normal business hours, provided the FBRA submits a request to the Owner to review the records with reasonable advance notice.

- 3.3 The Owner shall submit to FBRA a Request for Cost Reimbursement for Eligible Activities paid for by the Owner, on the form attached as Exhibit C (“Reimbursement Request”). Up to three (3) Reimbursement Requests shall be allowed to be submitted to the FBRA by the Owner. The Reimbursement Request shall describe each individual activity claimed as an Eligible Activity and the associated costs of each individual activity. Documentation of the costs incurred shall be included with the Reimbursement Request, including proof of payment and detailed invoices for the costs incurred sufficient to determine whether the costs incurred were in payment of Eligible Activities. Interest shall accrue at the rate of 5% simple (not compounding) and be paid with respect to unreimbursed expenditures on Eligible Activities from when the FBRA has made its approval decision on the eligibility of each individual Reimbursement Request in writing to the Owner until the Owner has been fully reimbursed or the Plan expires, whichever occurs first. Disbursements to Owner shall first be applied to the accrued but unpaid interest and then to the principal balance of unreimbursed Reimbursable Activities. The Reimbursement Request(s) shall be signed by a duly authorized representative of the Owner.
- 3.4 Reimbursement Requests shall be reviewed by FBRA. The Owner shall cooperate in the review by FBRA by providing information and documentation to supplement the Reimbursement Request as deemed reasonable and necessary by FBRA. Within thirty (30) days after submission of a Reimbursement Request, FBRA shall either approve the Reimbursement Request or identify in writing to the Owner any costs in the Reimbursement Request deemed ineligible for reimbursement and the basis for the determination. Owner shall be given thirty (30) days thereafter within which to provide supplemental information or documents in support of the Reimbursement Request or portion of it deemed ineligible by FBRA. Thereafter, except as otherwise agreed to in writing by the Owner and FBRA, FBRA shall make a decision on the eligibility of the disputed cost and inform the Owner in writing of its determination. The FBRA shall act on a Reimbursement Request after receipt of the requested supplemental information from the Owner at the next scheduled meeting of the FBRA, subject to Section 3.5, below.
- 3.5 Payment of Reimbursement Requests approved by the FBRA will be issued by the FBRA at least twice annually, once distributions from the FDDA are received on or about June 1st and October 1st, each year. If sufficient Tax Increment Revenues attributable to the Property are not available at the time a Submission is approved and payment is due, the approved amount shall be paid from Tax Increment Revenues attributable to the Property that are next received by the FBRA and that are not otherwise allowed to be used for purposes permitted by Section 6 below. The FBRA reimbursement responsibility is dependent on funds received from taxing jurisdictions provided that the Property’s taxes have been paid. Payment of Reimbursement Requests approved by the FBRA shall be made payable to the Owner and mailed to the following authorized address:

Robertson Hillside Townes, LLC
6905 Telegraph Rd., Suite 200
Bloomfield Hills, Michigan 48301
Contact Person: Mr. Darian L. Neubecker
Telephone: (248) 282-1430

3.6 The obligation of FBRA to reimburse Robertson Hillside Townes, LLC, is further subject to the following conditions:

- 3.6.1 The Owner shall provide initial proof of ownership of the Project Site.
- 3.6.2 The Owner is current on all real property taxes due on the portion of the Property it owns.
- 3.6.3 The Owner is not in Default under this Agreement.
- 3.6.4 The Owner shall provide written proof of payment arising from performance of Eligible Activities.
- 3.6.5 Payments will not be due to Owner to the extent requested after expiration of this Agreement.

3.7 The Owner shall notify the FBRA of the completion of Eligible Activities for which reimbursement may be sought under this Agreement and will execute and deliver to FBRA a Certificate of Completion in the form attached hereto as Exhibit B after the date of completion of all of the Eligible Activities for which reimbursement is sought under this Agreement.

4. Compliance with Laws, Regulations, Approvals. Anything in this Agreement to the contrary notwithstanding, the Owner and its affiliates shall comply with all applicable laws, ordinances, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property; and if the Owner shall fail to materially do so, the FBRA may, in its reasonable discretion, withhold reimbursement payments under this Agreement for as long as such violation persists. At the FBRA's request, Owner shall copy or provide FBRA with all correspondence and materials or documents provided to any regulatory authority that are related to the Subject Property or Eligible Activities on the Subject Property.

5.Challenges to Capture. In the event that a taxing jurisdiction, or any other party, challenges the capture of any tax revenues and the State or a court of competent jurisdiction issues an order preventing the capture and use of those revenues and requiring the refund or repayment of any captured Tax Increment Revenue previously paid to Owner pursuant to this Agreement, the Owner agrees to repay to the FBRA the captured Tax Increment Revenues previously paid to Owner pursuant to this Agreement and the FBRA agrees to reimburse the Owner, from future capturable revenues, any such repayment by the Owner.

6.Administrative Costs. The FBRA may retain and use Tax Increment Revenue from Local Taxes to pay actual administrative and operating costs of the FBRA from Tax Increment Revenues attributable to the Property. The amount retained shall not exceed the lesser of (a) the maximum amount authorized to be captured under Act 381 for FBRA administrative and operating expenses, or (b) a total of \$15,000 for administrative implementation fees (expected to be paid over the initial three years of the Plan's term),

plus an annual administrative fee of \$5,000 during reimbursement of Eligible Activities and deposits made in the Local Brownfield Revolving Fund (“LBRF”) beginning year 2 of the capture (provided the annual administrative fee during the 2026 Plan year may be \$10,000), unless otherwise agreed between the parties, which is estimated to total \$115,000. The combined administrative implementation fee and annual administrative fee over the Plan term are estimated to total \$130,000. FBRA may retain the amount permitted by this Section 6 before making any reimbursement from taxes other than school operating taxes to Owner under Section 3.

7. Local Brownfield Revolving Fund. FBRA will capture and deposit into the LBRF after the completion of reimbursement of the Owner’s Eligible Activities using a portion of Tax Increment Revenues captured by the FBRA, as described in the approved Plan.

8. Representations and Warranties by Owner. Owner represents and warrants the following:

- (a) With respect to the Property, Owner is not a party liable under Section 20126 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.20126;
- (b) The Property qualifies as Eligible Property under Act 381.

9. Indemnification/Hold Harmless and Insurance. Except as provided below, Owner indemnifies and holds harmless the FBRA, and any of its past, present, and future members, employees, officials, and consultants from any and all losses, demands, claims, actions, assessments, suits, damages, judgments, penalties, cost, or expenses, imposed upon assessed against, or incurred by FBRA or the listed persons which result from, relate to, or arise out of any of the following:

- (a) A determination by the State or a court of competent jurisdiction that the State or any other taxing jurisdiction be repaid or refunded any levy captured as Tax Increment Revenues and paid to Owner as a reimbursement under this Agreement made in excess of the amount the FBRA is permitted to use for such reimbursement;
- (b) The undertaking of Eligible Activities for the Property;
- (c) The acquisition, construction, equipping and/or operation of the business of the Owner on the Property.
- (d) Any act or omission of the Owner, after taking title to or control of the Property, with respect to the conduct of a baseline environmental assessment, due care activity or additional response or remedial activity for the Property, including any failure by the Owner to take any affirmative action required by law to prevent the release of a hazardous substance or any other contaminant or the exacerbation of an existing environmental condition.
- (e) Any release of a hazardous substance or any other contaminant on the Property or an exacerbation of an existing environmental condition, any

adverse effects on the environment, or any violation of any State or Federal environmental law, rule or regulation arising out of, caused by or due to an act, error or omission by the Owner.

The FBRA may, in accordance with a final unappealable order of a court of competent jurisdiction, set off any amount owing to the Owner under this Agreement to satisfy any indemnification obligation of the Owner under this Section 9.

Each Party to this Agreement shall be responsible for defending any claims arising out of the acts and/or omissions of it or its respective employees, contractors, representatives and agents during the performance of this Agreement, as provided by law. This Agreement does not and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the Parties. The work and activities performed pursuant to this Agreement by the FBRA are governmental functions. It is the intention of the Parties hereto that this Agreement shall not be construed to waive the defense of governmental immunity held by the FBRA. Owner shall indemnify the Indemnified Persons for the cost of defense, including reasonable attorneys fees, to the extent that a final unappealable order of a court of competent jurisdiction determines that the Indemnified Persons were not responsible or liable for the claims asserted. The Owner shall also indemnify the FBRA for all reasonable costs and expenses, including reasonable attorneys fees, incurred in:

- (i) enforcing any obligation of the Owner under this Agreement or any related agreement to which the Owner is a party,
- (ii) taking any action requested by the Owner, or
- (iii) To the extent that such cost or expense exceeds or is not subject to Section 6 herein, taking any action on behalf of the Owner that is required of the Owner, or which is otherwise considered necessary by the FBRA, under this Agreement or any related agreement to which the Owner is a party.

The obligations of the Owner under this section shall survive any assignment or termination of this Agreement.

10. Loss of Revenue from a Taxing Jurisdiction. It is understood that the Brownfield Plan as approved is intended to capture Tax Increment Revenues from several taxing jurisdictions. In the event that a taxing jurisdiction, or any other party, successfully challenges the capture of any tax revenues and after the issuance of a final, unappealable order of a court of competent jurisdiction preventing the capture and use of those revenues and requiring the refund or repayment of any captured Tax Increment Revenue previously paid to Owner pursuant to this Agreement, the Owner agrees to repay to the FBRA the captured Tax Increment Revenues previously paid to Owner pursuant to this Agreement, and the FBRA agrees to reimburse the Owner, from future capturable revenues, any such repayment by the Owner.

11. Property Tax Appeal. The Owner and purchasers shall have full rights to appeal property tax assessments under State law. The Owner also expressly acknowledges any tax appeal may impact the FBRA's ability to reimburse the Owner's Eligible Activities

or other obligations under this Agreement, and expressly waives any claim against the FBRA that result from any tax appeal filed by the Owner. In the event that the previous years' taxes are refunded and to the extent that the refund reduces or eliminates the amount available for reimbursement for activities for the previous year, the Owner shall return that portion of any reimbursement paid from the previous years' taxes.

12. **Access for Inspection.** The FBRA shall act as the clearinghouse for all employees and agents of the FBRA who wish to gain access for inspection of the Development. All employees and agents are authorized to enter upon the Property during normal business hours for the purpose of inspecting the work related to the Authorized Eligible Activities and making determinations that such work is being performed in accordance with the Plan in a workmanlike manner with prior reasonable notice to the Owner of each area to be inspected. The Owner reserves the right to preclude access or request the employee or agents of the FBRA vacate the property for health and safety issues. Any employees or agents of the FBRA must comply with all site safety standards, including, but not limited to, MIOSHA requirements.
13. **Discrimination.** Owner shall not discriminate against any employee or applicant for employment in violation of state or federal law. Owner shall promptly notify the FBRA of any complaint or charge filed and/or of any determination by any court or administrative agency of illegal discrimination by Owner.
14. **Insurance Requirements.** Owner shall provide insurance as reflected in Exhibit D.
15. **Effective Date.** This Agreement shall take effect upon its execution by FBRA and Owner. This Agreement shall terminate upon the full payment for all Eligible Activities to Owner as provided in Section 3 and the expiration of all appeal periods with respect to the assessment or collection of property taxes with respect to the Property.
16. **Further Assurances.** Each party will, whenever and as often as it shall be reasonably requested by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents, as may be necessary in order to carry out the terms and conditions of this Agreement. Each party further covenants that from and after the Effective Date, each party shall reasonably cooperate with each other to secure all consents, approvals, authorizations and otherwise take such further actions necessary to effect the Project and other activities contemplated by this Agreement.
17. **FBRA Covenants.** To induce Owner to enter into this Agreement, FBRA covenants to not amend or waive compliance by any party with the Interlocal Agreement between the FDDA and the FBRA dated on or about the Effective Date of this Agreement, without Owner's consent.

18. Miscellaneous.

- (a) Owner and the FBRA, with the assistance of their respective legal counsel, have negotiated together to reach the terms of this Agreement, participated in the drafting of this Agreement and acknowledge that this Agreement is the product of the joint effort of both parties. In no event shall the terms of this Agreement be construed more strictly against one party than the other party.
- (b) This Agreement shall be binding upon and inure to the benefit of Owner and the FBRA, and their respective heirs, successors, assigns and transferees. The Parties may freely assign their rights hereunder, but Owner's obligations may only be assigned to an entity not affiliated with the Owner if such transfer or assignment is approved in advance by the FBRA, which approval shall not be unreasonably withheld, delayed or conditioned. Notwithstanding anything to the contrary in this Agreement, the FBRA acknowledges and agrees that Developer may assign its rights under this Agreement as collateral to any one or more lenders providing financing for the Project and, in such event, the FBRA agrees to execute a customary consent to such assignment and estoppel certificate in customary form. In the event of any assignment or transfer of any right or obligation hereunder, such assignment or transfer shall be subject to all provisions under this Agreement, provided, that the lender/assignee pursuant to a collateral assignment shall not be deemed to be subject to any of Owner's obligations under this Agreement other than as are set forth in Section 3 above. In the event of any assignment or transfer of any right or obligation hereunder such transfer or assignment shall not be effective unless a written notice by certified mail is provided to the other party. This Agreement shall not be affected or altered in any way by any sale, lease or other disposition or sale of all or a portion of the Property.
- (c) This Agreement shall be interpreted and construed in accordance with Michigan law and shall be subject to interpretation and enforcement only in Michigan courts whether federal or state.
- (d) In no event shall the provisions of this Agreement be deemed to inure to the benefit of or be enforceable by any third party.
- (e) Neither the delay nor failure by either party to exercise any right under this agreement, or the partial or incomplete exercise of any such rights shall constitute a waiver of that or any other right, unless provided expressly herein.
- (f) If any part of this agreement is determined to be invalid by a court of competent jurisdiction, that determination shall apply only to the voided part and not to the agreement as a whole.
- (g) This Agreement may be executed in any number of counterparts and may be signed and/or transmitted by facsimile, electronic mail or a .pdf

document, or electronic signature technology (e.g., via DocuSign or similar electronic signature technology), and each of which will be deemed to be an original, and all of which together will be deemed to be one and the same instrument.

- (h) In no event shall the provisions of this Agreement be deemed to inure to the benefit of or be enforceable by any third party except as provided in Section 18(b).
- (i) Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by any other party.
- (j) This Agreement constitutes the entire agreement of the parties and integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all prior negotiations, representations, warranties, covenants and agreements between the parties with respect to all or any part of the subject matter hereof.
- (k) A party may waive any default, condition, promise, obligation or requirement applicable to any other party hereunder, provided, that any such waiver shall apply only to the extent expressly given and shall not be deemed or construed to waive any of the same or any other default, condition, promise, obligation or requirement in any past or future instance. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers or representatives of the waiving party, and all amendments hereto must be in writing and signed by the appropriate officers or representatives of all of the parties.
- (l) In the event of any conflict or inconsistency between the terms of this Agreement and the terms of any other agreement, document or understanding of the parties, this Agreement shall control.
- (m) Notices and reimbursements shall be sent to the following addresses:

Owner:

Robertson Hillside Townes, LLC
6905 Telegraph Rd., Suite 200
Bloomfield Hills, Michigan 48301
Contact Person: Mr. Darian L. Neubecker
Telephone: (248) 282-1430

Authority:

City of Farmington
Brownfield Redevelopment
Authority
23600 Liberty Street
Farmington, MI 48335
Attention: City Manager

[Signatures on Next Page]

**CITY OF FARMINGTON BROWNFIELD
REDEVELOPMENT AUTHORITY**

By: _____
Its: Chair

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing Reimbursement Agreement was acknowledged before me this _____ day of _____, 2024 by _____, the duly authorized Chair of City of Farmington Brownfield Redevelopment Authority.

Notary Public
_____ County, Michigan
My Commission Expires: _____

EXHIBIT A

Legal Description of Property

Address	Parcel ID	Legal Description	Eligibility
33000 Thomas Street	23-27-152-017 23-27-152-019	T1N, R9E, SEC 27 ASSESSOR'S PLAT NO. 3 PART OF LOT 5 DESC AS BEG AT SW LOT COR, TH N 03-45-48 E 36.74 FT, TH S 63-19-21 E 90.75 FT, TH N 87-12-02 W 83.60 FT TO BEG 6-16-2020 FR 016 T1N, R9E, SEC 27 AMD PLAT OF LOTS 21, 22, 23 & 24 OF BLK 6, LOTS 31, 32, 33 & 34 OF BLK 4, LOTS 35 & 36 OF BLK 5, VAC THIRD ST & VAC PART OF CASS ST OF PLAT OF 'DAVIS ADDITION TO THE VILLAGE OF FARMINGTON' LOT 2 BLK 8 6-16-2020 FR 016 & 177-092	Facility
33104 Grand River Avenue	23-27-154-008	T1N, R9E, SEC 27 DAVIS ADD E 47 FT OF S 110 FT OF LOT 15 BLK 3	Adjacent and Contiguous
33107 Thomas	23-27-154-004	T1N, R9E, SEC 27 DAVIS ADD N 90 FT OF LOT 15 BLK 3 EXC E 5.75 FT	Facility

EXHIBIT B

Certificate of Completion

TO: CITY OF FARMINGTON BROWNFIELD REDEVELOPMENT
 AUTHORITY

The undersigned, the _____ of Robertson Hillside Townes, LLC (the "Owner"), hereby certifies as follows for and on behalf of the Owner in connection with certain activities at the Property (as hereinafter define):

1. Attached hereto as Exhibit A is a true, correct and complete copy of the Brownfield Plan (the "Plan") approved by City of Farmington Brownfield Development Authority (the "FBRA") and approved by the City Council for the Property located at _____, Farmington, Michigan (the "Property"). No proceedings have been taken or are pending to amend, surrender or cancel the Plan.

2. The eligible activities described in the Plan have been completed other than required long-term monitoring or operation or maintenance activities, if any.

The undersigned has executed this Certificate on this _____ day of _____, 202__.

Robertson Hillside Townes, LLC

By: _____

Its: _____

EXHIBIT C

Certificate of Reimbursement

TO: CITY OF FARMINGTON BROWNFIELD REDEVELOPMENT
 AUTHORITY

The undersigned, as the _____ of Robertson Hillside Townes, LLC, a Michigan limited liability company (the "Owner"), submits this certification pursuant to the Reimbursement Agreement between the Owner and City of Farmington Brownfield Development Authority (the "FBRA"), dated on or about _____, 2024 (the "Reimbursement Agreement"). On behalf of the Owner in connection with certain activities completed at the Property (as hereinafter defined), I hereby certify as follows:

1. Attached as Exhibit A is a narrative description of the activities that have been completed for the Property defined in the Reimbursement Agreement as of the date of this Certification for which the Owner seeks reimbursement. These activities qualify as Eligible Activities under Act 381, Public Acts of Michigan, 1996, as amended, and are eligible for reimbursement pursuant to the Plan and the Reimbursement Agreement. The activities set forth in Exhibit A have been completed in the manner and in compliance with the terms of the Plan and the Plan's supporting documents.

2. Attached as Exhibit B are true, correct and complete copies of all: (a) documents or reports for which reimbursement is requested; (b) invoices covering the activities for which the Owner seeks reimbursement; and (c) substantiating documents for such invoices.

3. That Owner has timely paid the real estate taxes applicable to the portion of the Property owned by it, and that proof of payment is attached hereto.

The undersigned has executed this Certificate for Reimbursement on this _____ day of _____, 202__.

Robertson Hillside Townes, LLC

By: _____

Its: _____

EXHIBIT D

Insurance

Owner shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. The requirements below should not be interpreted to limit the liability of Owner. All deductibles and SIR's are the responsibility of Owner. Owner shall procure and maintain the following insurance coverage:

- a. Worker's Compensation Insurance including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
- b. Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included. Limits may be obtained by the use of primary and excess/umbrella liability policies.
- c. Automobile Liability including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000 per occurrence, combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
- d. Additional Insured: Commercial General Liability and Automobile Liability as described above shall include an endorsement stating the Farmington Brownfield Redevelopment Authority shall be listed as additional insured. It is understood and agreed by naming the Farmington Brownfield Redevelopment Authority as additional insured, coverage afforded is considered to be primary and any other insurance the Farmington Brownfield Redevelopment Authority may have in effect shall be considered secondary and/or excess.
- e. Cancellation Notice: All policies, as described above, shall include an endorsement stating that it is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, shall be sent to: City of Farmington Brownfield Redevelopment Authority, 23600 Liberty Street, Farmington, MI 48335, Attention: Director.
- f. Proof of Insurance Coverage: Owner shall provide Farmington Brownfield Redevelopment Authority at the time that the contracts are returned for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable.

If any of the above coverages expire during the term of this contract, Owner shall deliver renewal certificates and endorsements to City of Farmington Brownfield Redevelopment Authority at least ten (10) days prior to the expiration date.

**INTERLOCAL AGREEMENT TO USE LOCAL TAX INCREMENT REVENUES FOR
THE MAXFIELD TRAINING CENTER REDEVELOPMENT PROJECT – HILLSIDE
TOWNES AND ASSOCIATED PARCELS**

WHEREAS, the Urban Cooperation Act, PA 7 of 1967, Extra Session (Act 7), provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the City of Farmington Downtown Development Authority (“FDDA”) was duly established pursuant to PA 197 of 1975, since repealed by PA 57 of 2018 (“Act 57”); and

WHEREAS, the City of Farmington Brownfield Redevelopment Authority (“FBRA”) was duly established pursuant to PA 381 of 1996, as amended (“Act 381”); and

WHEREAS, the FDDA and FBRA are each considered a “public agency” under Act 7; and

WHEREAS, the FBRA has the authority to reimburse for costs of “eligible activities” and other reimbursable costs on eligible property, and capture tax increment revenues generated by the levy of certain taxes on eligible property under brownfield plans approved pursuant to and as described in Act 381; and

WHEREAS, the FDDA has the authority to pay for certain eligible activities and capture tax increment revenues generated by the levy of certain taxes on parcels within the Development Area pursuant to the 2008 Amended and Restated Development Plan and Tax Increment Financing Plan, as adopted by the Farmington City Council on November 3, 2008, together with the 2020 Amended and Restated Development and Tax Increment Financing Plans (2020) Amended Plan (collectively referred to herein as the “FDDA Plan”), and as permitted under Act 57; and

WHEREAS, Robertson Hillside Townes, LLC (“Developer”), has proposed to redevelop the Property that is currently the site of the Maxfield Training Center building, formerly owned and maintained by the Farmington Public School District. The “Property” is described in the attached Exhibit A. A Planned Unit Development Plan has been presented on behalf of Robertson Hillside Townes, LLC, to address Brownfield conditions and redevelop the Property with a 53-unit, for sale multiple-family residential attached condominium development known as Hillside Townes. The Property is considered “eligible property” as defined under Section 2 of Act 381. The FBRA recommended approval of the Brownfield Plan prepared by Richard A. Barr of Honigman LLP, dated July 14, 2023, with respect to the Property (“Brownfield Plan”).

WHEREAS, the FDDA Plan was adopted prior to the adoption of the Brownfield Plan which results in capture of certain tax increment revenues by the FDDA with respect to certain taxes levied on the Property; and

WHEREAS, the FBRA, FDDA and the Developer contemplate that certain costs incurred by the Developer on or adjacent to the Property (including interest thereon) will be reimbursed to

the Developer using certain proceeds generated under (a) the Brownfield Plan and the Reimbursement Agreement between the Developer and the FBRA, dated on or about the date hereof (the "Reimbursement Agreement"); (b) the Development Agreement between the Developer and the FDDA, dated on or about the date hereof (the "Development Agreement"), pursuant to which certain funds will be paid by the FDDA to the Developer in consideration of the Developer's construction of certain improvements described in the Development Agreement; and (c) this Interlocal Agreement; and

WHEREAS, the FBRA, FDDA, and the Developer contemplate the FDDA's tax increment revenues from the Property will be used to fully reimburse the Developer for improvements and activities completed under the Development Agreement in an amount not-to-exceed \$1,485,549.00 prior to initiating any transfer of the FDDA's tax increment revenue to the FBRA for reimbursements under the Brownfield Plan; and

WHEREAS, the FDDA has approved to transfer 82.5% of the FDDA tax increment revenues (85% of the tax increment revenues minus a 2.5% annual administrative fee) generated from the Property to the FBRA to reimburse Developer for Eligible Activities and others identified in the Brownfield Plan.

WHEREAS, the FDDA and the FBRA desire to enter into this Interlocal Agreement to transfer a portion of the FDDA tax increment revenues captured from the eligible property to the FBRA to be used to reimburse the costs of the Act 381 eligible activities and other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the FDDA and FBRA agree as follows:

1. Capture of Tax Increment Revenues by FDDA. The parties agree that the FDDA will capture the tax increment revenues it is authorized under Act 57 to capture pursuant to the FDDA Plan, including such tax increment revenues resulting from the capture of tax increments from taxes levied against the Property (the "FDDA Property Capture"). The FDDA Property Capture to be transferred to the Brownfield Authority pursuant to this Interlocal Agreement will commence upon completion of the payments of the not-to-exceed amount of \$1,485,549.00 of TIF Capture under the Development Agreement ("Development Agreement TIF Capture") completed in accordance with the Development Agreement.
2. Transfer and Use of Tax Increment Revenues. Commencing after completion of the Development Agreement TIF Capture, the FDDA transfer to the FBRA eighty-five (85%) of the FDDA Property Capture until Developer has received all amounts due it under the Reimbursement Agreement, subject to Section 3 below. The transfers from the FDDA to the FBRA shall be made no less often than by June 1st and October 1st of each year with respect to the FDDA Property Capture collected by the City or Oakland County through such date or a date reasonably preceding such dates.
3. Limitation to Tax Increment Revenues from Eligible Property. Upon the earlier of (a) the conclusion or dissolution of the Brownfield Plan or (b) the making of all payments required

under Section 2 hereof, the FDDA Property Capture shall be captured and retained by the FDDA and expended as provided in the FDDA Plan. Notwithstanding this provision, upon the expiration of the FDDA Plan (currently expected at the end of tax year 2038), in the event that the FDDA Plan is renewed, one hundred percent (100%) of tax increment revenue generated on the Property from tax year 2039 and after shall be captured by the FBRA until the Brownfield Plan has been completed or terminated.

4. FBRA as Agent under This Agreement. The parties designate the FBRA as the agent to receive and disburse the FDDA Property Capture until such time all obligations of the FBRA hereunder have been satisfied.
5. FBRA as Agent under Reimbursement Agreements. The parties designate the FBRA as the agent to develop and enforce the terms of the Reimbursement Agreement.
6. Amendment of Brownfield Plan. The Brownfield Plan may be amended in order to fund additional eligible activities associated with the project described therein and as otherwise permitted by law upon prior written approval of the FBRA and City Council.
7. Effective Date. The Agreement shall be effective upon approval of this Agreement by the FBRA and the FDDA pursuant to Act 7 as executed by the authorized representatives and filed with the County Clerk and Secretary of State of Michigan as required by Act 7, in accordance with those approvals.
8. Severability. To the extent that any provision contained in this Agreement is deemed unenforceable, the remaining terms shall remain in effect to the fullest extent permitted by law to accomplish the intent of the parties.
9. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
10. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.
11. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
12. Binding Effect. Subject to the terms herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of each of the parties and their respective successors and assigns, heirs, and legal representatives.

This agreement was approved by the City of Farmington Downtown Development Authority. The Chair was authorized to sign this Agreement on the ___ day of _____, 2024 and was executed by the Chair on the ___ day of _____, 2024.

The FDDA and FBRA, by their authorized representatives, have executed this Agreement on the dates set forth below.

[Signatures on Next Page]

**CITY OF FARMINGTON
DOWNTOWN DEVELOPMENT
AUTHORITY**

Chair

Sworn to and subscribed before me, a Notary Public, in the County of Oakland, on this _____
day of _____, 2024.

Notary Public
My commission expires _____
Acting in the County of _____

[Signatures Continued on Next Page]

This agreement was approved by the City of Farmington Brownfield Redevelopment Authority. The Chairperson was authorized to sign this Agreement on the ____ day of _____, 2024 and was executed by the Chairperson on the ____ day of _____, 2024.

**CITY OF FARMINGTON BROWNFIELD
REDEVELOPMENT AUTHORITY**

Chair

Sworn to and subscribed before me, a Notary Public, in the County of Oakland, on this ____ day of _____, 2024.

Notary Public
My commission expires _____
Acting in the County of _____

EXHIBIT A

Address	Parcel ID	Legal Description
33000 Thomas Street	23-27-152-017 23-27-152-019	T1N, R9E, SEC 27 ASSESSOR'S PLAT NO. 3 PART OF LOT 5 DESC AS BEG AT SW LOT COR, TH N 03-45-48 E 36.74 FT, TH S 63-19-21 E 90.75 FT, TH N 87-12-02 W 83.60 FT TO BEG 6-16-2020 FR 016 T1N, R9E, SEC 27 AMD PLAT OF LOTS 21, 22, 23 & 24 OF BLK 6, LOTS 31, 32, 33 & 34 OF BLK 4, LOTS 35 & 36 OF BLK 5, VAC THIRD ST & VAC PART OF CASS ST OF PLAT OF 'DAVIS ADDITION TO THE VILLAGE OF FARMINGTON' LOT 2 BLK 8 6-16-2020 FR 016 & 177-092
33104 Grand River Avenue	23-27-154-008	T1N, R9E, SEC 27 DAVIS ADD E 47 FT OF S 110 FT OF LOT 15 BLK 3
33107 Thomas	23-27-154-004	T1N, R9E, SEC 27 DAVIS ADD N 90 FT OF LOT 15 BLK 3 EXC E 5.75 FT

Farmington Brownfield Redevelopment Authority Staff Report	Board Meeting Date: March 15, 2024	Reference Number
Submitted by: Kevin Christiansen, Planning and Building Department Director		
Description: Consideration of the following Agreements relating to the Brownfield Plan for Legion Square: <ol style="list-style-type: none"> 1. Legion Square Brownfield Redevelopment Reimbursement Agreement 2. Interlocal Agreement to Use Local Tax Increment Revenues for the Legion Square Brownfield Redevelopment Project 		
Requested Action: <p>A. Motion by _____, Seconded by _____, RESOLVED, that the Farmington Brownfield Redevelopment Authority (FBRA) enter into an Interlocal Agreement with the Grand River Corridor Improvement Authority (CIA) to use tax increment revenues for the Legion Square Redevelopment Project, as described in the Brownfield Plan, with the following conditions:</p> <ol style="list-style-type: none"> 1. CIA to transfer one hundred (100%) of the CIA tax increment revenues generated from the Property to the FBRA to reimburse Eligible Activities and other reimbursable costs identified in the Plan. 2. The CIA Property Capture to be transferred to the Brownfield Authority pursuant to this Interlocal Agreement for reimbursement of Eligible Activities shall not exceed Two Hundred and Eighteen Thousand, Seven Hundred and Thirteen Dollars \$218,713.00 to be reimbursed to the Developer, over an 11-year reimbursement period, with an additional Two Hundred and Seventy Thousand, One Hundred and Fifty-Eight Dollars (\$270,158.00) to be captured for statutory administrative fees and by the Local Brownfield Revolving Fund (LBRF), in accordance with the approved Brownfield Plan. 3. The FBRA Chairperson and attorney are authorized to work with the CIA and others as needed to finalize the terms of the Interlocal Agreement consistent with this motion and obtain all necessary signatures. 4. Approval is subject to recording of the PUD Agreement for the Legion Square PUD and final site plan approval. <p>B. Motion by _____, Seconded by _____, RESOLVED, that the Farmington Brownfield Redevelopment Authority and Legion Square, LLC, enter into the City of Farmington - Legion Square Brownfield Redevelopment Reimbursement Agreement, with the following conditions:</p>		

1. FBRA has no obligation to reimburse expenses or costs for any activities other than Eligible Activities as provided in the Brownfield Plan, and said payments shall not exceed Two Hundred and Eighteen Thousand, Seven Hundred and Thirteen Dollars \$218,713.00.
2. Prior to reimbursing the Applicant's expenses, the FBRA shall retain an amount not to exceed the maximum amount authorized to be captured under Act 381 for FBRA administrative and operating expenses, and is estimated at \$47,445.00.
3. The FBRA will capture and deposit into the LBRF as described in the approved Plan. The estimated LBRF Capture after the reimbursement of Owner's Eligible Activities is \$218,713.00.
4. The FBRA Chairperson and attorney are authorized to work with the Developer and others as needed to finalize the terms of the Legion Square Brownfield Redevelopment Reimbursement Agreement consistent with this motion and obtain all necessary signatures.
5. Approval is subject to recording of the Legion Square PUD Agreement and final site plan approval for Legion Square.

Background:

A Brownfield Plan prepared by McDowell & Associates, dated January 4, 2024 (the "Plan") has been approved on behalf of Cervi Construction, LLC, to remediate and redevelop the Property with a multiple-family residential luxury apartment community consisting of four (4) 3-story buildings with thirty (30) apartments. The development will be a rental apartment development and the owner of the development responsible for maintenance of the apartment grounds and building.

An asbestos survey was completed for the Property and confirms that the existing building is constructed with asbestos-containing floor tile, joint compound, window glazing, and caulk and presumed asbestos-containing roofing materials, each of which will require abatement by a licensed asbestos abatement contractor prior to demolition of the building. "Eligible Activities" include environmental assessments, asbestos surveys, preparation of this Brownfield Plan, asbestos abatement, demolition, environmental related engineering and legal reviews, and a post-asbestos abatement visit to confirm abatement of asbestos.

On February 20, 2024, the Farmington City Council held a public hearing and approved the Plan. The cost of "Eligible Activities" shall include the cost not to exceed \$218,713.00 to be reimbursed to the Applicant, plus Local Brownfield Revolving Funds deposits and administrative fees, for a total estimated cost of \$484,871.00.

Agenda Review

Department Head	Finance/Treasurer	City Attorney	City Manager
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STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

**LEGION SQUARE BROWNFIELD REDEVELOPMENT
REIMBURSEMENT AGREEMENT**

This Reimbursement Agreement (“Agreement”) is made and entered into as of the ____ day of _____, 2024, by and between **Legion Square, LLC**, a Michigan limited liability company, whose address is 12419 Stark Road, Livonia, Michigan 48150 (hereinafter referred to as the “Owner”), and the City of Farmington Brownfield Redevelopment Authority, a Michigan municipal corporation (hereinafter referred to as the “FBRA”) whose address is 23600 Liberty Street, Farmington, Michigan 48355.

RECITALS:

Owner purchased a parcel of land situated in the City of Farmington, Oakland County, Michigan (the “City”), described on the attached Exhibit A and hereinafter referred to as the “Property.”

The FBRA has been created under Act 381, Public Acts of Michigan, 1996, as amended, (“Act 381”) to promote the revitalization of environmentally distressed areas through the implementation of Brownfield Plans for certain eligible property under Act 381.

To induce and facilitate the proposed redevelopment of the Property (the “Project”), on the 25th day of January, 2024 the FBRA approved, and on _____, the Farmington City Council adopted, a Brownfield Plan (the “Plan” or “Brownfield Plan”) for the Property, under which the Owner may receive, subject to this Agreement, the benefit of reimbursement from “Tax Increment Revenues” for the cost of “Eligible Activities,” as those terms are defined under Act 381, undertaken by the Owner on the Property.

The Property is considered an "eligible property" as defined by Act 381, Section 2, because it has been determined to be functionally obsolete by a certified appraiser and is located in a non-core community. The Property is currently developed with an approximate 10,000-square foot building constructed in 1945. An asbestos survey was completed for the Property and confirms that the existing building is constructed with asbestos-containing floor tile, joint compound, window glazing, and caulk and presumed asbestos-containing roofing materials, each of which will require abatement by a licensed asbestos abatement contractor prior to demolition of the building. “Eligible Activities” include environmental assessments, asbestos surveys, preparation of this Brownfield Plan, asbestos abatement, demolition, environmental related engineering and legal reviews, and a post-asbestos abatement visit to confirm abatement of asbestos.

The Owner is undertaking a substantial redevelopment of the Property into the Legion Square Development, which will consist of four buildings with a total of 30 units. Each proposed building has approximately 5,057-square feet of footprint and will be three-story structures with

first floor garages. Underground stormwater detention is planned for the west portion of the Property. Prior to construction, work will include demolition of the existing building.

Neither the City of Farmington nor the FBRA advanced any funds toward the cleanup, rehabilitation, or redevelopment of the Property. The Plan calls for the reimbursement of eligible expenses for the activities completed by the Owner under the Plan totaling of \$218,713.00 over an 11-year reimbursement period.

The FBRA and the Owner desire to establish the terms and conditions upon which the FBRA shall utilize Tax Increment Revenues captured pursuant to the Plan to reimburse the Owner for the costs of Eligible Activities undertaken by the Owner.

NOW THEREFORE, the parties agree as follows:

1. Eligible Activities.

For purposes of this Agreement, "Eligible Activities" shall include those items permissible under Act 381, and shall also include those activities set forth in the Plan. The cost of Eligible Activities shall include the cost not to exceed \$218,713.00, plus LBRF deposits and administrative fees, for a total estimated cost of \$484,871.00.

2. Revenues Captured.

It is understood that the Brownfield Plan as approved is intended to capture Tax Increment Revenues from several taxing jurisdictions, (see the Brownfield Plan, Tables 2 and 3), including levies of the City of Farmington, Oakland County, and other taxing jurisdictions that levy ad valorem or specific taxes that are considered Local Taxes under Act 381

3. Reimbursement Process.

Reimbursement shall be completed in accordance with the Brownfield Plan approved by the FBRA, including all of its Schedules and Appendices attached hereto and incorporated as Exhibit E.

3.1 The Owner shall have sole responsibility to advance the funds to pay for the completion of Eligible Activities. FBRA has no obligation to reimburse expenses or costs for any activities other than Eligible Activities, and said reimbursement shall not exceed \$218,713.00. It is further understood and agreed that any reimbursement to or on behalf of Owner contemplated by this Agreement shall only occur to the extent that Tax Increment Revenues are generated from the Subject Property and those Tax Increment Revenues or other revenue is available under Act 381 and this Agreement for the making of reimbursements to the Owner.

3.2 Owner shall maintain the financial information and data used in support of the requests for reimbursement for Eligible Activities in accordance with generally accepted accounting principles and practices. Such records shall be maintained for thirty-six (36) months after the end of the development of the Subject Property. The FBRA shall have access to these records during normal

business hours, provided the FBRA submits a request to the Owner to review the records with reasonable advance notice.

- 3.3 The Owner shall submit to FBRA a Request for Cost Reimbursement for Eligible Activities paid for by the Owner, on the form attached as Exhibit B (“Reimbursement Request”). The Reimbursement Request shall describe each individual activity claimed as an Eligible Activity and the associated costs of each individual activity. Documentation of the costs incurred shall be included with the Reimbursement Request, including proof of payment and detailed invoices for the costs incurred sufficient to determine whether the costs incurred were in payment of Eligible Activities. Interest on the Owner’s reimbursable costs shall not be reimbursable. The Reimbursement Request shall be signed by a duly authorized representative of the Owner.
- 3.4 Reimbursement Requests shall be reviewed by FBRA. The Owner shall cooperate in the review by FBRA by providing information and documentation to supplement the Reimbursement Request as deemed reasonable and necessary by FBRA. Within thirty (60) days after submission of a Reimbursement Request, FBRA shall either approve the Reimbursement Request or identify in writing to the Owner any costs in the Reimbursement Request deemed ineligible for reimbursement and the basis for the determination. Owner shall be given thirty (30) days thereafter within which to provide supplemental information or documents in support of the Reimbursement Request or portion of it deemed ineligible by FBRA. Thereafter, except as otherwise agreed to in writing by the Owner and FBRA, FBRA shall make a decision on the eligibility of the disputed cost and inform the Owner in writing of its determination, which determination shall be final. The FBRA shall act on a Reimbursement Request after receipt of the requested supplemental information from the Owner at the next scheduled meeting of the FBRA.
- 3.5 Payment of Reimbursement Requests approved by the FBRA will be issued to FBRA twice annually, after tax settlement, both for summer and winter taxes. If sufficient Tax Increment Revenues attributable to the Property are not available at the time a Submission is approved and payment is due, the approved amount shall be paid from Tax Increment Revenues attributable to the Property that are next received by the FBRA and that are not otherwise allowed to be used for purposes permitted by Section 6 below. The FBRA reimbursement responsibility is dependent on funds received from taxing jurisdictions provided that the Property’s taxes have been paid. Payment of Reimbursement Requests approved by the FBRA shall be made payable to the Owner and mailed to the following authorized address:

CERVI CONSTRUCTION, LLC
12419 Stark Road
Livonia, Michigan 48150
Contact Person: Mr. Fabio Cervi
Telephone: _____

3.5 The obligation of FBRA to reimburse Cervi Construction, LLC, is further subject to the following conditions:

- 3.5.1 The Owner shall provide proof of ownership of the Project Site.
- 3.5.2 The Owner is current on all real property taxes due on the Project Site.
- 3.5.3 The Owner is not in Default under this Agreement.
- 3.5.4 The Owner shall provide written proof of payment and waivers of any liens arising from performance of Eligible Activities.
- 3.5.5 If the Agreement expires without completion of the Eligible Activities and/or submission of the Reimbursement Requests to the FBRA, then payments will not be due to Owner.

3.6 No interest or other similar charge shall accrue or attach to any reimbursement payment agreed to by FBRA under this Agreement, unless sufficient Tax Increment Revenues are available and FBRA fails to meet the Payment Schedule despite the availability of such revenues.

3.7 The Owner shall notify the FBRA in writing within thirty (30) days of the completion of Eligible Activities for which reimbursement may be sought under this Agreement and will execute and deliver to FBRA and the County Treasurer a Certificate of Completion, in the form attached hereto as Exhibit C, after the date of completion of all of the Eligible Activities for which reimbursement is sought under this Agreement.

4. Compliance with Laws, Regulations, Approvals.

Anything in this Agreement to the contrary notwithstanding, the Owner and its affiliates shall comply with all applicable laws, ordinances, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property; and if the Owner shall fail to do so, the FBRA may, in its sole discretion, withhold reimbursement payments under this Agreement for as long as such violation persists.

Owner shall copy or provide FBRA with all correspondence and materials or documents provided to any regulatory authority that are related to the Subject Property or Eligible Activities on the Subject Property.

5. Challenges to Capture.

In the event that a taxing jurisdiction, or any other party, challenges the capture of any tax revenues and the State, an agency thereof, or in the event that a court of competent jurisdiction issues an order preventing the capture and use of those revenues and requiring the refund or repayment of any captured Tax Increment Revenue previously paid to Owner pursuant to this Agreement, the Owner agrees to repay to the FBRA the captured Tax Increment Revenues previously paid to Owner pursuant to this Agreement and the FBRA agrees to reimburse the Owner, from future capturable revenues, any such repayment by the Owner.

5. Administrative Costs.

The FBRA may retain and use funds to pay actual administrative and operating costs of the FBRA from Tax Increment Revenues attributable to the Property. The amount retained shall not exceed the maximum amount authorized to be captured under Act 381 for FBRA administrative and operating expenses, and is estimated at \$47,445.00. FBRA may retain the amount permitted by this Section 6 before making any reimbursement to Owner under Section 3.

6. Local Brownfield Revolving Fund.

In accordance with Act 381 and the Plan, the FBRA may fund the Local Brownfield Revolving Fund (“LBRF”) using a portion of Tax Increment Revenues captured by the FBRA for a period of up to five (5) years after the period of reimbursement of the Owner’s Eligible Activities. The FBRA will capture and deposit into the LBRF as described in the approved Plan. The estimated LBRF Capture after the reimbursement of Owner’s Eligible Activities is \$218,713.00.

7. Representations and Warranties by Owner.

Owner represents and warrants the following:

- (a) With respect to the Property, Owner is not a party liable under Section 20126 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.20126;
- (b) The Property qualifies as Eligible Property under Act 381.

8.. Indemnification/Hold Harmless and Insurance.

Owner indemnifies and holds harmless the FBRA, and any of its past, present, and future members, employees, officials, and consultants from any and all losses, demands, claims, actions, assessments, suits, damages, judgments, penalties, cost, or expenses, imposed upon assessed against, or incurred by FBRA or the listed persons which result from, relate to, or arise out of any of the following:

- (a) A determination by the State or a court of competent jurisdiction that the State or any other taxing jurisdiction be repaid or refunded any levy captured as Tax Increment Revenues and paid to Owner as a reimbursement under this Agreement made in excess of the amount the FBRA is permitted to use for such reimbursement;
- (b) The undertaking of Eligible Activities for the Property;
- (c) The acquisition, construction, equipping and/or operation of the business of the Owner on the Property;
- (d) Any act or omission of the Owner, after taking title to or control of the Property, with respect to the conduct of a baseline environmental assessment, due care activity or additional response or remedial activity for the Property, including any failure by the Owner to take any affirmative action required by law to prevent the release of a hazardous

substance or any other contaminant or the exacerbation of an existing environmental condition;

- (e) Any release of a hazardous substance or any other contaminant on the Property or an exacerbation of an existing environmental condition, any adverse effects on the environment, or any violation of any State or Federal environmental law, rule or regulation arising out of, caused by or due to an act, error, or omission by the Owner;
- (f) The FBRA may, in accordance with a final unappealable order of a court of competent jurisdiction, set-off any amount owing to the Owner under this Agreement to satisfy any indemnification obligation of the Owner under this Section 9;
- (g) Each Party to this Agreement shall be responsible for defending any claims arising out of the acts and/or omissions of their respective employees, contractors, representatives, and agents during the performance of this Agreement, as provided by law. This Agreement does not and is not intended to impair, divest, delegate, or contravene any constitutional, statutory, and/or other legal right, privilege, power, obligation, duty, or immunity of the Parties. The work and activities performed pursuant to this Agreement by the FBRA are governmental functions. It is the intention of the Parties hereto that this Agreement shall not be construed to waive the defense of governmental immunity held by the FBRA. Owner shall indemnify the Indemnified Persons for the cost of defense, including reasonable attorney's fees, to the extent that a final unappealable order of a court of competent jurisdiction determines that the Indemnified Persons were not responsible or liable for the claims asserted. The Owner shall also indemnify the FBRA for all reasonable costs and expenses, including reasonable counsel fees, incurred in:
 - (i) enforcing any obligation of the Owner under this Agreement or any related agreement to which the Owner is a party,
 - (ii) taking any action requested by the Owner, or
 - (iii) To the extent that such cost or expense exceeds or is not subject to Section 6 herein, taking any action on behalf of the Owner that is required of the Owner, or which is otherwise considered necessary by the FBRA, under this Agreement or any related agreement to which the Owner is a party.
- (h) The obligations of the Owner under this section shall survive any assignment or termination of this Agreement.

9. Loss of Revenue from a Taxing Jurisdiction.

It is understood that the Brownfield Plan, as approved, is intended to capture Tax Increment Revenues from several taxing jurisdictions. In the event that a taxing jurisdiction, or any other party, successfully challenges the capture of any tax revenues and after the issuance of a final, unappealable order of a court of competent jurisdiction preventing the capture and use of those revenues and requiring the refund or repayment of any captured Tax Increment Revenue previously paid to Owner pursuant to this Agreement, the Owner agrees to repay to the FBRA the captured Tax Increment Revenues previously paid to Owner pursuant to this Agreement, and the FBRA agrees to reimburse the Owner, from future capturable revenues, any such repayment by the Owner.

10. Property Tax Appeal

The Owner shall have full rights to appeal property tax assessments under State law. The Owner agrees that any such appeal will apply only to the current tax year in which the appeal is made, and the Owner expressly waives any right to reimbursement for previous year's taxes. The Owner also expressly acknowledges any tax appeal may impact the FBRA's ability to reimburse the Owner's Eligible Activities or other obligations under this Agreement, and expressly waives any claim against the FBRA that result from any tax appeal filed by the Owner. If the previous years' taxes are refunded and to the extent that the refund reduces or eliminates the amount available for reimbursement for activities for the previous year, the Owner shall return that portion of any reimbursement paid from the previous years' taxes.

11. Access for Inspection.

The FBRA shall act as the clearinghouse for all Employees and Agents of the FBRA who wish to gain access for inspection of the Development. All Employees and Agents are authorized to enter upon the Property during normal business hours for the purpose of inspecting the work related to the Authorized Eligible Activities and making determinations that such work is being performed in accordance with the Plan in a workmanlike manner with prior reasonable notice to the Owner of each area to be inspected. The Owner reserves the right to preclude access or request the employee or agents of the FBRA vacate the property for health and safety issues. Any employees or agents of the FBRA must comply with all site safety standards, including, but not limited to, MIOSHA requirements.

12. Discrimination.

Owner shall not discriminate against any employee or applicant for employment in violation of state or federal law. Owner shall promptly notify the FBRA of any complaint or charge filed and/or of any determination by any court or administrative agency of illegal discrimination by Owner.

13. Insurance Requirements.

Owner shall provide insurance as reflected in Exhibit D.

14. Effective Date.

This Agreement shall take effect upon its execution by FBRA and Owner. This Agreement shall terminate upon the full payment for all Eligible Activities to Owner as provided in Section 3. In addition, the FBRA may terminate this Agreement should Owner fail to fulfill its obligations hereunder or violates the terms hereof. Before such terminations, FBRA shall deliver to owner written notice, by first-class mail, of an intent to terminate describing the breach. Owner shall then have thirty (30) days thereafter to cure such breach, or such additional time as may be reasonably required if said breach is of a nature that cannot be cured within thirty (30) days, so long as Owner diligently pursues a cure of such breach but in no event more than six (6) months after such breach. If Owner does not cure the breach within that time, the termination shall be effective on the 31st day after delivery of the notice or any extension thereof under this Section 9. Upon the effective date of the termination of this Agreement, the FBRA shall have no further obligation under this Agreement to make any payments to Owner in reimbursement of any costs of Eligible Activities incurred or to be incurred by the Owner.

15. Force Majeure.

Each party shall diligently perform its respective duties as set forth herein. However, notwithstanding anything to the contrary in this Agreement, no party shall be deemed to be in default in the performance of such duties including failure to complete any obligations by specific deadline dates, if and so long as nonperformance of such duty shall be directly caused by fire or other casualty, national emergency, condemnations, enemy action, civil commotion, labor disputes, strikes, lockouts, war or national defense preemptions, pandemic or epidemic, acts of God, action or non-action by public utilities or of local city, state or federal governments, changes in law, litigation, environmental conditions on the or any other similar cause beyond the reasonable control of such party (herein referred to as an "Unavoidable Delay"), and the time limit for such performance shall be extended for a period equal to the time period of such Unavoidable Delay.

16. Miscellaneous.

- (a) Owner and the FBRA, with the assistance of their respective legal counsel, have negotiated together to reach the terms of this Agreement, participated in the drafting of this Agreement and acknowledge that this Agreement is the product of the joint effort of both parties. In no event shall the terms of this Agreement be construed more strictly against one party than the other party.
- (b) This Agreement shall be binding upon and inure to the benefit of Owner and the FBRA, and their respective heirs, successors, assigns and transferees. The Parties may freely assign their rights hereunder, but Owner's obligations may only be assigned to an entity not affiliated with the Owner if such transfer or assignment is approved in advance by the FBRA, which approval shall not be unreasonably withheld, delayed or

conditioned. In the event of any assignment or transfer of any right or obligation hereunder such transfer or assignment shall not be effective unless a written notice by certified mail is provided to the other party. This Agreement shall not be affected or altered in any way by any sale, lease or other disposition or sale of all or a portion of the Property.

- (c) This Agreement shall be interpreted and construed in accordance with Michigan law and shall be subject to interpretation and enforcement only in Michigan courts whether federal or state.
- (d) In no event shall the provisions of this Agreement be deemed to inure to the benefit of or be enforceable by any third party.
- (e) Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by any other party.
- (f) Neither the delay or failure by either party to exercise any right under this agreement, or the partial or incomplete exercise of any such rights shall constitute a waiver of that or any other right, unless provided expressly herein.
- (g) If any part of this agreement is determined to be invalid by a court of competent jurisdiction, that determination shall apply only to the voided part and not to the agreement as a whole.
- (h) This writing constitutes the entire agreement between the parties.
- (i) This writing may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.
- (j) Notices and reimbursements shall be sent to the following addresses:

LEGION SQUARE, LLC
12419 Stark Road
Livonia, Michigan 48150
Contact Person: Mr. Fabio Cervi
Telephone: _____

Authority:
Farmington Brownfield Redevelopment
Authority
23600 Liberty Street
Farmington, MI 48335
Attention: Joe Larussa

[SIGNATURES ON FOLLOWING PAGE]

EXHIBIT A

Legal Description of Subject Property

LEGAL DESCRIPTION (BY OTHERS):

LAND SITUATED IN THE CITY OF FARMINGTON, COUNTY OF OAKLAND IN THE STATE OF MICHIGAN AND DESCRIBED AS FOLLOWS:

PART OF THE SOUTHEAST 1/4 OF SECTION 27, TOWN 1 NORTH, RANGE 9 EAST, MICHIGAN, DESCRIBED AS: BEGINNING AT A POINT IN THE SOUTHERLY LINE OF GRAND RIVER AVENUE AS WIDENED TO 120 FEET WHICH POINT IS NORTH 62 DEGREES 30 MINUTES WEST ALONG SAID SOUTHERLY UNE 150.00 FEET FROM THE WESTERLY LINE OF SHERWOOD AVENUE; THENCE SOUTH 27 DEGREES 04 MINUTES 20 SECONDS WEST 396.34 FEET ALONG THE WESTERLY UNE OF GOERSE SUBDIVISION; THENCE NORTH 64 DEGREES 36 MINUTES WEST 100.0 FEET; THENCE NORTH 27 DEGREES 04 MINUTES 00 SECONDS EAST 400.00 FEET; THENCE ALONG THE SOUTHERLY LINE OF GRAND RIVER AVENUE 100.00 FEET TO POINT OF BEGINNING. ALSO A STRIP OF LAND 50 FEET WIDE LYING NORTHWESTERLY OF AND ADJOINING ABOVE DESCRIBED PARCEL OF LAND, EXCEPT THAT PART DESCRIBED AS: BEGINNING AT A POINT LOCATED NORTH 62 DEGREES 54 MINUTES 30 SECONDS WEST 300 FEET AND SOUTH 26 DEGREES 29 MINUTES 00 SECONDS WEST 377.45 FEET FROM THE WESTERLY UNE OF SHERWOOD AVENUE ON THE SOUTHWESTERLY UNE OF GRAND RIVER AVENUE (120 FEET WIDE); THENCE SOUTH 26 DEGREES 29 MINUTES 00 SECONDS WEST 25.0 FEET; THENCE SOUTH 65 DEGREES 19 MINUTES 00 SECONDS EAST 150 FEET THENCE NORTHEASTERLY ALONG THE UNE OF GOERSE SUBDIVISION 25 FEET; THENCE NORTHWESTERLY TO THE POINT OF BEGINNING.

ASSESSED AS:

TOWN 1 NORTH, RANGE 9 EAST, SECTION 27, PART OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANT NORTH 62 DEGREES 54 MINUTES 30 SECONDS WEST 150 FEET FROM INTERSECTION OF SOUTHWESTERLY LINE OF 120 FOOT WIDE GRAND RIVER ROAD AND WESTERLY LINE OF SHERWOOD AVENUE, THENCE NORTH 62 DEGREES 54 MINUTES 30 SECONDS WEST 150 FEET, THENCE SOUTH 26 DEGREES 29 MINUTES 00 SECONDS WEST 402.45 FEET, THENCE SOUTH 65 DEGREES 19 MINUTES 00 SECONDS EAST 150 FEET, THENCE NORTHEASTERLY TO BEGINNING.

EXHIBIT B

Certificate of Completion

TO: FARMINGTON BROWNFIELD REDEVELOPMENT AUTHORITY

The undersigned, the _____ of _____ (the "Owner") hereby certifies as follows for and on behalf of the Owner in connection with certain activities at the Property (as hereinafter define):

1. Attached hereto as Exhibit A is a true, correct and complete copy of the Brownfield Plan (the "Plan") approved by the Farmington Brownfield Development Authority (the "FBRA") and adopted by the City Council for the Property located at _____ Farmington, Michigan (the "Property"). No proceedings have been taken or are pending to amend, surrender or cancel the Plan.

2. The eligible activities described in the Plan have been completed other than required long-term monitoring or operation or maintenance activities, if any.

The undersigned has executed this Certificate on this _____ day of _____, 20__.

By: _____

Its: _____

EXHIBIT C

Certificate of Reimbursement

TO: FARMINGTON BROWNFIELD REDEVELOPMENT AUTHORITY

The undersigned, as the _____ of _____, a Michigan limited liability company (the "Owner"), submits this certification pursuant to the Reimbursement Agreement between the Owner and the Farmington Brownfield Development Authority (the "FBRA"), dated on or about _____, 20__ (the "Reimbursement Agreement"). On behalf of the Owner in connection with certain activities completed at the Property (as hereinafter defined), I hereby certify as follows:

1. Attached as Exhibit A is a narrative description of the activities that have been completed for the Property defined in the Reimbursement Agreement as of the date of this Certification for which the Owner seeks reimbursement. These activities qualify as Eligible Activities under Act 381, Public Acts of Michigan, 1996, as amended, and are eligible for reimbursement pursuant to the Plan and the Reimbursement Agreement. The activities set forth in Exhibit A have been completed in the manner and in compliance with the terms of the Plan and the Plan's supporting documents.

2. Attached as Exhibit B are true, correct and complete copies of all: (a) documents or reports for which reimbursement is requested; (b) invoices covering the activities for which the Owner seeks reimbursement; and (c) substantiating documents for such invoices.

3. That Owner has timely paid the real estate taxes applicable to the Property, and that proof of payment is attached hereto.

The undersigned has executed this Certificate for Reimbursement on this _____ day of _____, 20__.

By: _____

Its: _____

EXHIBIT D INSURANCE

Owner shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. The requirements below should not be interpreted to limit the liability of Owner. All deductibles and SIR's are the responsibility of Owner. Owner shall procure and maintain the following insurance coverage:

- a. Worker's Compensation Insurance including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
- b. Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$2,000,000 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included. Limits may be obtained by the use of primary and excess/umbrella liability policies.
- c. Automobile Liability including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000 per occurrence, combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
- d. Additional Insured: Commercial General Liability and Automobile Liability as described above shall include an endorsement stating the City of Farmington shall be listed as additional insured. It is understood and agreed by naming the City of Farmington as additional insured, coverage afforded is considered to be primary and any other insurance the City of Farmington may have in effect shall be considered secondary and/or excess.
- e. Cancellation Notice: All policies, as described above, shall include an endorsement stating that it is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, shall be sent to: (Farmington Brownfield Redevelopment Authority, Contact Name, Title, Address).
- f. Proof of Insurance Coverage: Owner shall provide the City of Farmington at the time that the contracts are returned for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable.

If any of the above coverages expire during the term of this contract, Owner shall deliver renewal certificates and endorsements to the City of Farmington at least ten (10) days prior to the expiration date.

EXHIBIT E
BROWNFIELD PLAN

INTERLOCAL AGREEMENT TO USE LOCAL TAX INCREMENT REVENUES FOR THE LEGION SQUARE BROWNFIELD REDEVELOPMENT PROJECT

WHEREAS, the Urban Cooperation Act, PA 7 of 1967, Extra Session (Act 7), provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately; and

WHEREAS, the City of Farmington Grand River Corridor Improvement Authority (“CIA”) was duly established pursuant to PA 280 of 2005, since repealed by PA 57 of 2018 (“Act 57”); and

WHEREAS, the City of Farmington Brownfield Redevelopment Authority (“FBRA”) was duly established pursuant to PA 381 of 1996, as amended (“Act 381”); and

WHEREAS, the CIA and FBRA are each considered a “public agency” under Act 7; and

WHEREAS, the FBRA has the authority to reimburse for costs of “eligible activities” and other reimbursable costs on eligible property, and capture tax increment revenues generated by the levy of certain taxes on eligible property under brownfield plans approved pursuant to and as described in Act 381; and

WHEREAS, the CIA has the authority to pay for certain eligible activities and capture tax increment revenues generated by the levy of certain taxes on parcels within the Development Area pursuant to the Grand River Corridor Improvement Development and Tax Increment Financing Plan dated, December 16, 2014)”referred to herein as the “CIA Plan”), and as permitted under Act 57; and

WHEREAS, the McDowell & Associates has completed a Brownfield Plan (the “Brownfield Plan”) for eligible property that lies within the boundary of the Development Area identified in the CIA Plan, located at 31775 Grand River Avenue, Farmington, Michigan (parcel ID #20-23-27-476-007) and

WHEREAS, the CIA Plan was adopted prior to the adoption of the Brownfield Plan which results in capture of certain tax increment revenues by the CIA with respect to certain taxes levied on the Property; and

WHEREAS, the CIA and the FBRA desire to enter into this Interlocal Agreement to transfer CIA tax increment revenues captured from the eligible property to the FBRA to reimburse the costs of the Act 381 eligible activities and other reimbursable costs pursuant to the Brownfield Plan.

NOW THEREFORE, the CIA and FBRA agree as follows:

1. Capture of Tax Increment Revenues by CIA. The parties agree that the CIA will capture the tax increment revenues it is authorized to capture pursuant to the CIA Plan, including such tax increment revenues resulting from the capture of tax increments from taxes levied against the Property.
2. Transfer and Use of Tax Increment Revenues. Upon affirmative vote by the FBRA and the City Council of the City of Farmington (the “City Council”) approving the Brownfield Plan, and approval of this Interlocal Agreement pursuant to Act 7, one hundred percent (100%) of the tax increment revenues captured by the CIA on the Property pursuant to the CIA Plan as authorized by Act 57

(the "Tax Increment Revenues") shall be transferred to the FBRA to reimburse the costs of eligible activities and other reimbursable costs as identified in the Brownfield Plan and as permitted under Act 381, estimated to total \$484,871.

3. Limitation to Tax Increment Revenues from Eligible Property. The CIA shall only transfer to the FBRA the Tax Increment Revenues generated by the identified eligible property to reimburse for approved eligible activity costs and other uses identified in the approved Brownfield Plan and authorized by Act 381. Upon conclusion or dissolution of the Brownfield Plan, all tax increment revenues (as defined in Act 57) generated by the eligible property shall be captured by the CIA and expended as provided in the CIA Plan.
4. FBRA as Agent under This Agreement. The parties designate the FBRA as the agent to receive and disburse such Tax Increment Revenues generated by the eligible property as provided in Section 2 above until such time all obligations to reimburse the cost of the eligible activities and other reimbursable costs, have been satisfied.
5. FBRA as Agent under Reimbursement Agreements. The parties agree to designate the FBRA as agent to develop and enforce the terms of any Reimbursement Agreement executed with outside parties pursuant to the approved Brownfield Plan.
6. Amendment of Brownfield Plan. The Brownfield Plan may be amended in order to fund additional eligible activities associated with the Project described therein and as otherwise permitted by law upon prior written approval of the FBRA and City Council.
7. Effective Date. The Agreement shall be effective upon approval by the Farmington City Council and FBRA of the Brownfield Plan, and approval of this Agreement pursuant to Act 7 as executed by the authorized representatives and filed with the County Clerk and Secretary of State of Michigan as required by Act 7.
8. Severability. To the extent that any provision contained in this Agreement is deemed unenforceable, the remaining terms shall remain in effect to the fullest extent permitted by law to accomplish the intent of the parties.
9. Term. The parties agree that the transfer of tax increment revenue from the eligible property to reimburse the cost of eligible activities and other reimbursable costs pursuant to Act 381 and the Brownfield Plan shall commence upon the Effective Date of this Agreement and once tax increment revenues are generated by redevelopment of the Property, which is expected to begin in 2026, or when full redevelopment is completed, whichever occurs first.
10. Headings. Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
11. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

12. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
13. Binding Effect. Subject to the terms herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of each of the parties and their respective successors and assigns, heirs, and legal representatives.

[Signatures on Next Page]

The CIA and FBRA, by their authorized representatives, have executed this Agreement on the dates set forth below.

This agreement was approved by the City of Farmington Grand River Corridor Improvement Authority. The Chair was authorized to sign this Agreement on the ___ day of _____, 2024 and was executed by the Chair on the ___ day of _____, 2024.

Witnesses

CITY OF FARMINGTON
GRAND RIVER CORRIDOR IMPROVEMENT
AUTHORITY

Chair

Sworn to and subscribed before me, a Notary Public, in the County of Oakland, on this _____ day of _____, 2024.

Notary Public
My commission expires:
Acting in the County of:

[Signatures Continued on Next Page]

This agreement was approved by the City of Farmington Brownfield Redevelopment Authority. The Chairperson was authorized to sign this Agreement on the ____ day of _____, 2024 and was executed by the Chairperson on the ____ day of _____, 2024.

Witnesses

CITY OF FARMINGTON BROWNFIELD
REDEVELOPMENT AUTHORITY

Chair

Sworn to and subscribed before me, a Notary Public, in the County of Oakland, on this ____ day of _____, 2024.

Notary Public

My commission expires:

Acting in the County of: