

**GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY**

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This Development Agreement is made on July 24, 2018 between **7738 N LONG LAKE LLC**, (the "Owner"), a Michigan limited liability company, and the **GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY** (the "GTCBRA"), a Michigan public body corporate.

PREMISES

A. The Owner is engaged in the redevelopment and repurposing of 7730 North Long Lake Road (Tax Parcel No. 28-08-011-021-00) commonly known as the Food For Thought Center (the "Development"), described on attached Exhibit A, to be located on the property described on attached Exhibit B (the "Site").

B. The GTCBRA has been formed pursuant to Act 381, Public Acts of Michigan, 1996, MCL 125.2651 et. seq. ("Act 381"), to promote the revitalization of contaminated, blighted, functionally obsolete or historically designated properties. The GTCBRA has approved a Combined Brownfield Plan/381 Work Plan ("Combined Brownfield Plan," attached as Exhibit C) that includes the Development the Eligible Property and the Eligible Activities.

C. The GTCBRA has determined in furtherance of its purposes and to accomplish its goals and Plan to reimburse the cost of certain "Eligible Activities" as defined by Sec. 2(o) of Act 381, Public Acts of 1996, MCL 125.2652(o) on Eligible Property as described in the Plan as the same may be amended or supplemented.

D. Pursuant to the Combined Brownfield Plan, the GTCBRA will capture 100% of the Tax Increment Revenues authorized by law to be captured from the levies imposed by taxing jurisdictions upon taxable property for the Eligible Property consistent with Act 381, as amended, and the Combined Brownfield Plan approved by the GTCBRA. Upon satisfaction of the conditions expressed in this Agreement, the GTCBRA will use the Tax Increment Revenues as provided by law and as described in this Agreement.

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

ARTICLE 1.

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

"Act 381" means the Brownfield Redevelopment Financing Act ("BRA"), Act 381 of Michigan Public Acts of 1996, as amended, MCL 125.2651 et seq.

(b) "Agreement" means this Development and Reimbursement Agreement entered into between the GTCBRA and the Owner.

(c) "Combined Brownfield Plan" or "Plan" means the Combined Brownfield Plan/381 Work Plan, as defined under Act 381, and adopted March 23, 2017, as amended, and attached as Exhibit C.

(d) "County" means the County of Grand Traverse, Michigan.

(e) "Contractor" means any environmental contractor or subcontractor with whom the Owner contracts to complete work at the Eligible Property and/or Site.

(f) "Development" means the site work, building construction, utilities, and equipment relating to the Eligible Property as described on attached Exhibit B.

(g) "Eligible Activities" means those activities as defined by Sec. 2(o) of Act 381, Public Acts of 1996, as amended, MCL 125.2652(o), or approved by the Michigan Department of Environmental Quality ("MDEQ") or the Michigan Strategic Fund ("MSF") as part of the approved Combined Brownfield Plan.

(h) "Eligible Property" means the property as defined by Sec. 2(p) of Act 381, MCL 125.2652(p) upon which the Eligible Activities will be conducted.

(i) "Environmental Consultant" means any environmental consulting firm retained or hired by the Owner to fulfill all or part of its obligations under this Agreement, including the Eligible Activities set forth in the Combined Brownfield Plan.

(j) "Event of Default" means the failure of performance or breach by a party to carry out its obligations under this Agreement or, with respect to a party, if any representation or warranty of such party was materially not accurate when made, and such obligation has not been performed or such representation or warranty corrected within 60 days after written notice thereof has been given by the other party. It also means any filing of bankruptcy or bankruptcy reorganization by the Owner.

(k) "GTCBRA" means the Grand Traverse County Brownfield Redevelopment Authority, established by the County Commission on September 24, 1997, or its successors.

(l) "Indemnified Persons" means the County, the GTCBRA, and their members, officers, agents and employees.

(m) "Owner" means 7738 N Long Lake, LLC.

(n) "Transaction Costs" means GTCBRA's costs, expenses, and liabilities related to the authorization, execution, administration, oversight, fulfillment of the GTCBRA's obligations under this the Agreement, which such items shall include, but not be limited to, direct or indirect fees and expenses incurred as a result of the application, approvals of the Combined Brownfield Plan and this Agreement, and any subsequent amendments, printing costs, costs of reproducing documents, filing and recording fees, counsel fees, financial expenses, insurance fees and expenses, administration and accounting for the loan proceeds and Tax Increments Revenues, oversight and review, and all other costs, liabilities, or expenses, related to preparation and carrying out or enforcing the Combined Brownfield Plan and this Agreement, or other related agreements with Owner, if any, and any other costs, charges, expenses, and professional and attorney fees in connection with the foregoing.

(o) "Maximum Cost of Eligible Activities" means the GTCBRA's maximum obligation to pay for the Eligible Activities and not to exceed the amounts set forth in the approved Combined Brownfield Plan, as amended or supplemented, for Eligible Activities and contingency (if included).

(p) "Site" means the real property located in the County of Grand Traverse, State of Michigan, as described in attached Exhibit B, and made a part hereof. The Site and its description in Exhibit B may be amended by the parties to reflect any transfer of land after the execution of this Agreement. Such a modification shall be by amendment of this Agreement and shall be in writing signed by both parties.

(q) "Tax Increment Revenues" means tax increment revenues, as defined by Act 381, from all taxable real and personal property located on the Eligible Property during the life of the Combined Brownfield Plan.

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

Section 1.3 Incorporation of Premises. The statements included in the Premises section above are incorporated as if fully set forth in this Section 1.3.

ARTICLE 2.

COVENANTS OF THE OWNER

Section 2.1 Construction of Development. The Owner shall proceed with the Development and the obligations under this Agreement in its discretion. If it decides to do so, Owner shall proceed with due care and diligence and commence and complete the Eligible Activities and the

Development in accordance with this Agreement, and in accordance with any applicable law, regulation, code and ordinance.

Section 2.2 Covenant to Pay Financial Obligations. The Development will utilize the Owner's own funds, and receive reimbursement from the GTCBRA, to the extent of available Tax Increment Revenues for payment of the Eligible Activities in accordance with the terms of this Agreement and the Combined Brownfield Plan. The GTCBRA may first establish a contingency reserve fund for the Plan and Development Project, which shall be not more than twenty percent (20%) of such tax increment funds in any one year. Subject to payment into such reserve, the Tax Increment Revenues shall then be utilized by the parties and payment made in the following order of priority: (a) First, to any Transaction Costs; (b) Second, to reimburse the Eligible Activities expenses approved under any applicable MDEQ loan issued in connection with the Development; and (c) Third, to reimburse the Owner for those approved Eligible Activities expenses as provided in this Agreement. The funds held for the contingency reserve will be distributed to the Owner for Eligible Activities expenses upon receipt of the subsequent year's tax increment capture, subject to the priority of payment described in (a), (b), and (c) of this paragraph. Upon satisfactory completion of the Eligible Activities, the remainder of the contingency reserve fund may be applied to the GTCBRA's administrative and transaction costs and the Owner's Eligible Activity expenses.

It is anticipated that there will be sufficient available Tax Increment Revenues to meet the obligations under this Agreement. However, if for any reason the Development does not result in sufficient Tax Increment Revenues to satisfy such obligations, the Owner agrees and understands that it will have no claim or further recourse of any kind or nature against the GTCBRA except from available captured Tax Increment Revenues, and if for any reason the Tax Increment Revenues are insufficient or there are none, then Owner assumes full responsibility for any such loss or cost. The parties acknowledge and agree that nothing in the preceding shall limit or restrict the Owner's ability to request an amendment to the Combined Brownfield Plan, subject to GTCBRA's review process and full discretion to approve, modify or deny any proposed amendment.

It is expressly understood and agreed that the reimbursement by GTCBRA is subject to the following conditions:

- (a) Approval by the MDEQ and/or MSF, and GTCBRA of (1) the Plan, as amended or supplemented, or (2) of the Eligible Activity as qualifying for school tax capture; however, to the extent an Eligible Activity falls outside (1) or (2) of this subparagraph, then the Eligible Activity must be identified in the Plan, as amended, and approved by the GTCBRA for local tax recapture to the extent authorized by Act 381.
- (b) The Owner shall provide proof of ownership of the Site if applicable, and shall provide the GTCBRA with a list describing, to Owner's actual knowledge, any potentially responsible party (PRP) for the contamination on the Site, and shall have performed all of the covenants, obligations, terms and conditions to be performed

by it pursuant to this Agreement and any other agreement with GTCBRA, and all preconditions to the performance of the Owner shall have been satisfied.

- (c) Owner shall provide written proof of waivers of liens by any Environmental Consultant or any Contractor providing services as described in this Agreement.
- (d) Owner shall pay all real estate tax obligations when due.
- (e) GTCBRA shall only be obligated to reimburse the cost of Eligible Activities that has been reviewed and approved by the GTCBRA. Approval of the application and subsequent approvals of Brownfield Plans, Act 381 Work Plans, or any other determination of eligibility in no way guarantees or establishes a right to reimbursement of expenditures through tax increment financing prior to review or approval of invoices. Expenditures must be documented to be reasonable and necessary for Eligible Activities by submission of invoices and other appropriate documentation. Reimbursement shall only occur pursuant to the terms and conditions of this Agreement, as well as the policies and procedures of the GTCBRA for review and approval of invoices. All invoices for any Eligible Activities on the Eligible Property must be submitted to the GTCBRA for its review within one year from the date of the invoice. While the GTCBRA may waive this requirement in its discretion for good cause shown, the GTCBRA shall be under no obligation to reimburse any invoice for an Eligible Activity that is not submitted within such one year period.

Section 2.3 Indemnification of Indemnified Persons.

- (a) The Owner shall defend, indemnify and hold the Indemnified Persons harmless from any loss, damages, costs, expense (including reasonable counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, demands or claims arising or resulting from the following:
 - (1) Any activity undertaken by the Owner pursuant to this Agreement or from injuries to persons or property as a result of the Owner's ownership, operation, use or maintenance of the Development.
 - (2) Any material acts or omissions, negligent or otherwise, of the Environmental Consultant and/or Contractors or their employees or agents in the performance of the work specified in this Agreement.
 - (3) The failure of the Environmental Consultant and/or Contractors to comply with the provisions of this Agreement.
- (b) If any suit, action or proceeding is brought against any Indemnified Person, the Indemnified Person promptly shall give notice to the Owner and the Owner shall

defend such Indemnified Person with counsel selected by the Owner, which counsel shall be reasonably satisfactory to the Indemnified Person. In any such proceeding, the Indemnified Person shall cooperate with the Owner and the Owner shall have the right to settle, compromise, pay or defend against any such claim on behalf of such Indemnified Person, except that the Owner may not settle or compromise any claim if the effect of doing so would be to subject the Indemnified Person to criminal penalties, unless such Indemnified Person gives its consent. The Owner shall not be liable for payment or settlement of any such claim or proceeding made without its consent.

- (c) The Owner also shall indemnify the Indemnified Persons for all reasonable costs and expenses, including reasonable counsel fees, incurred in successfully enforcing or pursuing any obligation of or claim against the Owner or Owner's Environmental Consultant or Contractors under this Agreement or any related agreement. To the extent that the enforcement of such obligation or claim involves a claim against an Environmental Consultant or Contractor who performs work or services under the terms or within the scope of this Agreement, the Environmental Consultant's or Contractor's agreement with the Owner shall be deemed to be a third-party beneficiary contract in favor of the GTCBRA or any Indemnified Persons.
- (d) The Owner shall assure that to the extent an Environmental Consultant or Contractor provides services toward completion of any Eligible Activities, at a minimum, the Environmental Consultant or Contractor shall provide to the GTCBRA and the County proof of insurance set forth in Sec. 6.12 of this Agreement.
- (e) The Owner shall obtain written acknowledgment that the Environmental Consultant or any Contractor could be liable to GTCBRA for all damage, loss, injury or expense to the extent such person or entity's acts or omissions arising out of the performance of activities under this Agreement are actionable negligence or gross negligence, or constitute intentional misconduct; the Consultant or any Contractor shall be liable for contribution to GTCBRA for any such damage, loss, injury or expense of a third party arising out of such activities, notwithstanding Sec. 20128 of the NREPA, MCL 324.20128, for releases aggravated or proximately caused by the Environmental Consultant or Contractor. This paragraph shall not affect any other liabilities or remedies of the GTCBRA.
- (f) Notwithstanding any other provision of this Agreement, the Owner shall obtain its Environmental Consultant's and other Contractor's written agreements to defend, indemnify and hold harmless the Indemnified Persons against and from all liabilities, losses, damages, costs, expenses (including attorney fees), causes of action, suits, claims and demands for judgment, to the same extent as the Owner's indemnification provisions under this Section. This indemnity shall only apply to the Environmental Consultant or Contractor's actions, and the Consultant or

Contractor shall have no obligation to indemnify, defend or hold harmless the Indemnified Persons for any loss, liability, claim, damage, cost or expense arising out of, related to or resulting from any activities performed by other Environmental Consultants or Contractors on the Property.

- (g) The indemnity provisions shall survive the term of this Agreement.
- (h) Proof of insurance required in subparagraph (d), the written acknowledgment in subparagraph (e) and the written agreement(s) in subparagraph (f) shall be filed with the GTCBRA before any work begins or before any reimbursement under the terms of this agreement.
- (i) A breach of the foregoing provisions of Sec. 2.3 at the option of GTCBRA constitutes, or will result in, a breach of the Development Agreement.

Section 2.4 Site Access. The Owner shall grant to GTCBRA, the MDEQ and/or MSF, or their designated agents, access to the Site to exercise their respective rights related to the purposes and pursuant to the terms of this Agreement. Site access shall include the right to inspect the performance of any Eligible Activities, as provided in the Combined Brownfield Plan, in the GTCBRA's discretion. The GTCBRA shall give the Owner at least 24 hours prior written notice of its intent to access the Site whenever possible. If notice cannot be given due to an emergency or any other similar unforeseen circumstance, the GTCBRA shall give such prior notice as is reasonable and practicable under the circumstances. All such agents must comply with all Site safety standards while accessing the Site.

ARTICLE 3.

CONDITIONS PRECEDENT TO OWNER'S OBLIGATION

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

- (a) No action, suit, proceeding or investigation shall be pending before any court, public board or body to which the Owner, the County or the GTCBRA is a party, or threatened against the Owner, the County or the GTCBRA contesting the validity or binding effect of this Agreement or the validity of the Combined Brownfield Plan, which could result in an adverse decision which would have one or more of the following effects:
 - (1) A material adverse effect upon the ability of the GTCBRA to collect and use Tax Increment Revenues to repay its obligations under this Agreement.

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

ARTICLE 4.

COVENANTS OF THE GTCBRA

Section 4.1 Adoption of the Plan. The GTCBRA will prepare and submit the Combined Brownfield Plan (and amendments as necessary) in accordance with Act 381 which will provide for the payment of Transaction Costs and reimbursement to the Owner of the Owner's Eligible Activity expenses that have been conducted, completed and approved in accordance with the scope and terms of this Agreement, Act 381, and the Combined Brownfield Plan, and approved by the GTCBRA pursuant to its policies and procedures. These policies and procedures include, but are not limited to, the GTCBRA's standards for local tax incremental financing eligibility.

Section 4.2 Completion of Eligible Activities. Upon the Owner's satisfactory completion of the Eligible Activities described in Exhibit C, as amended or supplemented, pursuant to this Agreement, and approved by MDEQ and/or MSF and where applicable approved by the GTCBRA, the GTCBRA shall reimburse the Owner subject to and in accordance with the terms set forth in this Agreement. The Owner shall have sole responsibility to pay the Owner's Environmental Consultant or Contractors for completion of such Eligible Activities and provide written waiver of any liens. If the Owner incurs any expenses or costs for any activities other than the Eligible Activities, or if the costs exceed the maximum cost of Eligible Activities as set forth in the Plan, or approval of the GTCBRA, the Owner shall bear such excess costs without any obligation on the part of GTCBRA. If the costs of Eligible Activities set forth in Exhibit C, as amended or supplemented, are less than such maximum cost, then the Owner shall have no further right of reimbursement beyond its actual costs.

Section 4.3 GTCBRA or Contract Manager Oversight. The GTCBRA may retain the services of a qualified contract manager for purposes of assuring that the activities, invoices and accounting by the Owner are fair, reasonable, and constitute Eligible Activities within the meaning and scope of this Agreement, the Combined Brownfield Plan, and Act 381. The Owner shall provide to the GTCBRA Director and the GTCBRA's contract manager access to data, reports, sampling results, invoices, and related documents reasonably necessary to fulfill the exercise of such oversight. It is expressly understood that GTCBRA has no right to control or to exercise any control over the actual services or performance by the Owner of the Eligible Activities, except as to assurance that the Owner has met the conditions and requirements of this Agreement.

ARTICLE 5.

CONDITIONS PRECEDENT TO GTCBRA'S OBLIGATIONS

Section 5.1 Conditions Precedent to GTCBRA's Reimbursement Obligation. The obligations of the GTCBRA to reimbursement of costs to the Owner for completion of Eligible Activities expenses as contemplated herein shall be subject to the following conditions precedent which must be satisfied by the Owner as required herein, except as expressly provided in this Agreement or otherwise waived in writing by the GTCBRA. It is expressly agreed that the GTCBRA makes or gives no assurance of payment to the Owner by the mere fact that an Eligible Activity or a dollar amount for such activity is identified in the Combined Brownfield Plan, or as hereafter supplemented or amended, and that its designated contract manager shall have the right to review and approve all written summaries of and invoices for Eligible Activities for the reasonableness of services performed by any Environmental Consultant under this Agreement. However, so long as an Eligible Activity by the Owner has been approved and is authorized by Act 381 and has been completed and approved in accordance with the following procedure and this Agreement, Owner shall be entitled to reimbursement of its Eligible Activities expenses.

- (a) Before commencing work on each stage of Eligible Activities and pursuant to the policies adopted by the GTCBRA, the Owner or their designee will present a project budget for each stage to the GTCBRA Director at least two weeks prior to the commencement of Eligible Activities. The project budget will be submitted at each such stage of the Eligible Activities: BEA activities; due care 7(a) obligations; and additional response activities and, if applicable, lead and asbestos abatement, demolition, site preparation and infrastructure; and will contain detailed line item cost estimates.
- (b) The Owner shall submit invoices of its expenses and a written statement demonstrating a factual basis that it has completed any Eligible Activities to the GTCBRA Director, for preliminary review and approval, within 60 days of Owner's payment of invoice. Pursuant to Section 2.2, above, the GTCBRA shall not have any obligation to reimburse any invoice that is submitted to the Authority later than one year after the original invoice date, regardless of when payment on the invoice was made. Within 14 days of receipt of the invoice, the GTCBRA Director shall review the invoice to determine the reasonableness of the invoice and activity as eligible, and recommend approval or denial of the invoice, in part or in full, at a meeting of the GTCBRA. In the event of an objection to the invoice, the GTCBRA Director will notify the Owner, and the Owner shall meet with the GTCBRA Director and resolve or cure the objection. If the GTCBRA does not authorize payment on an invoice, then there shall be no obligation on the part of the GTCBRA to pay the invoice absent a determination by a court of competent jurisdiction that the GTCBRA has an obligation to pay such invoice.

- (c) No action, suit, proceeding or investigation shall be pending before any court, public board or body to which the Owner, the County or the GTCBRA is a party, or threatened against the Owner, the County or the GTCBRA contesting the validity or binding effect of this Agreement or the validity of the Plan or which could result in an adverse decision which would have one or more of the following effects:
 - (1) A material adverse effect upon the ability of the GTCBRA to collect and use Tax Increments to pay the obligations.
 - (2) A material adverse effect upon the ability of the Owner to conduct Eligible Activities.
 - (3) Any other material adverse effect on the Owner's or the GTCBRA's ability to comply with the obligations and terms of this Agreement, or the Plan.
- (d) There shall have been no Event of Default by the Owner and no action or inaction by the Owner eventually which with the passage of time would likely become an Event of Default; provided, however, if reimbursement of the Owner is refused by reason of the Owner's action or inaction which with the passage of time would likely become an Event of Default, then if Owner cures such threatened Event of Default within the time period and according to the provisions of Section 9.1, this precondition shall be deemed fulfilled as of the time of such cure and, provided that all other preconditions to the GTCBRA's reimbursement obligation have been met at the time of such cure, then the Owner shall then be entitled to reimbursement.
- (e) The Owner documents ownership or control of the Site and the Owner is not in default on any contract or other agreement relating to its ownership, development, or use of the Site which default would have an adverse effect on the Owner's or the GTCBRA's ability to comply with the obligations and terms of this Agreement or the Plan.
- (f) Proper approvals required under applicable federal and state laws or regulations, and local ordinances, codes or regulations for land uses and Development have been secured.
- (g) The Owner has consent of any affected utility for relocation, burial or the activity to accomplish the Eligible Activities.
- (h) The Owner retains an Environmental Consultant or Contractor to advise, conduct, or complete the Eligible Activities related to the Owner-financed obligations as set forth in this Agreement.
- (i) There is no change in law which would have one or more of the effects described above.

- (j) Any Tax Increment Revenues owed to a prior owner of the Site for Eligible Activities undertaken on the Site shall be paid to the prior owner of the Site pursuant to the policies and procedures of the GTCBRA unless otherwise directed by written agreement between the prior owner and the Owner. The Owner has no right to any Tax Increment Revenues for any Eligible Activity undertaken on the Site prior to its purchase of the Site.
- (k) If for any reason the Owner is unable to obtain title to the Site, the GTCBRA is not obligated to perform any of the terms of this Agreement.
- (l) During the term reimbursement, the Owner shall provide, as applicable, to the GTCBRA an annual report of investment made, number of residential units, the amount, by square foot of new or rehabilitated residential, retail, commercial, or industrial space, and the number of new jobs created. The report for the preceding year shall be delivered to the GTCBRA Director no later than March 1 of each year.

ARTICLE 6.

OWNER'S ENVIRONMENTAL CONSULTANT OR ITS CONTRACTOR RESPONSIBILITIES

Section 6.1 Eligible Activities and Due Care Obligation. The Owner covenants that it will contract with a competent and qualified Environmental Consultant(s) and/or other competent and qualified Contractor(s) to conduct and complete the Eligible Activities set forth in this Agreement and as set forth in the Combined Brownfield Plan, as amended or supplemented, and to meet any due care obligation under Sec. 20107a, NREPA, MCL 324.20107a, in accordance with any MDEQ requirements and approval. Each Environmental Consultant or Contractor hired by Owner shall be responsible for the activities that they perform on the Eligible Property, but the Environmental Consultant or Contractor shall not be liable for the actions of any persons performing work on the Eligible Property that are not performing work directly or indirectly for the Environmental Consultant or Contractor.

Section 6.2 Permits. The Environmental Consultant or Contractors shall examine all permits and licenses within their respective professional scopes pertaining to the Site or Development to determine whether all permits and licenses required to be issued by any governmental authority on account of any or all of the activities on the Site or the Development have been obtained or issued and are in full force and effect, and whether the Site or the Development and the activities are in compliance with the terms and conditions of such permits and licenses, but limited to only those Eligible Activities performed by Owner's Environmental Consultant or Contractors, and specifically excluding all other activities performed by other Environmental Consultants or Contractors performing activities retained by another third party.

Section 6.3 ASTM and Industry Standards. The Owner, Environmental Consultant, or Contractors shall perform all services and Eligible Activities under this Agreement in accordance with any applicable *ASTM* or other industry standards.

Section 6.4 Other Services Performed for Owner. It is expressly understood that GTCBRA is not responsible for payment or reimbursement of any services for or expenses incurred by the Environmental Consultant, Contractor, and/or Owner that are not within the scope of or in accordance with all of the terms, conditions and provisions of this Agreement. This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Environmental Consultant or Contractors, or any third parties; specifically, this Agreement shall not be construed to create any third-party beneficiary contract or claim.

Section 6.5 Regulatory Liaison and Data and Reports. If applicable, the Environmental Consultant or Contractor will provide communication services and attend meetings with the MDEQ and MSF as it relates to those Eligible Activities performed by the Owner, Environmental Consultant or Contractor. The Environmental Consultant or Contractors shall:

- (a) Submit reports and test results first to the Owner, and shall submit documents to GTCBRA Director within 5 days thereafter.
- (b) Make known the provisions of this subparagraph to all Environmental Consultants and Contractors, who shall be bound by the confidentiality provisions of this Agreement.
- (c) Submit any such written reports marked "DRAFT FOR DISCUSSION PURPOSES ONLY." To the extent GTCBRA or its designated agent reviews or receives a document marked "CONFIDENTIAL," it shall be kept confidential except as prohibited by the Freedom of Information Act or other law or regulation.
- (d) Disclose upon request of the GTCBRA Director all data, reports and test results generated by the Environmental Consultant or Contractor within the scope of this Agreement, or in connection with the Development.

Section 6.6 Other Agreements. The Owner covenants that it will obtain a warranty from the Environmental Consultant or Contractor that it is not a party to any other existing or previous agreement which would adversely affect the Environmental Consultant's or Contractor's ability to perform the services with respect to the Eligible Activities.

Section 6.7 Contractors. If the Owner hires any Environmental Consultant or Contractor, or retains any person, firm or corporation to perform services related to Eligible Activities under this Agreement, the Owner shall first secure the written acknowledgment from such party that such party is not and shall not be or act as an agent or employee of the GTCBRA, nor assume or create any duty, commitment or obligation on behalf of nor bind the GTCBRA in any respect whatsoever. A copy of such written acknowledgment shall be provided to GTCBRA.

Section 6.8 Non-Discrimination Clause. Neither the Owner, nor any Environmental Consultant nor any Contractors, shall discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this provision may be regarded as a material breach of this Agreement.

Section 6.9 Independent Contractor. The Environmental Consultant and any Contractors shall each perform its services under this Agreement entirely as an independent contractor, and shall not be deemed an agent, employee or legal representative of the GTCBRA. GTCBRA and such Environmental Consultant and any Contractor shall each have and maintain complete control over all its respective employees, agents and operators. Facts or knowledge of which the Environmental Consultant or Contractor becomes aware shall not be imputed to GTCBRA without communication to and receipt by managerial officials or employees of GTCBRA. The Environmental Consultant or any Contractor has no authority to assume or create, and will not assume or create, any commitment or obligation on behalf of the GTCBRA in any respect whatsoever. Further, the Environmental Consultant or any Contractor shall exercise its independent judgment for the services provided in this Agreement.

Section 6.10 Disposal of Hazardous Waste. In the event that samples or other materials contain substances classified as "hazardous waste" under applicable state or federal law, the Owner shall, under a manifest signed by the Owner or its agent, as the generator, have such samples transported for final disposal to a location selected by the Owner or its Environmental Consultant or Contractor. It is expressly understood that the GTCBRA has no oversight or other control or authority over the Owner's obligation to properly dispose of Hazardous Waste under the terms of this Section.

Section 6.11 Compliance With Laws. While on the Site or Development, the Owner, the Environmental Consultant, and any Contractor shall impose work orders on its employees, agents and subcontractors which are designed to assure that they comply with all applicable federal, state and local laws and regulations (including occupational safety and environmental protection statutes and regulations) in performing services under this Agreement, and shall comply with any directions of governmental agencies relating to Site safety, security, traffic or other like matters as it relates to those Eligible Activities performed by the Owner, Environmental Consultant or Contractor, as applicable.

Section 6.12 Environmental Consultant or Contractor Insurance. The Owner shall assure that the Environmental Consultant or any Contractors performing any part of the Eligible Activities covered by this Agreement shall obtain and maintain the following policies of insurance:

- (a) Worker's Compensation Insurance in the amounts required under the laws of the State of Michigan;

- (b) Comprehensive General Liability and Automobile Insurance for bodily injury, death or loss or damage to property or third persons in the minimum amount of at least \$1 million per occurrence, which policy shall name the GTCBRA and the County as additional insured to the extent of the indemnity provided in Section 6.13.
- (c) As to those Contractors engaging in response activities, Pollution or Environmental Impairment Insurance in the amount of at least \$1 million per occurrence.
- (d) As to the Environmental Consultant only, Professional Liability Insurance in the minimum amount of \$1 million per occurrence.
- (e) The Owner shall furnish to GTCBRA a certified copy of such policies of insurance within 30 days of the date of the commencement of the Eligible Activities by such Environmental Consultant or Contractor, and the period of coverage shall commence with the date of performance of the first Eligible Activity by such insured person or entity. The limits of insurance shall not be construed as a limitation on the Environmental Consultant's or Contractor's liability for damages, costs or expenses under this Agreement.
- (f) Upon showing of no or minimal environmental impairment risk with respect to the activities to be performed by any specific Environmental Consultant or Contractor, the Owner may request in writing a reduction of the amount of coverage in Section 6.12(b) to \$500,000; upon the same showing, the Owner may also request as to a specific Environmental Consultant or Contractor a waiver of the Environmental Impairment Insurance required by Section 6.12(c). The GTCBRA will provide written documentation in the event it approves of such a request, which shall be treated as an amendment to this Agreement effective on the date of such written approval.

ARTICLE 7.

REPRESENTATIONS AND WARRANTIES

Section 7.1 Representations and Warranties of GTCBRA. GTCBRA represents and warrants to the Owner that:

- (a) GTCBRA is a public body corporate, established pursuant to Act 381, with all necessary corporate powers pursuant to that Act to enter into and perform this Agreement.
- (b) The execution and delivery of this Agreement has been duly authorized by all requisite action on the part of the GTCBRA, and this Agreement constitutes a valid and binding agreement of the GTCBRA enforceable in accordance with its

terms, except as enforce ability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or thereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

Section 7.2 Representations and Warranties of the Owner. The Owner represents and warrants to the GTCBRA that:

- (a) The Owner is a Michigan limited liability company with power under the laws of the State of Michigan to carry on its business as now being conducted and has the power and authority to consummate the transactions contemplated under this Agreement by the Owner.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Owner, and this Agreement constitutes a valid and binding agreement of the Owner in accordance with its terms, except as enforce ability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.
- (c) Except as part of the performance and completion of Eligible Activities under the terms of this Agreement, the Owner or its Contractors shall not use the Site for the storage, treatment or disposal of hazardous or toxic wastes of unaffiliated third parties and shall comply with all applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees and orders in connection with any use of the Site, and shall obtain all necessary permits in connection therewith.
- (d) Owner warrants that it will comply with all obligations, covenants and conditions required of it or its agents or Contractors under the terms of this Agreement.
- (e) Owner shall comply with all due care obligations under Sec. 7a of Part 201 of the NREPA.
- (f) Owner has not made any misrepresentation of fact in the inducement or in the performance or administration of this Agreement.

ARTICLE 8.

OWNER FINANCIAL ASSURANCES

Section 8.1 Insurance. The Owner shall obtain and provide proof of the following current inforce insurance:

- (a) If applicable, Worker's Compensation in the amounts required under the laws of the State of Michigan;
- (b) Comprehensive General Liability, including Umbrella Liability Insurance for any such underlying liability, and Automobile Insurance for bodily injury, death or loss or damage to property of third persons in the minimum amount of \$2 million per occurrence.

The Owner shall furnish to GTCBRA a certified copy of such policies within 14 days of the date of this Agreement and the period of coverage shall commence with the date of performance of the first Eligible Activity. GTCBRA will review the certified policies within 14 days of their receipt to determine if the insurance requirements have been satisfied. If the policies do not fully cover the Owner's liability, including indemnity obligations, under this Agreement, then the GTCBRA reserves its right to increase the amount of other financial assurances under Article 8 of this Agreement. The limits of insurance shall not be construed as a limitation on the Owner's liability for damages, costs or expenses under this Agreement.

Section 8.2 Deduction from Owner's Right to Reimbursement. The Owner grants the GTCBRA the right to deduct or set off from any reimbursement obligation to Owner the Transaction Costs incurred by GTCBRA resulting from the successful enforcement of the terms of this Agreement or other claims upon the occurrence of a breach of this Agreement or Event of Default by the Owner.

ARTICLE 9.

DEFAULT, REMEDIES, AND TERMINATION

Section 9.1 Remedies Upon Default. Upon the occurrence of an Event of Default, the nondefaulting party may terminate this Agreement by giving written notice to the defaulting party, and the defaulting party shall have 60 days to cure the default or, if such Event of Default requires more than 60 days to cure, then if such defaulting party shall commence and diligently proceed to cure the Event of Default within such 60 days, then the defaulting party shall have an additional 60 days to cure the Event of Default. If the Event of Default is not cured within this time period, then the non-defaulting party shall have the right to terminate this Agreement or, at the election of such non-defaulting party, may obtain any form of relief permitted under this Agreement, and any applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance from a court of competent jurisdiction. Any right or remedy provided by a specific provision of this Agreement shall be deemed cumulative to, and not conditioned on, any other remedies upon Event of Default. The prevailing party in any action or proceeding brought to enforce the terms of this Agreement shall be entitled to an award of reasonable costs and attorney fees in addition to the relief obtained.

Section 9.2 Tax Valuation and Payment of Tax Increment Revenue Shortfall. Owner and GTCBRA have entered into this Agreement in reliance on certain assumptions about the increase

in tax value of the Eligible Property that will be created by the Development, as contained in the Brownfield Plan approved on April 19, 2017, attached as Exhibit C. Owner waives, to the full extent authorized by law, any right to appeal the tax valuation of the Property during the time that Tax Increment Revenues are being captured to pay back any obligation pursuant to this Agreement. Owner further agrees that if there is a tax appeal of the valuation of all or any part of the Property during the time of Tax Capture provided for in the Plan and this Agreement, whether by Owner, a future tenant or any other future owner, Owner shall be responsible for paying GTCBRA the difference between the assessed value from the tax year appealed and the actual Tax Capture as a result of any reduction in the assessed value of all or part of the Property. This obligation may be assigned by written agreement between Owner and any future tenant or owner of the Eligible Property. A copy of such assignment shall be provided to the GTCBRA.

ARTICLE 10.

MISCELLANEOUS

Section 10.1 Term. The term of this Agreement shall commence on the date first written above and shall expire upon payment in full of GTCBRA's obligations to reimburse Owner for Eligible Activities and shall not exceed the tax capture term of the Combined Brownfield Plan.

Section 10.2 Sale or Transfer of Eligible Property or Site within the Plan. Up until the Owner has satisfactorily completed its Eligible Activities and performed its obligations under the terms of this Agreement, the Owner shall not sell, convey, or transfer ownership of any portion of the eligible property to another owner to carry out the purposes and goals of the Combined Brownfield Plan, or any existing Act 381 Work Plan, as described in this Agreement without the written consent of the GTCBRA, which will not be unreasonably withheld, conditioned, or delayed. The GTCBRA, in its sole discretion, will determine whether an amendment to the Combined Brownfield Plan is necessary. The preceding does not prohibit the Owner from selling property or units within structures to third parties for the land uses as contemplated by the Development. This Section shall not apply to: (a) assignments between governmental entities (b) assignments for financing required for the Development; or (c) the establishment of another entity which shall operate the premises for the infrastructure purposes.

The Owner waives the right to reimbursement for outstanding Owner-financed obligations, or any other reimbursement obligation of the GTCBRA, to be paid through Tax Increment Financing captured from the portion of the Eligible Property that is sold, conveyed, or transferred unless the Owner complies with the following:

- (a) The Owner provides the prospective transferee with written notice of the Combined Brownfield Plan, the nature and extent of Eligible Activities performed by the Owner pursuant to the Plan, and the extent of any outstanding obligation for reimbursement for pay-as-you-go expenses from taxes to be captured from the Eligible Property.

- (b) The Owner and the transferee enter into an allocation agreement covering how the Tax Increment Revenues collected on the Eligible Property shall be distributed between the Owner and the transferee for any outstanding obligations or future obligations for Eligible Activities on the Eligible Property.
- (c) The Owner provides the GTCBRA with copies of the written notice and the allocation agreement between the Owner and the transferee of the Eligible Property prior to transfer of the Eligible Property.

Section 10.3 Assignment. Neither this Agreement nor any of the rights or obligations contained within it may be assigned or otherwise transferred by the Owner, nor shall the benefits of this Agreement inure to the benefit of any trustee in bankruptcy, receiver or creditor of the Owner, whether by operation of law or otherwise, without the prior written consent of the GTCBRA, which consent will not be unreasonably withheld, conditioned or delayed. Any attempt by the Owner to assign or transfer this Agreement or any of its rights without such written consent shall be null and void and of no force or effect, and constitute an Event of Default.

Section 10.4 Notices. All notices, certificates or communications required or permitted by this Agreement to be given shall be in writing and shall be sufficiently given and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to GTCBRA:

Jean Derenzy, Grand Traverse County
Municipal Assistant to Authority pursuant to MCL 125.2657(5)
Grand Traverse County Brownfield Redevelopment Authority
400 Boardman Avenue
Traverse City, Michigan 49684

If to the Owner:

7738 N Long Lake LLC
Attn: John T. Hoagland, Manager
1610 Barlow Street
Traverse City, Michigan 49686

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

Section 10.5 Amendment and Waiver. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.

Section 10.6 Entire Agreement. This Agreement contains all agreements between the parties. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the parties, except to the extent reference is made thereto in this Agreement.

Section 10.7 Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

Section 10.8 Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision of this Agreement.

Section 10.9 Applicable Law. This Agreement shall be governed in all respects, whether as to validity, construction, performance and otherwise, by the laws of the State of Michigan.

Section 10.10 Mutual Cooperation. Each party to this Agreement shall take all actions required of it by the terms of this Agreement as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties to this Agreement and with any individual, entity or governmental agency involved in or with jurisdiction regarding the purposes of this Agreement. Each party to this Agreement shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement, including, but not limited to, such documents or agreements as may be required by the Owner's lenders with respect to the Development to secure the Owner's financing from such lenders.

Section 10.11 Binding Effect. This Agreement shall be binding upon the parties hereto, and in the event of assignment under Section 10.3 upon their respective successors, transferees, and assigns. Owner shall provide written notice prior to transfer or assignment of Owner's interest to any subsequent purchaser and assign of the existence of this Agreement.

Section 10.12 No Waiver. No waiver by either party of any default by the other party in the performance of any portion of this Agreement shall operate or be construed as a waiver of any future default, whether like or different in character.

Section 10.13 Survival of Covenants. Except for the financial obligations, the covenants and provisions shall survive the term of this Agreement.

Section 10.14 No Third-Party Beneficiaries. This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Environmental Consultant or Contractors, or any third parties. This Agreement shall not be construed to create any third-party beneficiary contract or claim, and the parties intend there to be no third-party beneficiaries.

Section 10.15 Disputes. The parties acknowledge and agree that any disputes arising under this Agreement shall be resolved by a court of competent jurisdiction sitting in Grand Traverse County, Michigan.

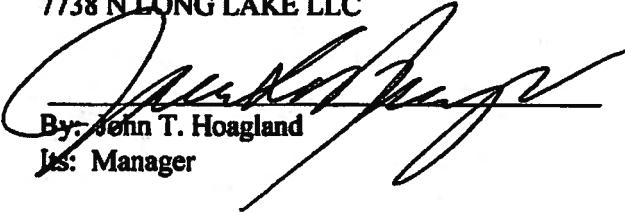
Section 10.16 Digital Signatures. The Parties acknowledge and agree under the Uniform Electronic Transactions Act, MCL 450.832, et seq. that this Agreement may be executed with the electronic signature of any person authorized and required to sign on behalf of the Parties to this Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK.]

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

OWNER:

7738 N LONG LAKE LLC


By: John T. Hoagland
Its: Manager

GTCBRA:

GRAND TRAVERSE COUNTY BROWNFIELD
REDEVELOPMENT AUTHORITY


By: Scott Joseph
Its: Chairman

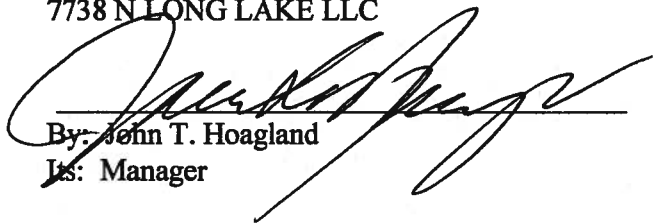
Approved as to form:


By: Scott Howard
Its: Attorney

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

OWNER:

7738 N LONG LAKE LLC


By: John T. Hoagland
Its: Manager

GTCBRA:

GRAND TRAVERSE COUNTY BROWNFIELD
REDEVELOPMENT AUTHORITY

By: Scott Joseph
Its: Chairman

Approved as to form:

By: Scott Howard
Its: Attorney

Exhibit A
“Development”

**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

1

MEMORANDUM

Date: July 10, 2017

To: Delegates of the Michigan Strategic Fund Board

**From: David Kurtycz, Business Development Project Manager
Lisa Edmonds, Program Specialist, MCRP and Brownfield**

**Subject: County of Grand Traverse Brownfield Redevelopment Authority
Request for Approval of an Act 381 Work Plan
Food For Thought Center**

Request

The proposed project will be undertaken by Tamarack Holdings, LLC. The project will redevelop 10.49 acres of property located at 7738 North Long Lake Road, Long Lake Township, Grand Traverse County, Michigan. The project qualifies for an Act 381 Work Plan because it is functionally obsolete.

In order to alleviate brownfield conditions and prepare the proposed project site for redevelopment, the County of Grand Traverse Brownfield Redevelopment Authority is seeking approval of local and school tax capture for MSF eligible activities in the amount of \$441,713.

Redevelopment of the property is costly due to existing and significant brownfield conditions that include lead and asbestos assessment and abatement and selective demolition of a substantial portion of the former Long Lake Elementary School. The eligible activities will alleviate Brownfield conditions across the site and make it suitable for redevelopment, and protect human health and the environment. Without brownfield tax increment reimbursement, the cost burden related to brownfield conditions would make the project financially unfeasible.

The applicant anticipates that the project will result in total capital investment in the amount of \$4,800,000, along with the creation of approximately 7.5 permanent full-time equivalent jobs with an average hourly wage of \$14.47.

Background

Tamarack Holdings, LLC is purchasing the former Long Lake Elementary School for redevelopment into the primary production facility for Food For Thought (FFT), a specialty manufacturer of jams, salsas, sauces, honey, and condiments. The vacant school building will be converted into a commercial food production facility, with additional rental spaces for food related businesses, offices, classrooms, and a retail store for products produced at the facility. This project will expand Tamarack Holdings, LLC operations to a new site and the newly constructed additions will bring the buildings total square footage

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up from 36,527 sq. ft. to about 45,000 sq. ft., of which approximately 12,000 sq. ft. will be rentable to these other entities.

Lead and asbestos assessment and abatement will be necessary prior to demolition activities in order to protect human health. Selective demolition activities must be conducted in order to meet code, space, and finish needs for the commercial food operations. Interest costs will be reimbursed due to the loans that the developer will need to obtain in order to complete the eligible activities.

Tamarack Holdings was established in 2015 and overseas several food companies in Michigan - Earthly Delights (Lansing), Cherry Capital Foods, Up North Distributing, Michigan Group Gap Network and Food For Thought, all based in the Traverse City area. Products include specialty jams, salsas, sauces, honey, and condiments. The applicant has not received previous incentives from the Michigan Strategic Fund (MSF).

Appendix A addresses the programmatic requirements and **Appendix B** includes a project map and renderings.

Recommendation

MEDC staff recommends approval of local and school tax capture for the Act 381 eligible activities totaling \$441,713. Using the current state to local capture ratio, the amount of school tax capture for this project is estimated at \$272,979. Any change in millage that increases the capture percentage of school taxes by more than 5 percentage points must be approved by the MSF Delegates or Board, if applicable.

Approval Authority- Act 381 Briefing Memo

Michigan Economic Development Corporation

DocuSigned by:

Katharine Czarnecki

7/10/2017

JE90080C991B44E

Katharine Czarnecki, Senior Vice President, Community Development Date

The Recommendation is approved, subject to completion of due diligence, and execution of all Work Plan transaction documents, all in accordance with the Work Plan and its guidelines.

Note: To utilize the approval authority under Act 381 Section 15(19), the approval of the MSF Chairperson is required.

Michigan Strategic Fund

DocuSigned by:

Steven Arwood

7/11/2017

3CF83E82E723468...

By: Steven Arwood
Chairperson

Date Its:

APPENDIX B – Programmatic Requirements & Screening Guidelines

Property Eligibility

The project is located within the boundaries of the Township of Long Lake, which is not a Qualified Local Governmental Unit, and has been deemed functionally obsolete as verified by a Michigan Master Assessing Officer (MMAO) assessor on January 25, 2017.

The property is the subject of a Combined Brownfield Plan, duly approved by the county of Grand Traverse on March 23, 2017 and concurred with by the township of Long Lake on April 18, 2017.

In addition, the project is requesting from the DEQ \$9,110 in TIF to assist with environmental eligible activities.

Key Statutory Criteria

Act 381 requires the following information to understand and explain the benefits of the project.

a) Overall Benefit to the Public:

The proposed Food for Thought Center will convert a vacant school building into a commercial food production facility, with additional space for educational, entrepreneurial, and incubator opportunities. The project will significantly add to the local and state tax base.

b) Jobs Created (Excluding Construction and other Indirect Jobs):

The project is expected to create approximately 7.5 new, full-time jobs over the next five years, with additional jobs from the leased space.

c) Area of High Unemployment:

The unemployment rate for Grand Traverse County in 2015 was 4.4 percent, as compared to the State unemployment rate at 5.4 percent, according to the USDA Economic Research Service.

d) Level and Extent of Contamination Alleviated:

The project is not qualifying as a facility and the presence, or lack of, contamination has not been determined.

e) Reuse of Functionally Obsolete Buildings and/or Redevelopment of

Blighted Property: The project will involve the reuse of the former Long Lake Elementary School that has been declared functionally obsolete.

f) Whether Project will Create a New Brownfield Property in the State: No new Brownfields will be created by this project.

g) Whether the Project is Financially and Economically Sound:

From the materials received, the MEDC infers that the project is financially and economically sound.

h) Other Factors Considered:

No additional factors need to be considered for this project.

Tax Capture Breakdown

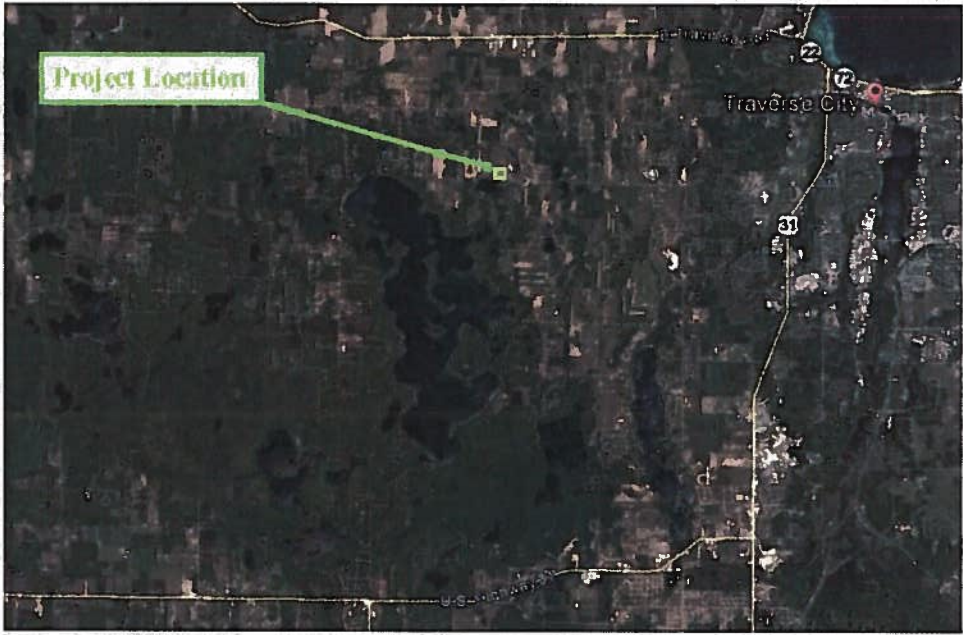
There are 38.8416 non-homestead mills available for capture, with school millage equaling 24 mills (61.8%) and local millage equaling 14.8416 mills (38.2%). Tax increment capture will begin in 2018 and is estimated to continue for 12 years. The requested tax capture for MSF eligible activities breaks down as follows:

School tax capture	(61.8%)	\$	272,979
Local tax capture	(38.2%)	\$	168,734
TOTAL		\$	441,713

Cost of MSF Eligible Activities

Demolition	\$	317,968
Lead, Asbestos, or Mold Abatement		40,000
Sub-Total	\$	357,968
Contingency (15%)	+	53,695
Sub-Total	\$	411,663
Interest (2.5%)	+	15,050
Sub-Total	\$	426,713
Brownfield/Work Plan Preparation	+	15,000
TOTAL	\$	441,713

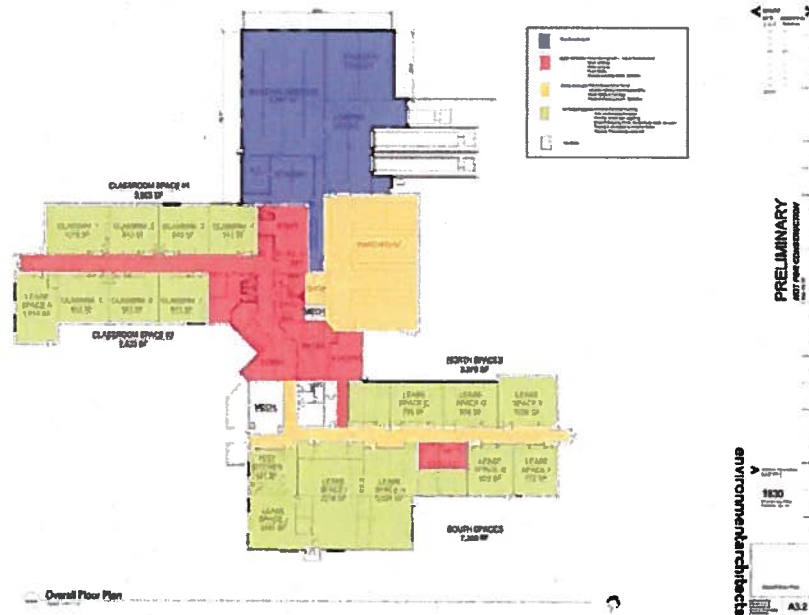
APPENDIX C



Food For Thought Center Combined Brownfield Plan	Figure 1: Site Location
Grand Traverse County Brownfield Redevelopment Authority	Date: March 2017



Food For Thought Center Combined Brownfield Plan	Figure 2: Eligible Property Boundaries
Grand Traverse County Brownfield Redevelopment Authority	Date: March 2017



<p>Food For Thought Center Combined Brownfield Plan</p>	<p>Figure 3: Redevelopment Plans</p>
<p>Grand Traverse County Brownfield Redevelopment Authority</p>	<p>Date: March 2017</p>



Food For Thought Center Combined Brownfield Plan	Figure 4: Renderings
Grand Traverse County Brownfield Redevelopment Authority	Date: March 2017



Front View Panorama



Rear View Panorama



Entry



Exterior Asphalt

Food For Thought Center Combined Brownfield Plan	Figure 4: Site Photos
Grand Traverse County Brownfield Redevelopment Authority	Date: March 2017



Cell Tower to be Removed with Area for Building Addition



Irregular Stairwell to be Removed
for New Addition Access



Ceilings and Floors to be Removed



Library Repurposed for Lease Space



Lockers, Ceilings and Floors to be Removed

Food For Thought Center Combined Brownfield Plan	Figure 5: Site Photos
Grand Traverse County Brownfield Redevelopment Authority	Date: March 2017

Exhibit B
“Site”

EXHIBIT B

Legal Description Long
Lake School
Parcel 08-011-021-00

Part of the Southeast 1/4 of the Southwest 1/4 of Section 11, T27N-R12W, Described as commencing at the South 1/4 corner of said Section: Thence N 86°55'57"W, along the South Line of said Section, 641.34 feet to the point of beginning; Thence continuing N 86°55'57"W, along said South Line 641.06 feet; Thence N 02°26'36"E, along the West 1/8 Line of said Section, 712.37 feet; Thence S 86°55'43"E, 642.42 feet; Thence S 02°33'08"W along the West Line of the East 1/4 of the East 1/4 of the Southwest 1/4 said Section, 712.32 feet to the point of beginning. Containing 10.49 acres of Land more or less. Subject to the Easements and Restrictions of Record.

Exhibit C
“Plan”

**ACT 381 COMBINED
BROWNFIELD AND WORK PLAN
TO CONDUCT
ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL
ACTIVITIES**

**Food For Thought Center
7738 N. Long Lake Road
Traverse City, Michigan 49686
Long Lake Township
Grand Traverse County, Michigan**

Grand Traverse County Brownfield Redevelopment Authority

**Approved by Grand Traverse County
Brownfield Redevelopment Authority: March 23, 2017**

**Concurrence by Long Lake Township
Board of Trustees: April 18, 2017**

Public Hearing: April 19, 2017

**Approved by Grand Traverse County
Board of Commissioners: April 19, 2017**

Prepared by:

**Mac McClelland, Manager – Brownfield Redevelopment
Otwell Mawby, P.C.
309 E. Front Street
Traverse City, Michigan 49684
mac@otwellmawby.com
231.633.6303**

www.otwellmawby.com **TABLE OF
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C Development Reimbursement Agreement

PROJECT SUMMARY

Tamarack Holdings, LLC is purchasing the former Long Lake Elementary School for redevelopment into the primary production facility for Food For Thought (FFT), a specialty manufacturer of jams, salsas, sauces, honey, and condiments. In addition, much like Tamarack's similar repurposing of the old Glacier Dome for Cherry Capital Foods, the Center will consist of additional rental spaces for food related businesses, offices, classrooms, and a retail store for products produced at the facility.

Additions will bring the buildings total square footage up from 36,527 sq. ft. to about 45,000 sq. ft., of which approximately 12,000 sq. ft. will be rentable to these other entities. FFT currently employs 8 FT and up to 10 PT/seasonal workers and anticipates adding up to 7.5 new jobs with affiliates over the next 5 years, in addition to additional staff in leased space.

The redevelopment is consistent with the Long Lake Township Master Plan and zoning ordinance and has received site plan approval from the Township. Initial work is anticipated to begin in Summer 2017, with tax increment capture beginning in 2018. The estimated investment is \$4.8 million.

Project Name:	Food For Thought Center
Project Location:	The eligible property is located in Long Lake Township, Grand Traverse County, Michigan with the Parcel Identification Number 08-011-021-00.
Type of Eligible Property:	Functionally Obsolete
Eligible Activities:	Environmental, Lead and Asbestos Abatement, Demolition
Eligible Activity Costs: (excluding interest)	\$494,988
Years to Complete	
Eligible Activities Payback:	7 Years for Local and State Capture
Estimated Eligible Investment:	\$4,800,000
Annual Tax Revenue	

Before Project: \$0

**Estimated Annual Tax
Revenue in First Year**

After Project: \$115,940

**ACT 381 COMBINED BROWNFIELD PLAN
TO CONDUCT ELIGIBLE
MDEQ ENVIRONMENTAL AND
MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES**

**UNDER THE AUTHORITY OF THE
BROWNFIELD REDEVELOPMENT FINANCING ACT,
1996 PA 381, AS AMENDED**

1.0 INTRODUCTION

The Grand Traverse County Brownfield Redevelopment Authority ("GTCBRA") is submitting this Act 381 Combined Brownfield Plan for MDEQ Environmental and MSF Non-Environmental Eligible Activities for the proposed Food For Thought Center in Long Lake Township, Grand Traverse County, Michigan (herein referred to as the "Eligible Property").

This Combined Brownfield Plan is submitted under the auspices of Act 381, P.A. 1996, as amended.

1.1 PROPOSED REDEVELOPMENT AND FUTURE USE - MCL 125.2663(1)(A)

The proposed project includes the acquisition of the former Long Lake Elementary School and selective demolition, remodeling, and addition construction for the primary production facility for Food For Thought (FFT), a specialty manufacturer of jams, salsas, sauces, honey, and condiments. In addition, much like Tamarack's similar repurposing of the old Glacier Dome for Cherry Capital Foods, the Center will consist of additional rental spaces for food related businesses, offices, classrooms, and a retail store for products produced at the facility.

Additions will bring the buildings total square footage up from 36,527 sq. ft. to about 45,000 sq. ft., of which approximately 12,000 sq. ft. will be rentable to these other entities. FFT currently employs 8 FT and up to 10 PT/seasonal workers and anticipates adding up to 7.5 new jobs with affiliates over the next 5 years, in addition to additional staff in leased space.

The 10.49-acre site will also include hoop houses, a storage facility, outdoor crops, and open space. The crops produced onsite are all intended for inclusion in products produced at the facility.

Partnership opportunities are currently being explored with TCAPS, where the facility, its outdoor gardens and seasonal extension hoop houses can provide significant learning opportunities for its students now next door in the new Long Lake Elementary School. Additional partnerships are being considered with NMC, MSU, and their respective agriculture certificate programs, as well as Munson Hospital, all of whom have an interest in classroom space, and the potential for a teaching kitchen that can be used for a variety of activities including continuing education for

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doctors and hands on experiences for students. Continued partnership with the Grand Traverse Foodshed Alliance and the Taste a Local Difference

Program can leverage the success of current tenants of the Food Hub at Barlow by providing “2nd stage” space for young and growing agri-business ventures interested in additional space and the benefits of co-location with a well-established value-added food production enterprise. Additionally, the site will include a retail outlet for products manufactured on site, and will be available to those tenants who elect to utilize FFT for manufacturing of their products.

The estimated investment is \$4,800,000. Tamarack Holdings, LLC has a purchase agreement with the Traverse City Public Schools.

1.2 ELIGIBLE PROPERTY INFORMATION - MCL 125.2663(1)(h)

1.2.1 Property Eligibility and Location

Property Eligibility – The former Long Lake Elementary School has been declared functionally obsolete by Angela Friske, Long Lake Township Assessor, Level III Assessor. As a result, the parcel qualifies as Eligible Property as functionally obsolete under Section 2(e) of Act 381, PA 1996, as amended. The property owned by TCAPS is approximately 30-acre parcel with the Parcel Identification Number 08011-021-00. Tamarack Holdings, LLC is purchasing 10.49 acres and a new Parcel Identification Number will be established with the parcel split. The Eligible Property is located in Long Lake Township.

Location - The Eligible Property consists of one parcel with a total area of approximately 10.49 acres, depicted on the Eligible Property Map attached as Figure 2, with one building, the former Long Lake Elementary School with the address of 7738 North Long Lake Road, Traverse City, Michigan 49685.

The legal description of the parcel is provided below. A Project Location Map and Eligible Property Map are included in the Appendix as Figures 1 and 2, respectively.

<u>Site Name</u>	<u>Parcel</u>	<u>Legal Description</u>
Long Lake School	08-011-021-00	Part of the Southeast 1/4 of the Southwest 1/4 of Section 11, T27N-R12W, Described as commencing at the South 1/4 corner of said Section: Thence N86°55'57"W, along the South Line of said Section, 641.34 feet to the point of beginning; Thence continuing N86D55'57"W, along said South Line 641.06 feet; Thence N02°26'36"E, along the West 1/8 Line of said Section, 712.37 feet; Thence S86°55'43"E, 642.42 feet; Thence SO2°33'08"W along the West Line of the East 1/4 of the East 1/4 of the Southwest 1/4 said Section, 712.32 feet to the point of beginning. Containing 10.49 acres of Land more or less. Subject to the Easements and Restrictions of Record.

1.2.2 Current Ownership

The Eligible Property is owned by the Traverse City Area Public Schools. Contact: Paul Soma, Superintendent, 231.933.1727, psoma@tcaps.net

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The Eligible Property will be owned by 7739 N. Long Lake Road, LLC.
Bourdages, Project Manager, 231.883.5382, brian@tamarackholding.com

Contact: Brian

1.2.4 Delinquent Taxes, Interest & Penalties

There are currently no delinquent taxes, interest or penalties due on the subject property.

1.2.5 Existing & Proposed Future Zoning for Eligible Property

The property is zoned Agricultural, and governed by the provisions of the Long Lake Township Zoning Ordinance. A Site Plan has been approved by the Long Lake Township Planning Commission.

1.3 HISTORICAL, PREVIOUS USE AND OWNERSHIP OF EACH ELIGIBLE PROPERTY**1.3.1 Historic Use**

According to the Phase I ESA, records indicate that the site was originally agricultural with an apparent farm house near the southwest corner of the property. Sometime between 1952 and 1956, the property was developed as a school, and has operated as a school until recently.

1.3.2 Previous Ownership

Traverse City Area Public Schools has owned the property since sometime between 1952 and 1956.

1.4 CURRENT USE OF ELIGIBLE PROPERTY

The former Long Lake Elementary School is vacant.

1.5 SITE CONDITIONS AND KNOWN ENVIRONMENTAL CONTAMINATION**SUMMARY****1.5.1 Site Conditions**

The subject site has a 36,527- square foot, single story building that is constructed of brick with flat roof. The drive way into the site enters the eastern portion of the property, turns west into a parking area in front of the building, then continues west into a second parking area on the west side of the building. There are grass areas along North Long Lake Road, and around much of the perimeter of the building. The north portion of the property is a playground that is a mixture of sand and grass. There is a communication tower located on the north side of the building. Figure 2 shows the pertinent features of the building and property.

Major utilities are present within the right-of-way along North Long Lake Road. Electrical service is overhead along North Long Lake Road, but is underground from the pole located east of the

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entrance driveway along the south right-of-way until traversing the parking lot on the west side of the building. Natural gas enters the property in the same area as the electrical service. Both enter the building near just south of the main entrance to the building, at the boiler room. The site is served by an on-site water well located on the west side of the building, adjacent to the boiler room. The site is served by an on-site septic system that contains four holding tanks (three were found during the site inspection) located east of the gymnasium portion of the building. The drain field is located east/northeast of the septic tanks, across the eastern driveway. Communication lines are underground and enter the east side of the front of the building. Storm water is handled through catch basins and dry wells located within the property.

1.5.1 Known Environmental Contamination Summary

A Phase I Environmental Site Assessment was conducted in September, 2016 on behalf of Tamarack Holdings, LLC and identified the historic presence of an underground storage tank (UST) for heating oil on the property. A Phase II ESA was conducted in September 2016 to sample soil in the vicinity of the former UST. Soil samples were submitted for laboratory analysis for benzene, toluene, ethylbenzene, total xylenes, trimethylbenzene isomers, and polynuclear aromatic (PNAs) compound. Results did not show the presence of any constituent above MDEQ Generic Cleanup Criteria. As a result, the site is not a Part 201 Facility.

Lead/Cadmium Paint and Asbestos Surveys will be conducted as part of the redevelopment.

1.6 FUNCTIONALLY OBSOLETE, BLIGHTED AND/OR HISTORIC CONDITIONS

A facility analysis conducted by Traverse City Area Public Schools determined that the existing Long Lake Elementary School could not adequately meet future facility needs. As a result, a new elementary school was constructed on the same property and the former Long Lake Elementary School was considered surplus by TCAPS. While evidently not suitable for a public elementary school, the building is appropriate to be repurposed as a food production center, but not without significant upgrades.

A Functionally Obsolete Property Affidavit from by Angela Friske, Long Lake Township Assessor, Level III Assessor, is attached as Appendix A.

According the Phase I ESA, the former Long Lake Elementary School was constructed between 1952 and 1956. While over fifty years old, the building does not have any distinguishing historical or architectural features.

1.7 INFORMATION REQUIRED BY SECTION 15(15) OF THE STATUTE

1.7.1 MSF Eligible Activity Sufficiency

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of sufficiency for each Eligible Activity:

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1.7.1.1 Lead and Asbestos Abatement: Lead and asbestos abatement will result in the appropriate management of lead and cadmium based paint with appropriate training, materials handling, and air monitoring to ensure work safety, and removal of asbestos containing materials (ACMs) by a certified asbestos contractor. The appropriate management of lead and cadmium based paint and removal of asbestos prior to demolition will be sufficient to alleviate the brownfield conditions of the Eligible Property.

1.7.1.2 Demolition: The selective demolition of a substantial portion of the square footage of the former Long Lake Elementary School will provide for the redevelopment of outdated buildings to meet code, space, and finish requirements for the proposed commercial food production facilities. The selective demolition of the former Long Lake Elementary School and site and subsurface structures that would inhibit future development are sufficient to alleviate brownfield conditions on the Eligible Property.

1.7.2 MSF Eligible Activity Need

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

1.7.2.1 Lead Asbestos Abatement: State and federal regulations require an assessment of the presence of lead and cadmium-based paint and asbestos prior to demolition of commercial buildings. If identified, precautions must be taken to protect human health and the environment, including worker training, air monitoring, and in the case of asbestos, abatement must be conducted by a certified asbestos abatement company.

1.7.2.2 Demolition: Selective demolition of the former Long Lake Elementary School must be conducted in order to meet code, space, and finish needs for the commercial food operations.

1.7.3 MSF Eligible Activity Cost Determination

The MSF Eligible Activities proposed under this Combined Brownfield Plan include: Lead and Asbestos Abatement, and Demolition. Section 3 provides a detailed work scope for each of the MSF Eligible Activities. The following is a brief explanation of the need for each Eligible Activity:

1.7.3.1 Lead Asbestos Abatement: Costs for the lead/cadmium paint and asbestos surveys are based on proposals from certified asbestos inspectors and abatement costs are based on a walkthrough of the buildings by a certified lead and asbestos inspector.

1.7.3.2 Demolition: Costs for demolition are based on internal company estimates and preliminary consultations with reputable local firms, net of recycling material revenues.

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1.7.4 Public Purpose - MCL 125.2664(1)

The proposed Food For Thought Center will convert a vacant school building into a commercial food production facility, with additional space for educational, entrepreneurial, and incubator opportunities.

The total projected investment is expected to be approximately \$4,800,000.

The project will significantly add to the local and state tax base. When completed, property taxes are estimated at \$115,940 per year (following the retirement of Brownfield obligations) with 61.8% of these revenues going to the State of Michigan and 38.2% to local taxing jurisdictions. Currently, the project area for buildings and land generates does not generate any property taxes as publicly owned property.

1.75 Reuse of Vacant Buildings and the Redevelopment of Blighted Property

The former Long Lake Elementary School is vacant and, without redevelopment, will eventually become blighted.

1.7.6 Job Creation

Food For Thought currently employs 8 FT and up to 10 PT/seasonal workers on a single shift. The expansion of FFT and affiliated companies is anticipated to create an anticipated 7.5 new FTEs over the next five years, with additional jobs from the leased space. The following is a table of new jobs created and average weekly wage:

Job Category	New Jobs Created	Average Weekly Wage	New Jobs Created	Average Weekly Wage	New Jobs Created	Average Weekly Wage
	<i>Year 1</i>		<i>Years 1 - 2</i>		<i>Year 1 - 3</i>	
Managerial			1	\$800	1	\$800
Operators	1	\$520	3	\$520	4	\$520

1.7.6 Area of High Unemployment

The unemployment rate for Grand Traverse County in 2015 was 4.4 percent, as compared to the State unemployment rate at 5.4 percent, according to the USDA Economic Research Service.

1.7.8 Level and Extent of Contamination Alleviated in Connection with the Eligible Activities

There is no evidence of environmental impact on the property and the site is not a Part 201 Facility.

1.7.9 Level of Private Sector Contribution to the Project

The private sector contribution to this project is expected to be approximately \$4,800,000.

1.7.10 Greenfield Comparison

A Greenfield site was not considered for the project. All Eligible Activities under this Combined Brownfield Plan would not be required on a Greenfield site.

1.7.11 Creation of New Brownfields

Food For Thought is currently based in Honor, Benzie County. Food For Thought does not use hazardous substances are part of their operations and the current facility is not currently nor will be a Brownfield site.

1.7.12 Project Pro forma

A project pro forma has not been prepared for the project.

1.7.13 Other Incentives

No other incentives are anticipated for the project.

1.7.14 Other Information

None

2.0 SCOPE OF WORK - MCL 125.2663(1)(B)

The purpose of the proposed eligible activities proposed under this Combined Brownfield Plan is to conduct MDEQ Environmental Eligible Activities, including Phase I and Phase II Environmental Site Assessments, and MSF Eligible Activities, including Lead and Asbestos Abatement and Site and Selective Building Demolition.

2.1 MDEQ ELIGIBLE ACTIVITIES

Section 13(16), Act 381, PA 1996 as amended provides for State tax capture for site investigation activities and associated reports for a baseline environmental assessment and due care plan without Department approval. These MDEQ Eligible Activities are listed for qualification under the Brownfield Plan and are not part of the Act 381 Work Plan request to the Department.

2.1.1 Baseline Environmental Assessment

The work scope is to conduct a Phase I Environmental Site Assessments (ESAs) and Phase II ESA to meet environmental due diligence and All Appropriate Inquiry for Tamarack Holdings, LLC.

- A. Phase I ESA: A Phase I ESA has been conducted for the parcels proposed for acquisition by Tamarack Holdings, LLC, consistent with ASTM Standard E1527-13. The Phase I ESA included a review of historical and current information, including regulatory agency files, historical maps, and past uses to evaluate the potential for contamination, a site inspection of the property, and interviews with individuals knowledgeable about the past use of the property to identify any Recognized Environmental Conditions (RECs). A Phase I report was

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prepared with full documentation of the research and the historic use of the underground storage tank for heating oil was identified as a Recognized Environmental Condition (REC).

- B. Phase II ESA: A Phase II ESA was conducted which included soil samples in the area of the UST to determine whether a release had occurred. There was no visual or olfactory evidence of a release. Soil samples were submitted for laboratory analysis for benzene, toluene, ethylbenzene, total xylenes, trimethylbenzene isomers, and polynuclear aromatic (PNAs) compound. Results did not show the presence of any constituent above MDEQ Generic Cleanup Criteria. As a result, the site is not a Part 201 Facility, environmental due diligence was completed, and a Baseline Environmental Assessment is not necessary.

The Phase I and Phase II Environmental Site Assessment costs are at \$5,500.

2.1.2 Due Care Investigation and Activities

Not applicable.

2.1.3 Additional Response Activities

Not applicable.

2.1.3 Environmental Insurance

Not applicable.

2.1.4 Interest

Interest is included as an Eligible Activity. The Brownfield Eligible Activities of environmental due diligence have been privately financed by the Developer. Interest is calculated at 2.5% in accordance with GTCBRA policy for 10 years for the purposes of this Combined Brownfield Plan.

2.1.3 Combined Brownfield Plan

The preparation and approval of the Combined Brownfield Plan is included as Eligible Activities.

2.2 MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES

MSF Eligible Activities are requested under this plan under the auspices of Act 381. Long Lake Township is not a Qualified Local Government. The MSF Non-Environmental Eligible Activities include lead and asbestos abatement and demolition.

2.2.1. Demolition

Demolition will include site demolition and selective demolition throughout the building to repurpose for the Food For Thought Center.

The following is a cost estimate for Site and Selective Demolition:

<u>Site and Selective Demolition</u>	<u>Total</u>
--------------------------------------	--------------

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Site Demolition	\$64,400
Selective Demolition	\$253,588
Contingency (15%)	<u>\$47,695</u>
TOTAL	\$365,633

2.2.2. Lead and Asbestos Abatement

Demolition or remodeling buildings that contain lead, cadmium and/or asbestos is subject to regulations to protect the health of the persons that may be affected. In addition, demolition can impact the concentration of lead, cadmium and/or asbestos in the soils that are in close proximity to the building. A lead/cadmium paint and asbestos survey has been conducted for all buildings on the site and identified the presence of lead/cadmium paint and asbestos. The presence of lead and cadmium based paint in areas of disturbance and demolition which requires specific precautions, including personal protective equipment, worker training, and air monitoring to ensure levels of lead and cadmium are less than required levels. Asbestos in areas of disturbance or demolition must be abated by a certified asbestos contractor, with air monitoring to ensure a safe working environment. The scope of work includes the required surveys prior to demolition under State and Federal law, and lead and asbestos abatement.

The following is a cost estimate for lead and asbestos survey, monitoring, and abatement:

Lead and Asbestos Abatement	Total
Survey	\$4,000
Monitoring	\$6,000
Abatement	\$30,000
Contingency (15%)	<u>\$6,000</u>
TOTAL	\$46,000

2.2.3 Infrastructure Improvements

The Food for Thought Center is located in Long Lake Township and is not designated as a Qualified Local Unit of Government, or Core Community, and infrastructure is not an Eligible Activity.

2.2.4 Site Preparation

The Food for Thought Center is located in Long Lake Township and is not designated as a Qualified Local Unit of Government, or Core Community, and infrastructure is not an Eligible Activity.

2.2.5 Interest

Interest is included as an Eligible Activity. The Brownfield Eligible Activities of lead and asbestos abatement and demolition will be privately financed by the Developer. Interest is calculated at 2.5% in accordance with GTCBRA policy for 10 years for the purposes of this Combined Brownfield Plan.

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2.2.6 Assistance to Land Bank Fast Track Authority

Not Applicable.

2.2.7 Relocation of Public Facilities or Service for Economic Development Purposes

Not Applicable.

2.2.8 Develop/Prepare Combined Brownfield Plan

The preparation and approval of the Combined Brownfield Plan is included as Eligible Activities.

2.3 LOCAL ONLY ELIGIBLE ACTIVITIES

With the exception of Administrative and Operating Costs, there are no Eligible Activities that are specifically designated as "Local Only."

2.4 SCHEDULE AND COSTS**2.4.1 Schedule of Activities**

The following is an estimated schedule of Eligible Activities:

Activity	Completion
Demolition	Second Qtr 2017
Initiate Construction	Third Qtr 2017
Complete Construction	Second Qtr 2018

2.4.2 Summary of Total Project Costs**MDEQ Environmental Eligible Activity Cost**

Eligible Activities	Estimated Cost
Baseline Environmental Assessment	\$5,500
Contingency (15%)	\$825
MDEQ Eligible Activities Subtotal	\$6,325
Interest	\$785
Work Plan Development and Review Cost	<u>\$2,000</u>
MDEQ Environmental Eligible Activities Total	\$9,110
GTCBRA Administrative and Operation Costs	<u>\$20,000</u>

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ENVIRONMENTAL ELIGIBLE ACTIVITIES TOTAL**\$29,110****Non-Environmental Eligible Activity Cost**

Eligible Activities	Estimated Cost
Lead and Asbestos Abatement	\$40,000
Demolition	\$317,968
Contingency	\$53,695
MSF Eligible Activities Subtotal	\$411,663
Interest	\$15,050
Work Plan Development and Review Cost	\$15,000
Non-Environmental Eligible Activities Total	\$441,713
KBRA Administrative and Operation Costs	\$40,000
NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES TOTAL	\$481,713

All Eligible Activities identified above will be allocated between the State and Local taxes in a proportional share, after the capture of the 3 mils for the State Brownfield Fund.

Eligible Activity Cost Tables and Tax Capture Tables are presented in the Exhibits.

3.0 TAX INCREMENT REVENUE ANALYSIS

3.1 Estimate of Captured Taxable Value and Tax Increment Revenues - MCL 125.2663(1)(c)

The initial taxable value for the Eligible Property will be set at the taxable value as of the approval date of this Combined Brownfield Plan, anticipated on April 19, 2017. The initial taxable value established by this Brownfield Plan is based on the taxable value as of December 31, 2015, and is \$0 for real property, as publicly owned property.

The MDEQ Environmental and MSF Non-Environmental Eligible Activity cost is \$417,988 plus an estimated \$15,835 in interest, for a total of \$433,823. The Combined Brownfield Plan also includes \$17,000 in Work Plan Development and Approval and \$40,000 in GTCBRA Administrative and Operating Costs, and \$46,596 for the State Brownfield Fund, bringing the Maximum Eligible Activity Cost to \$557,420. The Combined Brownfield Plan also provided for additional State tax capture in an amount equal to State tax capture for MDEQ Environmental Eligible Activities, estimated at \$5,629 and additional Local tax capture for a period of *five years*

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for the Local Site Remediation Revolving Fund, estimated at \$167,341, for a total of \$172,190. The overall investment for the Project is estimated at over \$4,800,000.

Table 2 identifies taxable values for real and personal property, including tax increment revenues for the Eligible Property. In addition, 3 mills are captured and distributed to the State for the State Brownfield Redevelopment Fund. In accordance with Act 381, this share does not affect the State and local ratio.

The cash flow analysis for the project indicates payoff of the obligation in *seven (7) years* from 2017 for Local and State Capture, with an additional *five (5) years* for the Local Site Remediation Revolving Fund.

Redevelopment of the property is anticipated to be initiated in Summer 2017, with site and building demolition. Table 3 provides a graphic representation of the tax capture and tax increment revenues. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions. The estimated tax increment captured by the Authority is summarized in the table below and detailed in Table 2.

Estimated Tax Increment Capture by the Authority

Year	Total Tax Revenues	Captured Taxes		Year	Total Tax Revenues	Captured Taxes
2017	\$0	\$0		2033	\$121,812	\$ -
2018	\$38,842	\$ 38,842		2034	\$124,857	\$ -
2019	\$88,365	\$ 88,365		2035	\$127,978	\$ -
2020	\$90,574	\$ 90,574		2036	\$131,178	\$ -
2021	\$92,838	\$ 92,838		2037	\$134,457	\$ -
2022	\$95,159	\$ 95,159		2038	\$137,819	\$ -
2023	\$97,538	\$ 97,538	(1)	2039	\$141,264	\$ -
	\$99,976	\$ 57,992				
2024				2040	\$144,796	\$ -
2026	\$102,476	\$ 39,157		2041	\$148,416	\$ -
2027	\$105,038	\$ 40,136		2042	\$152,126	\$ -
2028	\$107,664	\$ 41,139		2043	\$155,929	\$ -
2029	\$110,355	\$ 42,167	(2)	2044	\$159,827	\$ -
2030	\$113,114	\$ 1,032	(3)	2045	\$163,823	\$ -

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2031	\$115,942	\$ -		2046	\$167,919	\$ -
2032	\$118,841	\$ -		2047	\$172,117	\$ -
(1) State and Local Tax Capture Ends			Total	\$3,561,039	\$724,938	
(2) LBRF Capture Ends			State Brownfield Fund		\$46,596	
(3) Admin/Operating Capture Ends			Balance		\$678,342	

3.2 Method of Financing Plan Costs - MCL 125.2663(1)(d):

The Brownfield Eligible Activities of environmental due diligence, lead and asbestos abatement and demolition will be privately financed by the Developer, with capture of Local and State taxes to reimburse Eligible Activities. There will not be an advance made by the Authority.

3.3 Maximum Amount of Indebtedness - MCL 125.2663(1)(e)

The maximum amount of indebtedness will be \$434,988 plus an estimated \$15,835 in interest costs.

3.4 Duration of Brownfield Plan - MCL 125.2663(1)(f)

The duration of the Plan will be the time to capture taxes in an amount equal to the Eligible Activity obligation. As shown on Table 2, total costs of all Eligible Activities on the property redevelopment is expected to be repaid through tax increment financing within 7 years for Local and State Capture, with an additional State tax capture in an amount equal to State tax capture for MDEQ Environmental Eligible Activities, estimated at \$5,539 and additional Local tax capture for a period of five years for the Local Site Remediation Revolving Fund.

3.5 Estimate of Impact of Tax Increment Financing on Taxing Jurisdictions - MCL 125.2663(1)(g):

Tables 2 and 3 identify annual and total tax revenues projected for capture from the increase in property tax valuations. Individual tax levies within each taxing jurisdiction are also presented on Table 2. Table 4 presents the allocation of tax capture and the total tax increment for the maximum duration of the plan, 30 years. Taxing jurisdictions will continue to receive their attendant tax allocation for the project beyond the duration of the plan.

The total tax capture is estimated at \$450,823 for Eligible Activities, plus an estimated \$46,596 for the State Brownfield Fund and an estimated \$167,519 for the Local Site Remediation Fund for a total capture of \$724,938. After the Brownfield obligation is met, tax revenues will accrue to the taxing jurisdictions in an amount estimated at over \$12115,000 per year on into the future.

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3.6 Description of Proposed Use of the Local Site Remediation Revolving Fund - MCL 125.2663(1)(m)

Use of the Local Site Remediation Revolving Fund will be consistent with the requirements of Act 381, including expenses for Eligible Activities on Eligible Property.

4.0 SUMMARY OF RELOCATION ACTIVITIES**4.1 Estimate of Number of Persons Residing on Eligible Property - MCL 125.2663(1)(i)**

There are currently no residential dwellings or residences that occupy the Eligible Property.

4.2 Plan for Residential Relocation - MCL 125.2663(1)(j)

The Eligible Property does not currently contain any residential dwellings; therefore, a plan for residential relocation is not applicable.

4.3 Provision of Costs of Relocation - MCL 125.2663(1)(k):

The Eligible Property does not currently contain any residential dwellings; therefore, a provision for residential relocation has not been allocated.

4.4 Strategy to Comply with Relocation Assistance Act, 1972 PA 227 - MCL 213.321 to 213.332 - MCL 125.2663(1)(l)

The Eligible Property does not currently contain any residential dwellings; therefore, relocation is not necessary.

5.0 OTHER MATERIAL REQUIRED BY THE AUTHORITY OR GOVERNING BODY - MCL 125.2663(1)(N):

None

EXHIBITS**FIGURES**

- | | |
|----------|------------------------------|
| Figure 1 | Property Location Map |
| Figure 2 | Eligible Property Boundaries |
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Grand Traverse County Brownfield Redevelopment Authority*Revised: May 5, 2017*

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ATTACHMENTS

- Attachment A Functionally Obsolete Affidavit
- Attachment B Resolutions Approving Combined Brownfield Plan
- Attachment C Development Reimbursement Agreement

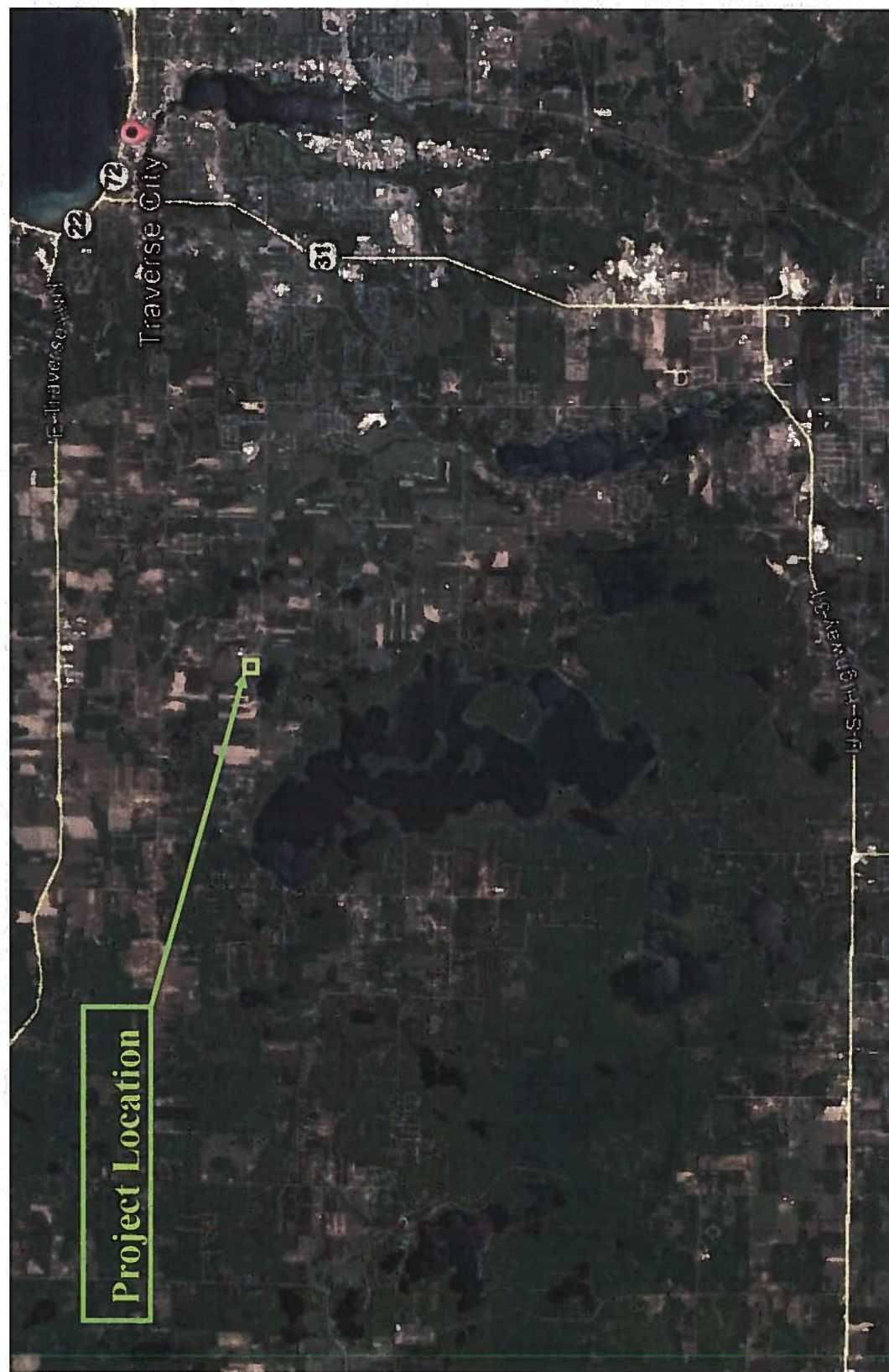


Figure 1: Site Location

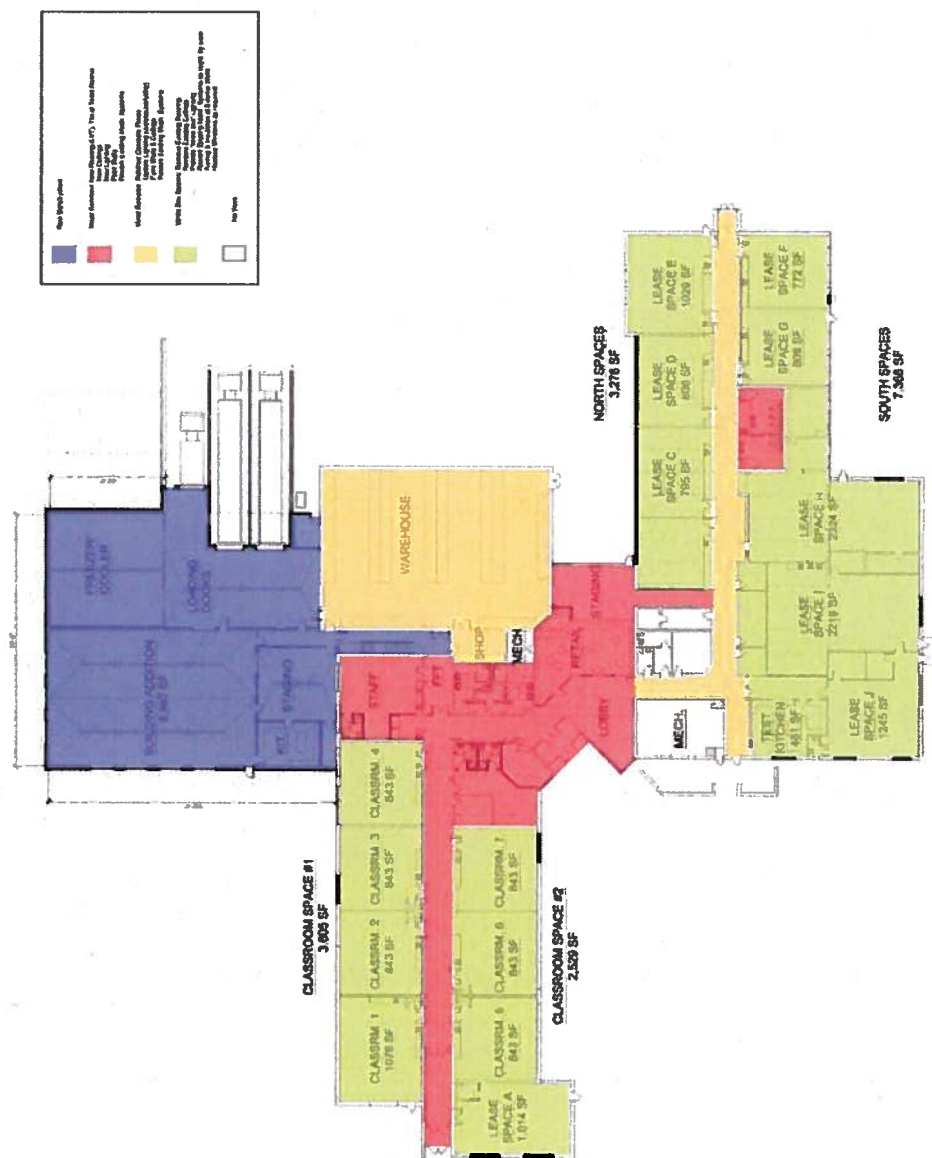
**Food For Thought Center
Combined Brownfield Plan**

**Grand Traverse County Brownfield Redevelopment
Authority**

Date: March 2017

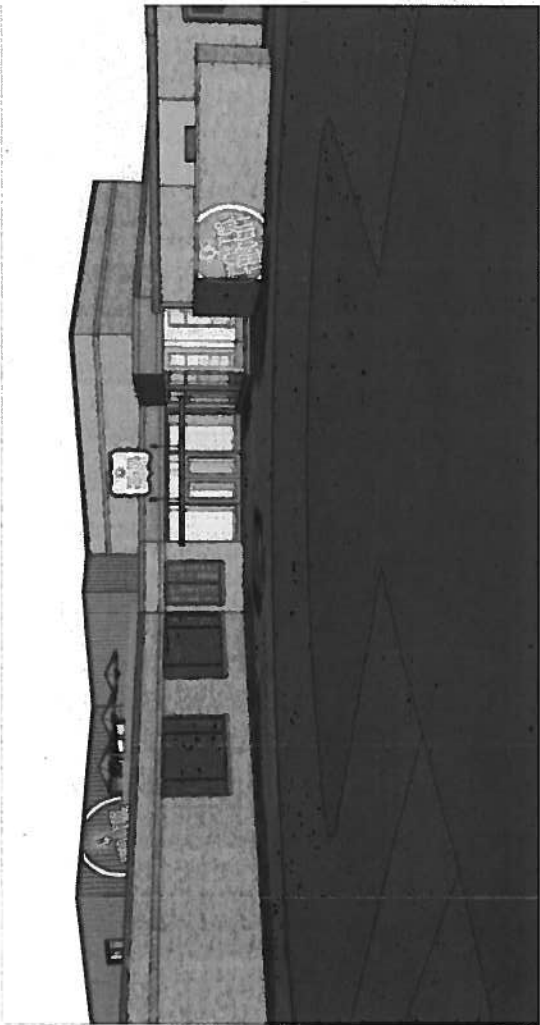


<p>Food For Thought Center Combined Brownfield Plan</p>	<p>Figure 2: Eligible Property Boundaries</p>
<p>Grand Traverse County Brownfield Redevelopment Authority</p>	<p>Date: March 2017</p>



Overall Floor Plan

<p>Food For Thought Center Combined Brownfield Plan</p>	<p>Figure 3: Redevelopment Plans</p>
<p>Grand Traverse County Brownfield Redevelopment Authority</p>	<p>Date: March 2017</p>



<p>Food For Thought Center Combined Brownfield Plan</p>	<p>Figure 4: Renderings</p>
<p>Grand Traverse County Brownfield Redevelopment Authority</p>	<p>Date: March 2017</p>



Front View Panorama



**Food For Thought Center
Combined Brownfield Plan**

Figure 5: Site Photos

Rear View Panorama



Entry

Exterior Asphalt



**Grand Traverse County Brownfield Redevelopment
Authority**

Date: March 2017

Cell Tower to be Removed with Area for Building Addition



**Irregular Stairwell to be Removed Ceilings and Floors to be Removed for New Addition
Access**



Library Repurposed for Lease Space

Lockers, Ceilings and Floors to be Removed

**TABLE 1.1
MDEQ ENVIRONMENTAL ELIGIBLE ACTIVITIES COSTS
FOOD FOR THOUGHT CENTER
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
LONG LAKE TOWNSHIP, GRAND TRAVERSE COUNTY, MICHIGAN**

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES
Baseline Environmental Assessment Activities Phase I ESA	\$2,500

Phase II ESA	\$3,000
Baseline Environmental Assessment	\$0
<i>Subtotal</i>	\$5,500
<i>Due Care (7a) Obligation Compliance Activities</i>	
Phase II Investigation to Support Due Care	\$0
Section 7A Compliance Analyses (Due Care Plans)	\$0
Due Care Response Activities/Exposure Pathway Mitigation	\$0
Disposal of Soil/Groundwater During Construction	<u>\$0</u>
<i>Subtotal</i>	\$0
<i>Subtotal Totals</i>	\$5,500
<i>Contingencies (15%)</i>	<u>\$825</u>
ELIGIBLE ACTIVITIES SUBTOTAL	\$6,325
INTEREST	\$785
<i>Work Plan Development and Approval Costs</i>	
Brownfield Plan and Work Plan Development and Approval	\$2,000
Administrative and Operation Costs*	<u>\$20,000</u>
<i>Subtotal</i>	\$22,000
ELIGIBLE ACTIVITIES SUBTOTAL	\$29,110

*Local Tax Capture Only

TABLE 1.2
MSF NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES COSTS
FOOD FOR THOUGHT CENTER
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
LONG LAKE TOWNSHIP, GRAND TRAVERSE COUNTY, MICHIGAN

Eligible Activity Description	TOTAL ELIGIBLE ACTIVITIES
<i>Lead and Asbestos Abatement</i>	
Survey	\$4,000
Monitoring	\$6,000

Abatement		<u>\$30,000</u>
	<i>Subtotal</i>	<u>\$40,000</u>
<hr/>		
<i>Demolition</i>		
Site Demolition		\$64,400
Selective Building Demolition		<u>\$253,568</u>
	<i>Subtotal</i>	<u>\$317,968</u>
<hr/>		
<i>Subtotal Totals</i>		\$357,968
<i>Contingencies (15%)</i>		<u>\$53,695</u>
MSF ELIGIBLE ACTIVITIES SUBTOTAL		\$411,663
<hr/>		
INTEREST		\$15,050
<hr/>		
<i>Work Plan Development and Approval Costs</i>		
Brownfield Plan and Work Plan Development and Approval		\$15,000
Administrative and Operation Costs*		<u>\$40,000</u>
	<i>Subtotal</i>	<u>\$55,000</u>
<hr/>		
MSF ELIGIBLE ACTIVITIES SUBTOTAL		\$481,713
<hr/>		

*Local Tax Capture Only

Table 2.1 - Annual Revenue and Brownfield Capture Estimates Food For Thought Center
Grand Traverse County Brownfield Redevelopment Authority

Estimated Taxable Value (TV) Increase Rate: 2.50%																
		Plan Year														
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
TOWNSHIP	Revenue Year	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	*Base Taxable Value	\$	2,000,000	2,050,000	2,100,000	2,150,000	2,200,000	2,250,000	2,300,000	2,350,000	2,400,000	2,450,000	2,500,000	2,550,000	2,600,000	2,650,000
	Annual Value Additions	\$	2,000,000	4,550,000	6,663,750	8,777,500	10,891,250	13,005,000	15,118,750	17,232,500	19,346,250	21,460,000	23,573,750	25,687,500	27,801,250	29,915,000
	Cumulative Value Additions	\$	\$	2,000,000	4,550,000	7,653,750	10,757,500	13,861,250	16,965,000	20,068,750	23,172,500	26,276,250	29,380,000	32,483,750	35,587,500	38,691,250
	Estimated New TV	\$	\$	1,000,000	2,275,000	2,813,750	3,352,500	3,891,250	4,430,000	4,968,750	5,507,500	6,046,250	6,585,000	7,123,750	7,662,500	8,201,250
Incremental Difference (New TV - Base TV)		\$	\$	1,000,000	2,275,000	2,813,750	3,352,500	3,891,250	4,430,000	4,968,750	5,507,500	6,046,250	6,585,000	7,123,750	7,662,500	8,201,250
Local Contributions		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
TOWNSHIP		1,653 \$	2,000 \$	2,500 \$	3,250 \$	4,125 \$	5,156 \$	6,445 \$	8,056 \$	10,070 \$	12,588 \$	15,735 \$	19,673 \$	24,591 \$	30,764 \$	38,761 \$
COUNTY TOTAL*		1,653 \$	2,000 \$	2,500 \$	3,250 \$	4,125 \$	5,156 \$	6,445 \$	8,056 \$	10,070 \$	12,588 \$	15,735 \$	19,673 \$	24,591 \$	30,764 \$	38,761 \$
LIBRARY		1,000 \$	1,250 \$	1,562 \$	1,953 \$	2,441 \$	3,051 \$	3,814 \$	4,768 \$	5,960 \$	7,500 \$	9,438 \$	11,823 \$	14,719 \$	18,274 \$	22,651 \$
MHC		2,161 \$	2,701 \$	3,376 \$	4,215 \$	5,269 \$	6,586 \$	8,358 \$	10,643 \$	13,504 \$	17,000 \$	21,281 \$	26,500 \$	32,721 \$	40,116 \$	49,841 \$
LUD		2,912 \$	3,640 \$	4,550 \$	5,688 \$	7,085 \$	8,961 \$	11,448 \$	14,601 \$	18,500 \$	23,375 \$	29,438 \$	36,963 \$	46,250 \$	57,563 \$	71,461 \$
Local Total		7,728 \$	9,601 \$	12,088 \$	15,187 \$	19,000 \$	23,802 \$	29,666 \$	37,068 \$	46,534 \$	58,463 \$	73,892 \$	93,039 \$	117,562 \$	149,417 \$	192,674 \$
MILLAGE RATE		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
TOTAL		13,381 \$	16,602 \$	21,176 \$	26,437 \$	33,125 \$	41,958 \$	52,111 \$	65,124 \$	81,604 \$	101,051 \$	127,624 \$	162,712 \$	209,153 \$	270,981 \$	344,997 \$
State Education		6,000 \$	7,500 \$	9,375 \$	11,875 \$	14,938 \$	18,700 \$	23,300 \$	28,913 \$	36,267 \$	45,459 \$	56,851 \$	70,814 \$	87,768 \$	108,210 \$	133,761 \$
Tax (SET)		18,000 \$	22,500 \$	28,125 \$	35,312 \$	44,375 \$	55,650 \$	69,411 \$	86,937 \$	108,771 \$	136,920 \$	174,743 \$	223,533 \$	286,921 \$	368,691 \$	461,336 \$
Total		24,000 \$	30,100 \$	37,500 \$	47,149 \$	59,363 \$	74,552 \$	93,071 \$	115,861 \$	145,291 \$	184,382 \$	234,635 \$	299,053 \$	387,081 \$	499,102 \$	626,335 \$

Estimated Taxable Value (TV) Increase Rate: 2.50%																
		Plan Year														
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
TOWNSHIP	Revenue Year	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	*Base Taxable Value	\$	2,000,000	2,050,000	2,100,000	2,150,000	2,200,000	2,250,000	2,300,000	2,350,000	2,400,000	2,450,000	2,500,000	2,550,000	2,600,000	2,650,000
	Annual Value Additions	\$	2,000,000	4,550,000	6,663,750	8,777,500	10,891,250	13,005,000	15,118,750	17,232,500	19,346,250	21,460,000	23,573,750	25,687,500	27,801,250	29,915,000
	Cumulative Value Additions	\$	\$	2,000,000	4,550,000	7,653,750	10,757,500	13,861,250	16,965,000	20,068,750	23,172,500	26,276,250	29,380,000	32,483,750	35,587,500	38,691,250
	Estimated New TV	\$	\$	1,000,000	2,275,000	2,813,750	3,352,500	3,891,250	4,430,000	4,968,750	5,507,500	6,046,250	6,585,000	7,123,750	7,662,500	8,201,250
Incremental Difference (New TV - Base TV)		\$	\$	1,000,000	2,275,000	2,813,750	3,352,500	3,891,250	4,430,000	4,968,750	5,507,500	6,046,250	6,585,000	7,123,750	7,662,500	8,201,250
Local Contributions		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
TOWNSHIP		1,653 \$	2,000 \$	2,500 \$	3,250 \$	4,125 \$	5,156 \$	6,445 \$	8,056 \$	10,070 \$	12,588 \$	15,735 \$	19,673 \$	24,591 \$	30,764 \$	38,761 \$
COUNTY TOTAL*		1,653 \$	2,000 \$	2,500 \$	3,250 \$	4,125 \$	5,156 \$	6,445 \$	8,056 \$	10,070 \$	12,588 \$	15,735 \$	19,673 \$	24,591 \$	30,764 \$	38,761 \$
LIBRARY		1,000 \$	1,250 \$	1,562 \$	1,953 \$	2,441 \$	3,051 \$	3,814 \$	4,768 \$	5,960 \$	7,500 \$	9,438 \$	11,823 \$	14,719 \$	18,274 \$	22,651 \$
MHC		2,161 \$	2,701 \$	3,376 \$	4,215 \$	5,269 \$	6,586 \$	8,358 \$	10,643 \$	13,504 \$	17,000 \$	21,281 \$	26,500 \$	32,721 \$	40,116 \$	49,841 \$
LUD		2,912 \$	3,640 \$	4,550 \$	5,688 \$	7,085 \$	8,961 \$	11,448 \$	14,601 \$	18,500 \$	23,375 \$	29,438 \$	36,963 \$	46,250 \$	57,563 \$	71,461 \$
Local Total		7,728 \$	9,601 \$	12,088 \$	15,187 \$	19,000 \$	23,802 \$	29,666 \$	37,068 \$	46,534 \$	58,463 \$	73,892 \$	93,039 \$	117,562 \$	149,417 \$	192,674 \$
MILLAGE RATE		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
TOTAL		13,381 \$	16,602 \$	21,176 \$	26,437 \$	33,125 \$	41,958 \$	52,111 \$	65,124 \$	81,604 \$	101,051 \$	127,624 \$	162,712 \$	209,153 \$	270,981 \$	344,997 \$
State Education		6,000 \$	7,500 \$	9,375 \$	11,875 \$	14,938 \$	18,700 \$	23,300 \$	28,913 \$	36,267 \$	45,459 \$	56,851 \$	70,814 \$	87,768 \$	108,210 \$	133,761 \$
Tax (SET)		18,000 \$	22,500 \$	28,125 \$	35,312 \$	44,375 \$	55,650 \$	69,411 \$	86,937 \$	108,771 \$	136,920 \$	174,743 \$	223,533 \$	286,921 \$	368,691 \$	461,336 \$
Total		24,000 \$	30,100 \$	37,500 \$	47,149 \$	59,363 \$	74,552 \$	93,071 \$	115,861 \$	145,291 \$	184,382 \$	234,635 \$	299,053 \$	387,081 \$	499,102 \$	626,335 \$

Table 2.2 - Tax Increment Revenue Reimbursement Allocation Table
 Food For Thought Center
 7738 N. Long Lake Road
 Traverse City, Michigan 49686
 April 2017

Developer Minimum Reimbursement	Proportionality	School & Local Taxes	State Brownfield Fund	LMRF	Local-Only Taxes	Total
State	61.8%	\$ 278,561	\$ 46,596	\$ 5,629		\$ 330,786
Local	38.2%	\$ 172,282		\$ 161,890		\$ 394,152
TOTAL	100.0%	\$ 450,823	\$ 46,596	\$ 167,519	\$ 60,000	\$ 724,938
MDEQ		\$ 9,110				
MSF		\$ 441,713				
TOTAL		\$ 450,823				

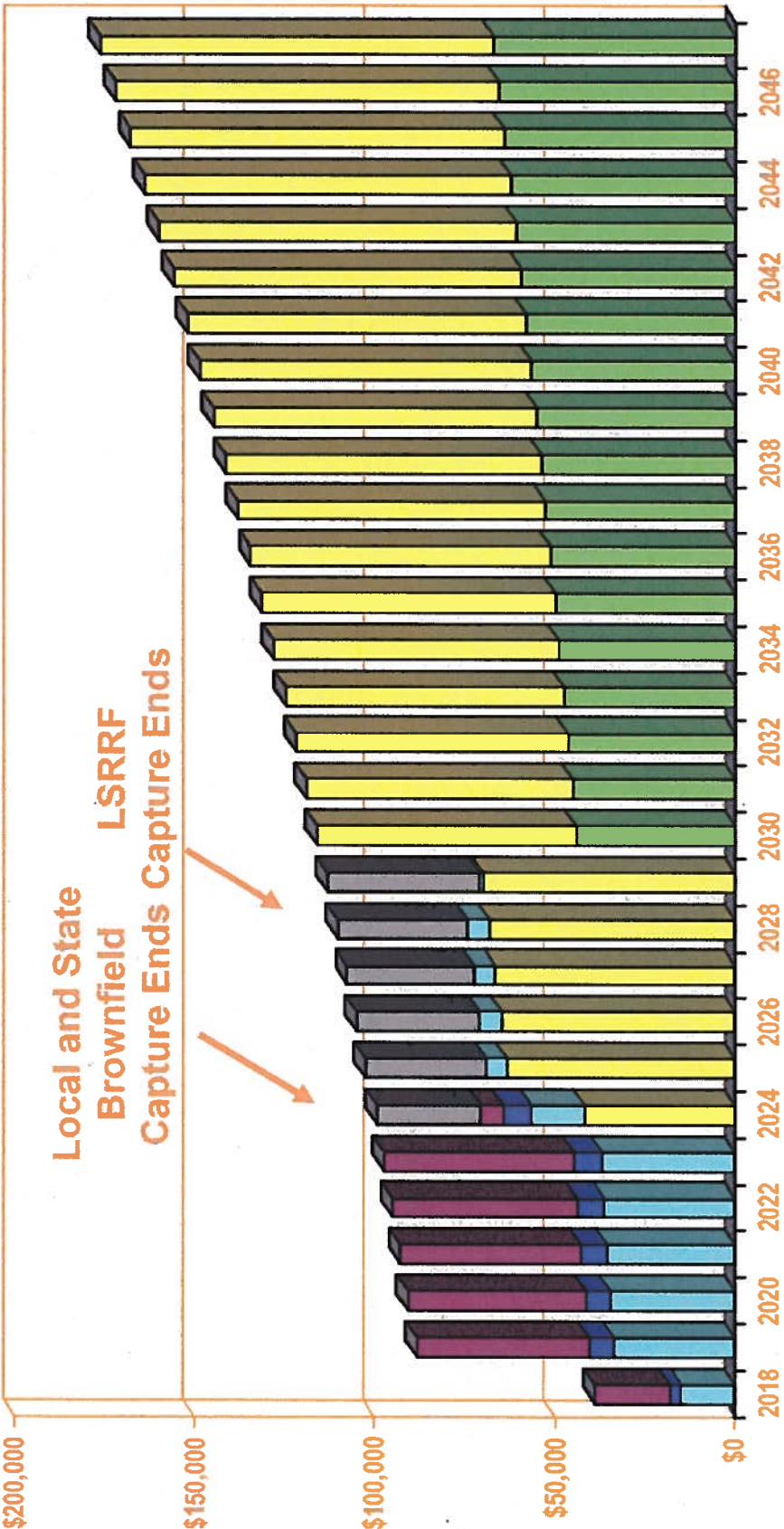
Estimated Capture	\$ 450,823
Administrative Fees	\$ 60,000
State Revolving Fund	\$ 46,596
LSRRF	\$ 167,519
TOTAL	\$ 724,938

Estimated Total Years of Capture:	12
--------------------------------------	----

Plan Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
Calendar Year																	
notes																	
Total State Incremental Revenue	\$ -	\$ 24,000	\$ 54,000	\$ 55,965	\$ 57,364	\$ 58,798	\$ 60,268	\$ 61,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,770
State Brownfield Reckoning Fund (50% of SET)	\$ -	\$ 3,000	\$ 6,025	\$ 6,996	\$ 7,171	\$ 7,350	\$ 7,534	\$ 7,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,596
State TIR Available for Reimbursement	\$ -	\$ 21,000	\$ 47,975	\$ 48,969	\$ 50,194	\$ 51,448	\$ 52,735	\$ 54,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,174
Total Local Incremental Revenue	\$ -	\$ 14,842	\$ 33,765	\$ 34,609	\$ 35,474	\$ 36,361	\$ 37,270	\$ 38,202	\$ 39,157	\$ 40,136	\$ 41,139	\$ 42,167	\$ 43,222	\$ -	\$ -	\$ -	\$ 436,341
BRA Administrative Fee	\$ -	\$ 2,236	\$ 5,065	\$ 5,191	\$ 5,321	\$ 5,454	\$ 5,590	\$ 5,730	\$ 5,873	\$ 6,020	\$ 6,171	\$ 6,325	\$ 6,483	\$ -	\$ -	\$ -	\$ 65,451
Local TIR Available for Reimbursement	\$ -	\$ 12,605	\$ 28,700	\$ 29,417	\$ 30,153	\$ 30,907	\$ 31,679	\$ 32,471	\$ 33,283	\$ 34,115	\$ 34,968	\$ 35,842	\$ 36,738	\$ -	\$ -	\$ -	\$ 370,890
Total State & Local TIR Available	\$ -	\$ 38,842	\$ 88,365	\$ 90,574	\$ 92,838	\$ 95,159	\$ 97,138	\$ 99,240	\$ 101,366	\$ 103,528	\$ 105,724	\$ 107,949	\$ 110,192	\$ -	\$ -	\$ -	\$ 724,598
DEVELOPER																	
Beginning Balance	\$ 450,823																
DEVELOPER Reimbursement Balance	\$ 450,823	\$ 412,208	\$ 340,733	\$ 262,846	\$ 182,899	\$ 99,644	\$ 15,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Non-Environmental Costs	\$ 441,713	\$ 32,538	\$ 74,830	\$ 76,803	\$ 78,723	\$ 80,691	\$ 82,708	\$ 84,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,713
State Tax Reimbursement	\$ 272,932	\$ 20,576	\$ 46,810	\$ 47,980	\$ 49,179	\$ 50,409	\$ 51,669	\$ 52,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 272,932
Local Tax Reimbursement	\$ 168,781	\$ 12,360	\$ 28,120	\$ 28,823	\$ 29,544	\$ 30,282	\$ 31,039	\$ 31,813	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 168,781
Total MSF Reimbursement Balance	\$ 683,426	\$ 65,474	\$ 149,760	\$ 153,606	\$ 157,446	\$ 161,182	\$ 165,010	\$ 168,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 683,426
State MSF Balance to Be Reimbursed	\$ 254,356	\$ 205,547	\$ 157,567	\$ 108,368	\$ 57,979	\$ 6,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local MSF Balance to Be Reimbursed	\$ 156,421	\$ 128,301	\$ 99,478	\$ 69,934	\$ 39,652	\$ 8,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MODEQ Environmental Costs	\$ 9,110	\$ 679	\$ 1,445	\$ 1,584	\$ 1,624	\$ 1,664	\$ 1,706	\$ 1,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,110
State Tax Reimbursement	\$ 5,629	\$ 424	\$ 965	\$ 990	\$ 1,014	\$ 1,040	\$ 1,066	\$ 1,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,629
Local Tax Reimbursement	\$ 3,481	\$ 255	\$ 580	\$ 594	\$ 609	\$ 625	\$ 640	\$ 656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,481
Total MODEQ Reimbursement Balance	\$ 18,220	\$ 1,468	\$ 3,089	\$ 3,168	\$ 3,247	\$ 3,329	\$ 3,412	\$ 3,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,220
State MODEQ Balance to Be Reimbursed	\$ 5,205	\$ 4,239	\$ 3,250	\$ 2,235	\$ 1,196	\$ 630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local MODEQ Balance to Be Reimbursed	\$ 3,226	\$ 2,446	\$ 1,839	\$ 1,442	\$ 1,051	\$ 698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Only Credits	\$ 60,000	\$ 2,226	\$ 5,065	\$ 5,191	\$ 5,321	\$ 5,454	\$ 5,590	\$ 5,730	\$ 5,873	\$ 6,020	\$ 6,171	\$ 6,325	\$ 6,483	\$ -	\$ -	\$ -	\$ 60,000
Local Tax Reimbursement	\$ 57,774	\$ 52,709	\$ 47,518	\$ 42,197	\$ 36,743	\$ 31,152	\$ 25,422	\$ 19,548	\$ 13,528	\$ 7,357	\$ 1,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Only Reimbursement Balance	\$ 57,774	\$ 52,709	\$ 47,518	\$ 42,197	\$ 36,743	\$ 31,152	\$ 25,422	\$ 19,548	\$ 13,528	\$ 7,357	\$ 1,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Annual Developer Reimbursement	\$ -	\$ 33,615	\$ 76,475	\$ 78,387	\$ 80,346	\$ 82,355	\$ 84,414	\$ 86,414	\$ 88,464	\$ 90,564	\$ 92,714	\$ 94,914	\$ 97,164	\$ -	\$ -	\$ -	\$ -
LOCAL SITE REMEDIATION FUND																	
LSRRF Deposits *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Tax Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total LSRRF Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
* Up to five years of capture for LSRRF deposits after eligible activities are reimbursed. May be taken from DEQ & Local TIR only.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Footnotes:

Table 3 Captured Taxes and Revenues
Food For Thought Center



■ Local Taxes	■ School Taxes	■ Local Brownfield Captured Taxes
■ State Brownfield Fund	■ State Brownfield Captured Taxes	■ LSRRF

TABLE 4.1 IMPACT ON TAXING JURISDICTIONS					
BROWNFIELD PLAN - THIRTY YEAR DURATION					
FOOD FOR THOUGHT CENTER					
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY					
	Millages	Millage Total	Percent Allocation	Total Capture	Total Revenues
					\$766,651 \$2,970,330
Long Lake Township		1.6539	11.14%	\$51,210	\$110,519
Allocated	0.6701				
Voted - Fire Ambulance	0.9838				
Grand Traverse County		6.9871	47.08%	\$216,344	\$466,900
Allocated	4.9230				
Veterans	0.1200				
Roads	0.9997				
Seniors	0.5997				
Transit	0.3447				
Traverse Area District Library	1.1002	1.1002	7.41%	\$34,066	\$73,519
Northwestern Michigan College		2.1692	14.62%	\$67,166	\$144,953
Operating	2.1692				

Debt		0.7400			
Traverse City Area Public Schools					
School Debt*		3.1000		0.00%	
TBA/SD		2.9312	2.9312	19.75%	\$195,872
Local Taxes Total		18.6816	14.8416	100.00%	\$991,763
State Taxes			24.0000		\$284,190
School Operating	18.0000				
State Educ Tax	3.0000				
State Brownfield Fund	3.0000				\$46,596
Total		42.6816	38.8416		\$790,332
					\$2,970,330

Table 4.2 Brownfield Tax Capture Food For Thought Center

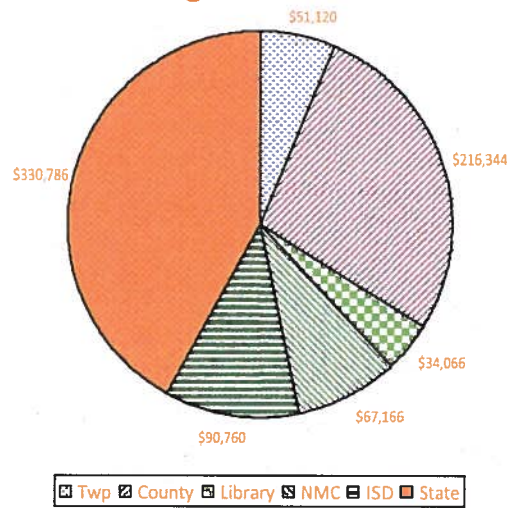


Table 4.3 Tax Revenue Allocations - 30 years Food For Thought Center

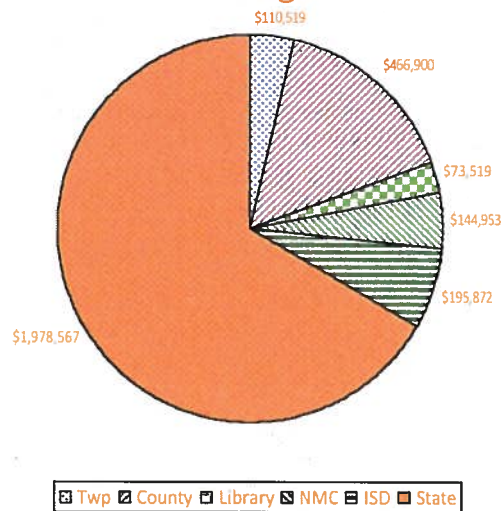


Table 4.4 Brownfield Tax Capture/Revenue Allocations

Food For Thought Center

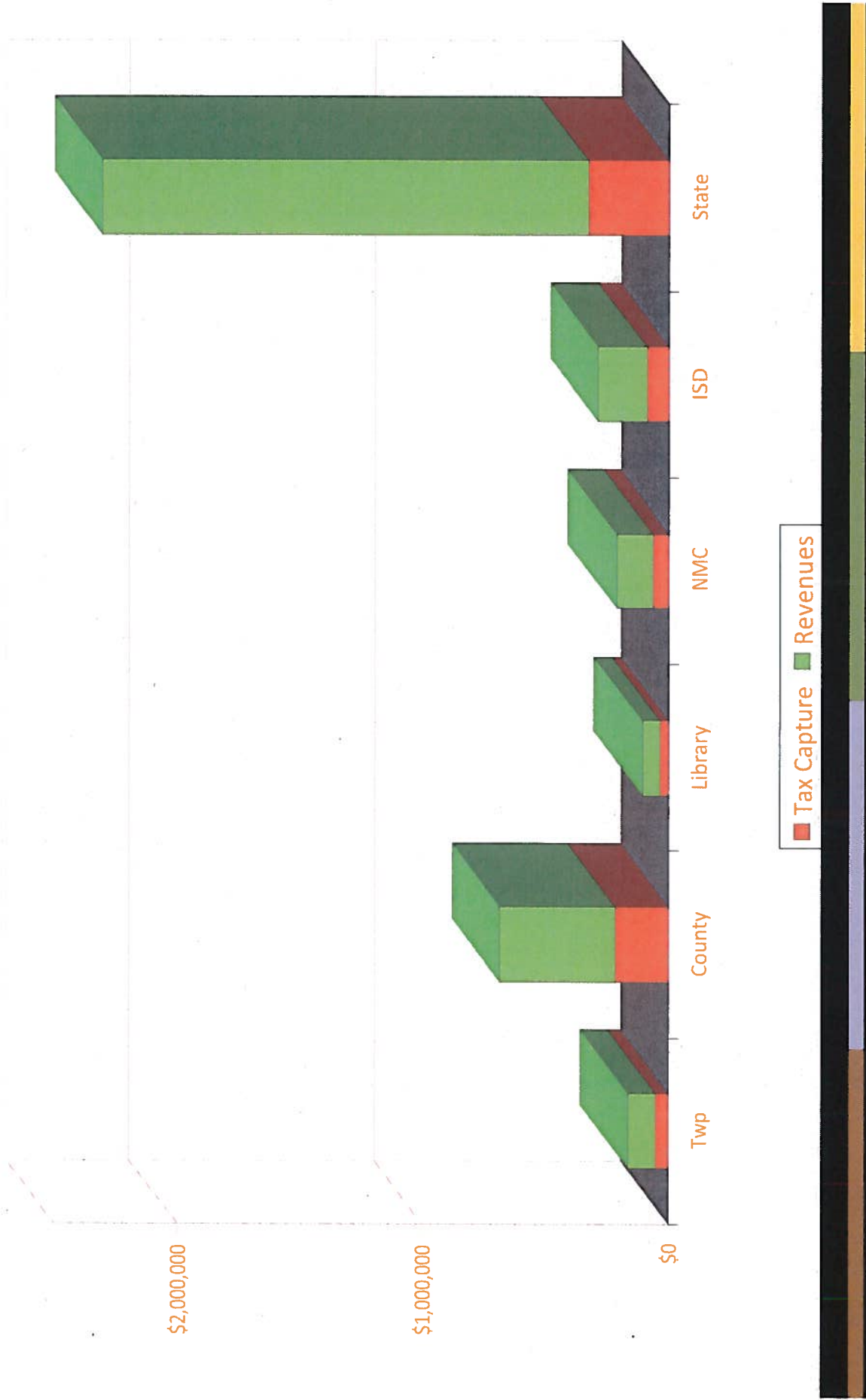
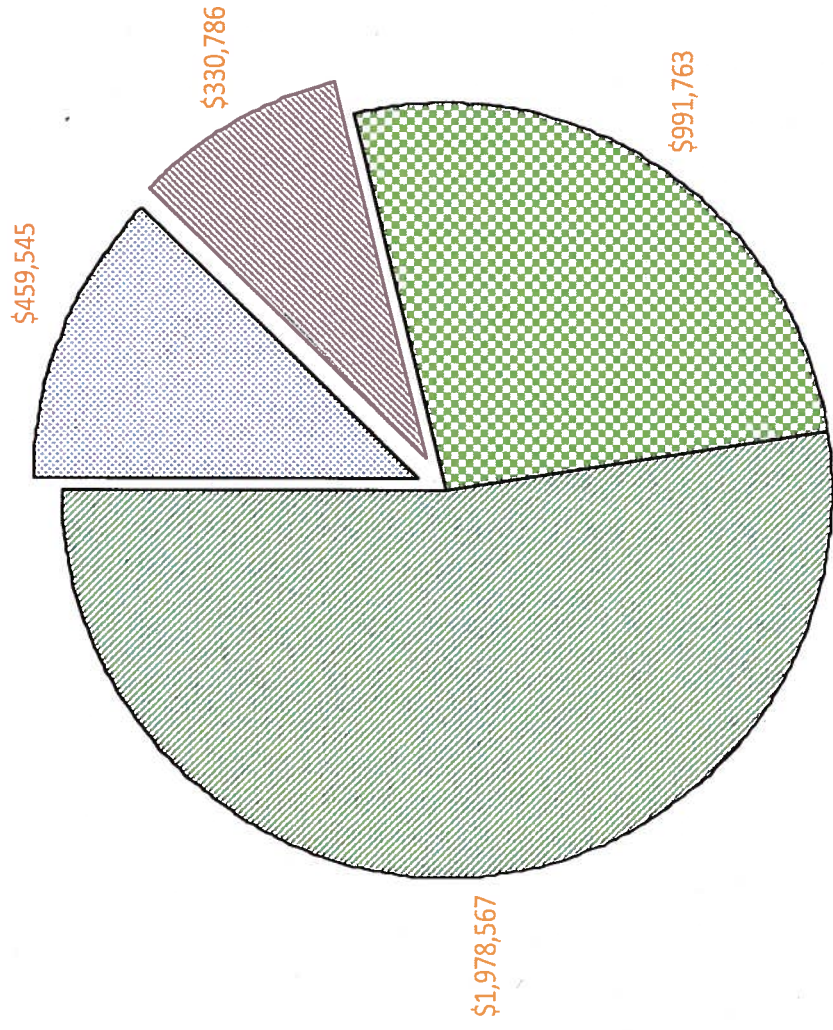


Table 4.5 Brownfield Tax Capture – Revenues
Food For Thought Center



Local Capture State Capture Local Revenues State Revenues



**AFFIDAVIT FROM THE LONG LAKE TOWNSHIP,
GRAND TRAVERSE COUNTY, MICHIGAN ASSESSOR**

I, Angela W. Friske, being duly sworn, states that if called upon I will testify to the following facts:

1. I am employed by the Township of Long Lake, Grand Traverse County, as the Township Assessor.
2. I am a Certified Michigan Advanced Assessing Officer. Certificate #R-5721.
3. I am familiar with the property located at 7730 North Long Lake Rd, Traverse City, MI 49685. Parcel identification # 28-08-011-021-01.
4. This affidavit is given in accordance with MCL 125.2663(1) (h) and is made to confirm this property qualifies as "Functionally Obsolete Property" as that term is defined under MCL 125.2652(r). The following facts without limitation, form the basis for my expert opinion:
5. The property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super adequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property.



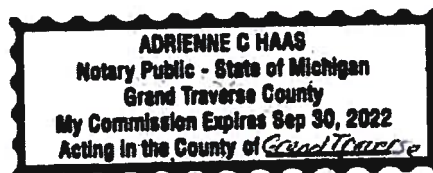
Angela W. Friske, MAAO, R-5721
Long Lake Township

Subscribed and sworn to before me by Angela W. Friske on January 25, 2017.



Adrienne C. Haas, Notary Public
Grand Traverse County, Michigan

Prepared By:
Angela W. Friske, Assessor
Long Lake Township
8870 North Long Lake Rd
Traverse City, MI 49685
(231) 946-2249 ext. 203



RESOLUTION
52-2017

**Approval for Combined Brownfield Plan and Work Plan
Food For Thought Center – Long Lake Township**

WHEREAS, The Brownfield Redevelopment Authority met in regular session on March 23, 2017 and reviewed the Brownfield Plan for the Food For Thought Center located a 7730 North Long Lake Road; and

WHEREAS, Pursuant to Act 381, concurrence must be received by the governmental unit in which brownfield plan lies, being Long Lake Township; and,

WHEREAS, Long Lake Township concurred with Plan on April 18, 2017; and,

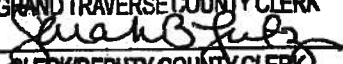
WHEREAS, the Plan identifies eligible activities totaling \$510,823; and,

WHEREAS, the Plan will allow for the repurposing of the former Long Lake School into a specialist manufacturing of jams, salsas, sauces, honey and condiments; and,

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Brownfield Plan constitutes a public purpose and will facilitate investment and redevelopment of the property in the Brownfield Plan by:
 - a. Repurposing an old school building that has sat vacant.
 - b. Increasing Tax base.
 - c. Additional jobs and assistance in start-up companies.
 - d. Works with our local agriculture economy.
2. The Brownfield Plan is consistent with the requirements of Section 14(1) of Act 381 (MCL 125.2664), in particular:
 - a. The Brownfield Plan provides all of the information required in Section 13 of Act 381 (MCL.2663).
 - b. Financing the costs of eligible activities will be through the capture of tax increment revenue, with brownfield plan ending on or before 2030.
 - c. The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of the Brownfield Financing Act.
3. Pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996, as amended, being MCL 125.2651, *et seq*, the Grand Traverse County Board of Commissioners hereby approves the Combined Brownfield Plan and Work Plan for Food For Thought Center in Long Lake Township.

APPROVED: April 19, 2017

I HEREBY CERTIFY THIS COPY TO BE A
TRUE AND CORRECT COPY OF THE RECORD ON
FILE WITH THE OFFICE OF COUNTY CLERK
BONNIE SCHEELE
GRAND TRAVERSE COUNTY CLERK
BY: 
CLERK/DEPUTY COUNTY CLERK
DATE: July 24, 2017

RESOLUTION

Findings for Concurrence for Brownfield Plan Food For Thought Center – Long Lake Township

WHEREAS, The Brownfield Redevelopment Authority met in regular session on March 23, 2017 and reviewed the Brownfield Plan for the Food For Thought Center located a 7730 North Long Lake Road; and

WHEREAS, Properties within the Brownfield Plan are in the TIF 97 Plan in the City of Traverse City; and,

WHEREAS, Pursuant to Act 381, concurrence must be received by the governmental unit in which brownfield plan lies, being Long Lake Township; and,

WHEREAS, the Plan identifies eligible activities totaling \$510,823; and,

WHEREAS, the Plan will allow for the repurposing of the former Long Lake School into a specialist manufacturing of jams, salsas, sauces, honey and condiments; and,

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Brownfield Plan constitutes a public purpose and will facilitate investment and redevelopment of the property in the Brownfield Plan by:
 - a. Repurposing an old school building that has sat vacant.
 - b. Increasing Tax base.
 - c. Additional jobs and assistance in start-up companies
 - d. Works with our local agriculture economy.
2. The Brownfield Plan is consistent with the requirements of Section 14(1) of Act 381 (MCL 125.2664), in particular:
 - a. The Brownfield Plan provides all of the information required in Section 13 of Act 381 (MCL.2663).
 - b. Financing the costs of eligible activities will be through the capture of tax increment revenue, with brownfield plan ending on or before 2030.
 - c. The costs of eligible activities proposed are reasonable and necessary to carry out the purposes of the Brownfield Financing Act.
3. Pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996, as amended, being MCL 125.2651, *et seq*, the Long Lake Township Board of Trustees hereby concurs with the Brownfield Plan for Food For Thought Center in Long Lake Township.

Dated:

I, Carol A. Hoffman, Clerk of Long Lake Township, Grand Traverse County, Michigan, do hereby certify that at a regular meeting of the Long Lake Township Board of Trustees held April 18, 2017 at 6:00 pm at Long Lake Township Hall, 8870 North Long Lake Rd., Traverse City, MI, after being duly noticed, as required, and with the following Township Trustees present: Rosa, Hoffman, Schaub, Mehney, Wheelock, Garvin and Lemcool, Resolution 04-16/17-6 was offered for adoption by motion of Garvin and supported by Schaub.

Upon a roll call vote, the following voted:

YES: Garvin, Schaub, Lemcool, Wheelock, Rosa

NO: -0 Absent Hoffman, Mehney

Resolution No 04-16/17-6 was adopted.

By: Carol A. Hoffman
Carol A. Hoffman, Clerk

Dated: April 18, 2017