

BROWNFIELD REDEVELOPMENT AUTHORITY MEETING

Thursday, January 25, 2024 – 11:00 a.m. Farmington City Hall 23600 Liberty Street Farmington, MI 48335

AGENDA

- 1. Roll Call
- 2. Approval of Agenda
- 3. Approval of Items on the Consent Agenda A. July 14, 2023 Minutes
- 4. Election of Officers
- 5. Legion Square: Brownfield Plan Review American Legion Hall, 31775 Grand River Avenue
- 6. Other Business
- 7. Public Comment
- 8. Brownfield Redevelopment Authority Comment
- 9. Adjournment

DRAFT

BROWNFIELD REDEVELOPMENT AUTHORITY July 14, 2023

A meeting of the City of Farmington Brownfield Redevelopment Authority Board was held on Friday, July 14, 2023 at Farmington City Hall, 23600 Liberty Street, Farmington, Michigan. Notice of the meeting was posted in compliance with Public Act 267-1976.

The meeting was called to order by Chair Joe LaRussa at 3:30 pm.

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

BOARD MEMBERS ABSENT: None

CITY REPRESENTATIVES PRESENT: Mary Mullison, Beth Saarela

OTHERS PRESENT: Samantha Seimer, Vice President of Economic Development Services of AKT Peerless; Matt DeSantos, President of GLP Financial Group, Eric Helzer, Principal of Advanced Redevelopment Solutions; and Darian Neubecker, Chief Operating Officer of Robertson Brothers LLC,

APPROVAL OF AGENDA

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

MINUTES OF PREVIOUS MEETING

MOTION by Murphy, seconded by Christiansen to approve the Minutes of March 24, 2023. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF BROWNFIELD REIMBURSEMENT REQUEST FOR VILLAGE MALL REDEVELOPMENT PROJECT, GLP FINANCIAL – 33329-33335 GRAND RIVER AVENUE

Christiansen requested approval of a Brownfield Reimbursement request for the Village Mall Redevelopment Project.

MOTION by Christiansen, seconded by Murphy to approve the Brownfield Reimbursement Request for Village Mall Redevelopment Project, GLP Financial – 33329-33335 Grand River Avenue as presented.

MOTION CARRIED UNANIMOUSLY.

DRAFT

Brownfield Redevelopment Authority
July 14, 2023
-2-

MAXFIELD TRAINING CENTER REDEVELOPMENT PROJECT – REVIEW OF ROBERTSON BROTHERS HOMES HILLSIDE TOWNES BROWNFIELD PLAN, 33000 THOMAS STREET, 33107 THOMAS STREET AND 33104 GRAND RIVER

Neubecker reviewed Robertson Brothers plans for the properties and explained the challenges of dealing with the environmental issues of the site. Helzer detailed the proposed Brownfield Plan.

MOTION by Christiansen, supported by Murphy, the that that the Brownfield Redevelopment Authority recommend approval of the Brownfield Plan submitted by Robertson Brothers Homes for Hillside Townes at 33000 Thomas Street, 33107 Thomas Street and 33104 Grand River subject to approval of the final PUD site plan and agreement.

MOTION CARRIED UNANIMOUSLY.

OTHER BUSINESS

No other business was heard.

PUBLIC COMMENT

There was no public comment heard.

BROWNFIELD REDEVELOPMENT AUTHORITY COMMENT

Christiansen noted that this will not be last Brownfield meeting this year. There will be several other projects coming to the Brownfield Redevelopment Authority soon.

LaRussa commended GLP for their recently completed project. He said it was a very successful project and the Authority was happy to be able to make it happen for them. He also congratulated Robertson Brothers for the next steps on their developmen

ADJOURNMENT

MOTION by Murphy, supported by Eudy to adjourn the meeting. MOTION CARRIED UNANIMOUSLY.

The meeting adjourned at 4:07 am.

Mary J. Mullison,	Secretary	





Memorandum

TO:

Grand River Corridor Improvement Authority

FROM:

Samantha Mariuz, Vice President Economic Development Services, AKT Peerless

Jenn Gelletly, Brownfield Incentives Project Manager, AKT Peerless

DATE:

January 4, 2024

SUBJECT:

Proposed Legion Square Development – 31775 Grand River Avenue, Farmington

Introduction & History

The proposed Legion Square Development (the "Project") will consist of four (4) buildings with eight (8) units each for a total of 32 units. Each proposed building has approximately 5,057-square feet of footprint and will be three story structures with first floor garages. Underground stormwater detention is planned for the west portion of the subject property. Prior to construction, work will include demolition of the existing building. A total of one new full-time and one part-time equivalent jobs will be created by the Project. Demolition activities are planned for March 2024 with development and construction to follow. Total private investment and development costs are expected to be \$4,750,000.

The property is considered an "Eligible Property," as defined by Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, as amended, (Act 381), Section 2 because the parcel comprising the Property has been determined to be "Functionally Obsolete" by a Michigan Master Assessing Officer (MMAO). The determination of functional obsolescence is included in Attachment C of the Brownfield Plan.

Currently, the property is a single parcel with identification number, 20-23-27-476-007, and property address of 31775 Grand River Avenue, Farmington, Michigan. Additionally, it is zoned C-3 Residential and located within the Grand River Corridor Improvement Authority (the "CIA"). The Project will achieve a preferred redevelopment use of the CIA Focus Areas identified in the Vision Plan and revitalizes an underutilized property along the Grand River corridor into productive use. Cervi Construction, LLC (the "Developer") anticipates closing on the purchase of the property in January 2024.

Eligible Activities Review

Eligible activities, including demolition, are anticipated to begin in Spring of 2024, followed by new construction activities which are expected to be completed by Fall/Winter of 2025.

The Developer is seeking reimbursement for the following (a full description of the eligible activities and a breakdown of estimated costs can be found in Section 2.1 and 2.2 of the Brownfield Plan as well as in Table 1 attached to the Brownfield Plan):



ELIGIBLE ACTIVITIES COST SUMMARY	
	Estimated
	Cost of
	Eligible Activity
Preapproved Activities	\$ 8,043
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES	\$ 8,043
Demolition	\$ 140,800
Lead and Asbestos Activities	\$ 35,000
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES	\$ 175,800
Total Environmental a	nd Non-Environmental Eligible Activities \$ 183,843
	15% Contingency on Eligible Activities \$ 26,370
Brownfield Plan Preparation	\$ 5,000
Brownfield Plan Implementation	\$ 3,500
Total Eligible	Activities Cost with 15% Contingency \$ 218,713
BRA Administration Fee	\$ 47,445
Local Brownfield Revolving Fund (LBRF)	\$ 218,713
To	tal Eligible Costs for Reimbursement \$ 484,871

The 15% contingency excludes Preapproved activities and Brownfield Plan Preparation and Implementation. Administrative capture for the BRA is 10% annual on local tax increment revenue. The full assessment of the redevelopment is expected in 2026 with a 1% inflation rate multiplier assumed in the subsequent years.

Brownfield TIR Estimates

It is estimated that an average of \$53,000 in annual Tax increment Revenue (TIR) may be available after completion of the Project to reimburse incurred Developer eligible activities expenses. The Brownfield Plan also includes five years of Local Brownfield Revolving Fund (LBRF) capture after eligible activities are repaid for a total estimated plan length of 11 years.

This Brownfield Plan Request is for local taxing jurisdictions only and does not include a request for state tax capture under an Act 381 Work Plan. However, according to Act 381, Preapproved activities are eligible to be reimbursed with a split of school tax increment revenue and local tax increment revenue. Final determination to use school TIR will be determined by the Farmington Brownfield Redevelopment Authority.

Conclusion

The Brownfield Plan for Legion Square Development as presented meets the policies and procedures of the Farmington Brownfield Redevelopment Authority as well as Act 381. The Developer is requesting the Brownfield Plan be reviewed by the Grand River Corridor Improvement Authority and finally recommended to the Farmington Brownfield Redevelopment Authority for their review and approval. Final approval will be determined by Farmington City Council following a Public Hearing. The Corridor Improvement Authority and the Brownfield Redevelopment Authority will need to enter into an Interlocal Agreement to transfer Tax Increment Revenues from the CIA to the BRA to reimburse the developer for Eligible Activities conducted under approved Brownfield Plan and terms of the Reimbursement Agreement.

Table 1. Eligible Activities

Legion Square Redevelopment 31775 Grand River Farmington, MI AKT Peerless Project No. 18347f-1-25

ELIGIBLE ACTIVITIES COST SUMMARY					
				Estimated	
				Cost of	Local-Only
			Elig	Eligible Activity	TIF
Preapproved Activities				\$ 8,043	\$ 8,043
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 8,043	\$ 8,043
Demolition				\$ 140,800	\$ 140,800
Lead and Asbestos Activities				\$ 35,000	\$ 35,000
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$ 175,800	\$ 175,800
Total Environmental and Non-Environmental Eligible Activities	ironmental El	ligible A		\$ 183,843	\$ 183,843
15% Cc	15% Contingency on Eligible Activities	Eligible Ac	tivities	\$ 26,370	\$ 26,370
Brownfield Plan Preparation				\$ 5,000	\$ 5,000
Brownfield Plan Implementation				\$ 3,500	\$ 3,500
Total Eligible Activities Cost with 15% Contingency	Cost with 159	% Contil	ngency	\$ 218,713	\$ 218,713
BRA Administration Fee				\$ 47,445	
Local Brownfield Revolving Fund (LBRF)				\$ 218,714	
Total Eligible Costs for Reimbursement	Costs for Re	eimburs	sement	#DIV/0!	\$ 218,713



Table 2. Tax Increment Revenue Estimates Legion Square Redevelopment 31775 Grand River, Farmington, MI AKT Peerless Project No. 18347f

	0 11	33 2034	- \$ -	\$ 1,543,071	7,793 \$ 1,543,071 Total Increase in Tax Revenues	during the Plan	9,167 \$ 9,258 \$ 80,101	27,500 \$ 27,775 \$ 231,753	36,667 \$ 37,034 \$ 311,854		8,719 \$ 8,806 \$ 76,185	\$	4,549 \$ 4,595 \$ 39,753	287 \$ 290 \$ 2,511	6,063 \$ 6,124 \$ 52,981	2,275 \$ 2,298 \$ 19,880	\$ 21,449 \$ 18	\$	\$	3,056 \$ 3,086 \$ 26,700		s	1,451 \$ 1,466 \$ 12,683	316 \$ 319 \$ 2,763	54,296 \$ 54,839 \$ 474,447		4,889 \$ 4,938 \$ 42,720	297 \$ 300 \$ 2,597	144 \$ 146 \$ 1,262	5,330 \$ 5,384 \$ 46,579
	9 10	2032 2033	\$ - \$	\$ 1,512,666 \$ 1,527,793	\$ 1,512,666 \$ 1,527,793		\$ 9,076 \$	\$ 27,228 \$ 2	\$ 36,304 \$ 3		\$ 8,632 \$	\$ 2,230 \$	\$ 4,504 \$	\$ 285 \$	\$ 6,003 \$	\$ 2,253 \$	\$ 21,026 \$ 2	\$ 151 \$	\$ 2,124 \$	\$ 3,025 \$	\$ 1,256 \$	\$ 519 \$	\$ 1,437 \$	\$ 313 \$	\$ 53,758 \$ 5		\$ 4,841 \$	\$ 294 \$	\$ 143 \$	\$ 5,278 \$
	7 8	2030 2031	· \$ -	\$ 1,482,861 \$ 1,497,689	\$ 1,482,861 \$ 1,497,689		8,897 \$ 8,986	26,691 \$ 26,958	35,589 \$ 35,945		8,462 \$ 8,547	2,186 \$ 2,208	4,416 \$ 4,460	279 \$ 282	5,885 \$ 5,944	2,208 \$ 2,230	20,612 \$ 20,818	148 \$ 150	2,082 \$ 2,103	2,966 \$ 2,995	1,231 \$ 1,243	509 \$ 514	1,409 \$ 1,423	307 \$ 310	52,699 \$ 53,226		4,745 \$ 4,793	288 \$ 291	140 \$ 142	5,174 \$ 5,225
	9	2029 20	\$ - \$	\$ 1,468,179	\$ 1,468,179		\$ 8,809 \$	\$ 26,427 \$	\$ 35,236 \$		\$ 8,378 \$	\$ 2,164 \$	\$ 4,372 \$	\$ 276 \$	\$ 2,827 \$	\$ 2,186 \$	\$ 20,408 \$	\$ 147 \$	\$ 2,061 \$	\$ 2,936 \$	\$ 1,219 \$	\$ 504 \$	\$ 1,395 \$	\$ 304 \$	\$ 52,177 \$		\$ 4,698 \$	\$	\$ 139 \$	\$ 5,122 \$
olete	2 2	2027 2028	· \$	\$1,439,250 \$1,453,643	\$1,439,250 \$1,453,643		8,636 \$ 8,722	25,907 \$ 26,166	34,542 \$ 34,887		8,213 \$ 8,296	2,122 \$ 2,143	4,286 \$ 4,329	271 \$ 273	5,712 \$ 5,769	2,143 \$ 2,165	20,006 \$ 20,206	144 \$ 145	2,021 \$ 2,041	2,879 \$ 2,907	1,195 \$ 1,207	494 \$ 499	1,367 \$ 1,381	298 \$ 301	51,149 \$ 51,661		4,606 \$ 4,652	٠,	136 \$ 137	5,022 \$ 5,072
Construction Complete 1.01	e	2026	\$ - \$	\$1,425,000 \$1,	\$1,425,000 \$1,		\$ 8,550 \$	\$ 17,100 \$	\$ 8,550 \$		\$ 8,132 \$	\$ 2,101 \$	\$ 4,243 \$	\$ 268 \$	\$ 2,655 \$	\$ 2,122 \$	\$ 19,808 \$	\$ 143 \$	\$ 2,001 \$	\$ 2,850 \$	\$ 1,183 \$	\$ 489 \$	\$ 1,354 \$	\$ 295 \$	\$ 50,643 \$		\$ 4,560 \$	\$ 277 \$	\$ 135 \$	\$ 4,972 \$
Redevelopment Phase	1 2	2024 2025	· •		· s ·		٠ \$ -	- \$ -	s.		- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	- \$ -	. \$.	- \$ -	- \$ -	- \$ -	\$		· •	· •	- \$ -	· •
Estimated TV Increase rate:	Plan Year	Calendar Year	Initial Taxable Value \$	Estimated New TV \$	ew TV - Initial TV) \$	· ·	Incremental \$	Incremental \$	s,	a	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	Incremental \$	·γ	a	New TV \$	New TV \$	New TV \$	\$
Estimatec			Initi	Post-Dev TV (30% of Project Investment)	Incremental Difference (New TV - Initial TV) \$	not captured Millage Rate	ax (SET) 6.0000	Tax 18.0000	School Total 24.0000	Millage Rate	tal 5.7067	1.4742	ool Vote 2.9777	ool Allocation 0.1881	3.9686	ity College 1.4891	13.9000	ent 0.1000	1.4040	2.0000	0.8302	0.3431	0.9500	0.2070	Local BRA Total 35.5387	Aillages Millage Rate	3.2000	0.1945	0.0945	Total Non-Capturable Taxes 3.4890
				Post-Dev TV (30% of		School Capture - not captured	State Education Tax (SET	School Operating Tax		Local Capture - BRA	School Supplemental	Library	Intermediate School Vote	Intermediate School Allocation	County Operating	Oakland Community College	City Operating	Capital Improvement	City Streets	City 2018 (CAP)	City 2018 (OP)	County PK & REC	Oakland Transit	HCMA		Non-Capturable Millages	School Debt	Zoo Authority	Art Institute	Total No



Table 3. Reimbursement Allocation Schedule Legion Square Redevelopment 31775 Gand River, Farmington, MI AKT Peerless Project No. 18347f

Total		218,713	218,713
	45	S	\$
ocal-Only Taxes		218,713	218,713
7	_	s	\$
School & Local Taxes	•	- \$. \$
Proportionality	%0.0	100.0%	
Projected Reimbursement	School	Local	TOTAL

Estimated Cap	apture		
Administrat	tive Fees	s	47,445
Local Revolv	ving Fund	s	218,714

0000	,		_				Cationated Tatal Vacant of Diam.	. and O'd and	7	Maria	Administrative rees	n	41,440	
Local 100.0%	\$	- \$	218,713	\$ 218,713			estimated Total Yea	ars or Plan:	11	Local	Local Revolving Fund	s	218,714	
TOTAL	\$	\$ -	218,713	\$ 218,713		•								
													End Plan	
	Plan Year	ar	1	2	3	4	2	9	7	89	6	10	11	
	Calendar Year	Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	IOIAL
Total Local Incremental Revenue		s	1	- \$	\$ 50,643	s	\$ 51,661 \$	52,177 \$	52,699 \$	53,226 \$	53,758 \$	54,296 \$	54,839	\$ 258,328
BRA Administrative Fee	(10% of BRA Local) \$	Local) \$			\$ 5,064	\$ 5,115	\$ 5,166 \$	5,218 \$	5,270 \$	5,323 \$	5,376 \$	5,430 \$	5,484	\$ 25,833
Local TIR Available for Reimbursement	¥	\$		•	\$ 45,578	\$	\$ 46,495 \$	46,959 \$	47,429 \$	47,903 \$	48,382 \$	48,866 \$	49,355	32,496
Total State & Local TIR Available		*			\$ 45,578	\$ 46,034	\$ 46,495 \$	46,959 \$	47,429 \$	47,903 \$	48,382 \$	48,866 \$	49,355	
DEVELOPER	Beginning Balance	90												
DEVELOPER Reimbursement Balance \$		218,713 \$	218,713	\$ 218,713 \$	\$ 173,134 \$	\$ 127,100 \$	\$ 809'08 \$	33,646 \$	\$ -	\$ -	\$ -	\$ -	•	
LOCAL-ONLY Reimbursement Balance \$		218,713 \$	218,713 \$	\$ 218,713	\$ 173,134 \$	\$ 127,100 \$	\$ 80,605 \$	33,646 \$	\$ -	\$.	\$ -	\$		
Eligible Activities Reimbursement	\$	218,713 \$,	\$ 45,578			46,959 \$	33,646 \$	•	· ·	· s	,	\$ 218,713
Interest Reimbursement	\$	- \$		- \$	- \$	- \$	\$ - \$	\$ -	s .	\$ -	\$ -	s ·	'	
Total Local-Only TIR Reimbursemen	iei	s			\$ 45,578	\$ 46,034	\$ 46,495 \$	\$ 656'97	33,646 \$	\$ -	\$	\$ -	'	\$ 218,713
Total Annual Developer Reimbursemen		S		5	\$ 45,578	\$ 46,034	\$ 46,495 \$	46,959 \$	33,646 \$	\$	90	1		\$ 218,713
	LBRF Year	ar	0	0	0	0	0	0	1	2	3	4	5	
LBRF Deposits		\$		- \$. \$. \$	\$ - \$	\$ -	47,429 \$	47,903 \$	48,382 \$	48,866 \$	26,132	218,714
LOCAL	5 21	218,713			- \$. \$	\$.	s ·	47,429 \$	47,903 \$	48,382 \$	48,866 \$	26,132	



BROWNFIELD PLAN FOR THE PROPOSED LEGION SQUARE DEVELOPMENT 31775 GRAND RIVER AVENUE FARMINGTON, OAKLAND COUNTY, MICHIGAN

SUBMITTED TO:

THE CITY OF FARMINGTON
BROWNFIELD REDEVELOPMENT AUTHORITY
23600 LIBERTY STREET
FARMINGTON, MICHIGAN

ON BEHALF OF:

CERVI CONSTRUCTION, LLC 12419 STARK ROAD LIVONIA, MICHIGAN 48150

PREPARED BY:

McDOWELL & ASSOCIATES 21355 HATCHER AVENUE FERNDALE, MICHIGAN 48220 Ph: (248) 399-2066 Fax: (248) 399-2157

www.mcdowasc.com

JANUARY 4, 2024

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Geotechnical, Environmental & Hydrogeological Services • Materials Testing & Inspection

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1.0 INTRODUCTION

In order to promote the revitalization of environmentally impacted and other eligible areas within the boundaries of Farmington, Michigan (the "City"), the City has established the Farmington Brownfield Redevelopment Authority (FBRA) pursuant to Michigan Public Act 381 of 1996, as amended ("Act 381").

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

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

This Brownfield Plan describes the project to be completed and contains information required by Section 13(2) of Act 381.

1.1 PROPOSED REDEVELOPMENT AND FUTURE USE OF ELIGIBLE PROPERTY

The proposed Legion Square Development (the "Project") is located at 31775 Grand River Avenue in the City of Farmington, Oakland County, Michigan (the "subject property"). The 1.385-acre property is situated along the Grand River corridor between Power Road and Orchard Lake Road. The subject property is currently developed with an approximate 10,000-square foot building constructed in 1945. It is located within the bounds of the Grand River Corridor Improvement Authority (the "CIA") district with a preference for mixed-use land uses, including residential.

Cervi Construction, LLC (the "Developer) will develop the subject property into the Legion Square Development, which will consist of four buildings with eight units each for a total of 32 units. Each proposed building has approximately 5,057-square feet of footprint and will be three-story structures with first floor garages. Underground stormwater detention is planned for the west portion of the subject property. Prior to construction, work will include demolition of the existing building. Cervi Construction anticipates being reimbursed for eligible activities with the estimated tax increment revenues generated after completion of the development.

The Legion Square Development will achieve a CIA focus area preferred developed use and put an underutilized property along the Grand River corridor into a productive use. The improved property can be expected to increase property values for other properties in its vicinity.

Demolition activities are planned for March 2024 with development and construction to follow. It is expected that eligible activities addressed in this Brownfield Plan will be completed by Summer/Fall 2024. Site development and construction activities are expected to be completed by Fall/Winter 2025.

Total private investment and development costs are expected to be \$4,750,000. A Site Rendering and Legion Square Development site plan are included as Figures 3 and 4.

A total of one new full-time and one part-time equivalent jobs will be created by the Project.

This Brownfield Plan has been prepared to qualify the subject property as eligible property in accordance with Act 381 and to identify eligible asbestos abatement and demolition costs for the existing building as well as environmental assessment related expenses incurred to date. The existing building has been determined to be functionally obsolete.

1.2 ELIGIBLE PROPERTY INFORMATION

The subject property consists of approximately 1.385 acres of land located at 31775 Grand River Avenue in Farmington, Oakland County, Michigan. A Site Location Map, which shows the general location of the subject property, is included as Figure 1. The subject property is associated with parcel ID 20-23-27-476-007. The parcel and all tangible real and personal property located thereon will comprise the Eligible Property, which is referred to as the "subject property." The subject property is located in the Grand River Corridor Improvement Authority (CIA) district. Refer to Figure 2- Eligible Property Map. A legal description is provided as Attachment A.

The subject property is in intermittent use as an American Legion Hall. Cervi Construction, LLC intends to purchase the property in January 2024. The property will be vacant by the end of February 2024. The 2023 taxable value of the parcel is \$0, the year in which the subject property was included in this Brownfield Plan.

The subject property is considered "eligible property" as defined by Act 381, Section 2, because it has been determined to be functionally obsolete by a Michigan Master Assessing Officer (MMAO) and is located in a non-core community. A Signed Affidavit for Functional Obsolescence is included as Attachment C.

2.0 INFORMATION REQUIRED BY SECTION 13(2) OF THE STATUTE

2.1 DESCRIPTION OF COSTS TO BE PAID FOR WITH TAX INCREMENT REVENUES

Eligible costs for the Project include environmental assessments, asbestos surveys, costs associated with the preparation of this Brownfield Plan, asbestos abatement, demolition, environmental related engineer and legal fees, and a post-asbestos abatement visit to confirm abatement of asbestos. The post-abatement visit includes costs for an additional site visit as well as additional sampling and testing in the event that suspect materials are encountered during the demolition process that are not addressed during the original abatement.

The following is a description of each activity considered eligible under the Act. Some of the activities have been completed prior to Brownfield Plan approval.

Environmental Assessment – A Phase I Environmental Site Assessment (ESA) was completed for the subject property for All Appropriate Inquiry purposes on December 15,

2022. The Phase I ESA did not identify recognized environmental conditions. A Phase I ESA Update will be required so that All Appropriate Inquiry is extended through the closing date anticipated in January 2024.

Asbestos Surveys – An asbestos survey was completed for the subject property on November 22, 2022. That report identified the presence of asbestos-containing floor tile, joint compound, window glazing, and caulk and presumed asbestos-containing roofing materials, each of which will require abatement by a licensed asbestos abatement contractor prior to demolition of the building.

Costs associated with environmental assessments and asbestos surveys are considered "Department Specific Pre-Approved" eligible activities under Section 13b(7) and (8) of the Act and are able to be reimbursed from a split of local and school tax increment revenues without prior approval from the Michigan Department of Environment, Great Lakes, and Energy (EGLE). See attached Table 1 and 3 for details. The utilization of only School Operating tax increment revenues for these activities is demonstrated in Table 3. If the FBRA, the Farmington City Council, or any other local governing body do not approve the utilization of School Operating tax increment revenues for the cost of Pre-Approved eligible activities identified in this plan, these costs will be reimbursed with local only tax increment revenues.

Brownfield Plan Preparation and Implementation – Brownfield Plan preparation and implementation costs will be reimbursed from local only tax increment revenue.

Asbestos Abatement – Asbestos abatement will occur during the demolition of the existing building on the subject property. Costs associated with asbestos abatement including monitoring, air clearance reports, post abatement visits, and any associated soft costs will be reimbursed from local only tax increment revenues.

Building Demolition – Building demolition of the existing 10,000 sq. ft building will occur on the subject property. The costs for demolition and any associated soft costs will be reimbursed from local only tax increment revenues.

Contingency – A contingency of 15% is included to address any unanticipated issues that could arise during redevelopment and will be applied to asbestos abatement and demolition activities only. With a property that will undergo extensive excavating activities including subsurface utility construction and footing and pavement construction, unexpected conditions could occur. Utilizing contingency in this event is anticipated to be more cost effective than attempting to investigate every possibility in advance of development. Any contingency utilized will be reimbursed from local only tax increment revenues.

Act 381 Section 13b(7) authorizes reimbursement to a Brownfield Redevelopment Authority for operating and administrative costs. The FBRA will retain an annual administrative fee of 10% of the local tax increment revenues for the duration of the plan.

Act 381 Section 8 authorizes the Brownfield Redevelopment Authority to deposit excess tax increment revenues into a Local Brownfield Revolving Fund (LBRF). The FBRA will capture the

excess tax increment revenues after the full reimbursement of Developer eligible activities, up to the statutory limits of the Act. The accompanying Table 3 shows the estimated capture of excess state and local tax increment revenues.

2.2 SUMMARY OF ELIGIBLE ACTIVITIES

"Eligible activities" are defined by Section 2 of Act 381. The Project's anticipated eligible activities and their estimated costs are shown below. The eligible activities are also detailed in the accompanying Table 1.

Eligible Activities	Estimated Cost	Completion Season/Year
EGLE Pre-Approved Activities		
Phase I ESA	\$2,950	Complete
Phase I ESA Update	\$1,250	Winter 2024
Asbestos Survey	\$3,843	Complete
Subtotal	\$8,043	14. P. C.
Eligible Activities	May All	· ·
Asbestos Abatement	\$35,000	Spring 2024
Building Demolition	\$140,800	Summer/Fall 2024
Contingency (15%)	\$26,370	
Subtotal:	\$202,170	
Brownfield Plan Preparation	\$5,000	Complete
Brownfield Plan Implementation	\$3,500	
Subtotal All Activities:	\$218,713	
Other Eligible Fees (not Developer incurred)		
FBRA Administrative Fees	\$47,445	
Local Brownfield Revolving Fund Deposit	\$218,713	
Total:	\$484,871	

The Developer desires to be reimbursed for the cost of eligible activities performed which is estimated to total \$218,713 including contingency. The FBRA will capture the local and school tax increment revenues to reimburse the Developer the costs of the eligible activities completed on the subject property, pursuant to the terms of a Reimbursement Agreement with the FBRA (the "Reimbursement Agreement") and subject to limits contained in Act 381.

Tax increment revenues will first be used to pay FBRA administrative fee, second to repay Developer eligible activities, and lastly to fund the LBRF. Total estimates for all reimbursements are described in the table above and in attached Tables 1 and 3. The amount of school tax revenues, which will be used to reimburse the costs of implementing eligible activities at this site, will be limited to the cost of eligible activities which are considered "Pre-Approved" under Act 381. It is expected that the FBRA will capture tax increment revenues for a period of 10 years from the date after project completion when tax revenues are first generated.

The costs of eligible activities are estimated and may increase or decrease depending on the nature and extent of existing environmental and site conditions of subject property and other unknown

conditions during redevelopment. The actual cost of the eligible activities encompassed by this Brownfield Plan which will qualify for reimbursement from tax increment revenues shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381.

The Reimbursement Agreement and this Brownfield Plan will dictate the total cost of eligible activities for Developer reimbursement, provided that the total cost of eligible activities does not exceed the estimated costs set forth above without an amendment to this Brownfield Plan. As long as the total costs are not exceeded, line-item costs of eligible activities may be adjusted after the date this Brownfield Plan is approved by the FBRA and City Council.

2.3 ESTIMATE OF CAPTURED TAXABLE VALUE AND TAX INCREMENT REVENUES; ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON REVENUES OF TAXING JURISDICTIONS

The initial taxable value of this Brownfield Plan is \$0 and is based upon the 2023 assessed taxable value of the subject property. However, the initial taxable value of the plan may be adjusted due to the transfer of the property to the Developer under a purchase agreement and after 2024 property assessment is performed. Redevelopment of the subject property is expected to initially generate significant increase in taxable value estimated to total \$1,425,000 beginning in 2025 or upon the completion of the Project. The increase in taxable value is calculated to equal 30% of the Project's private investment.

The captured incremental taxable value and associated tax increment revenues will be based on the actual increased taxable value from all taxable improvements on the subject property, any personal property located on the subject property, and the actual millage rates levied by the various taxing jurisdictions during each year of the plan, as shown in attached Table 2. The actual tax increment revenues 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.

As the subject property is located within the Grand River Corridor Improvement Authority (the "CIA") district, the CIA has the authority to capture 100% of the local tax increment revenues other than intermediate school district taxes. It is expected that an interlocal agreement will be executed between the FBRA and the CIA which will transfer 100% of the tax increment revenues capture to the FBRA for the purposes of this plan. The estimated tax increment revenues to be captured and the impact on the taxing jurisdictions is detailed in attached Tables 2 and 3.

The total estimated cost of eligible activities and other eligible costs (including administrative fees, contingency, and LBRF deposits) to be reimbursed through the capture of tax increment revenues is projected to total \$484,871. It is expected that the FBRA will utilize the tax increment revenues from 2026 through 2034 to reimburse the Developer for eligible activities and contingencies, pay BRA administrative and operating fees and the local brownfield revolving fund (LBRF) deposits.

2.4 METHOD OF FINANCING AND DESCRIPTION OF ADVANCES MADE BY THE MUNCIPALITY

The eligible activities, including contingencies, will be paid in full by the Developer in advance of reimbursement and are not expected to exceed \$218,713. Reimbursement will be made by available tax increment revenues from school and local taxes.

The eligible activities are to be financed solely by the Developer. The FBRA will only reimburse the Developer for the actual costs of eligible activities and only from tax increment revenues generated from the subject property. No advances have been or shall be made by the City or the FBRA for the costs of eligible activities under this Brownfield Plan.

All reimbursements authorized under this Brownfield Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the FBRA to fund such reimbursements and does not obligate the FBRA, CIA, Oakland County or the City of Farmington to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this plan, or which are permitted to be reimbursed under this plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Brownfield Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the plan, will be provided solely under the Reimbursement Agreement contemplated by this Brownfield Plan.

2.5 MAXIMUM AMOUNT OF NOTE OR BONDED INDEBTEDNESS

The FBRA nor the City shall not incur any note or bonded indebtedness to finance the purposes of this Brownfield Plan.

Reimbursements to the Developer will be in accordance with the Reimbursement Agreement and shall not exceed the cost of eligible activities permitted under this plan.

2.6 DURATION OF BROWNFIELD PLAN

Unless otherwise agreed to in writing by the FBRA, this Brownfield Plan shall expire and no longer be valid if the Developer and the FBRA have not finalized and executed the Reimbursement Agreement within one hundred and eighty (180) days after the date this plan is approved by FBRA and City of Farmington, or such other date as the FBRA may agree to in writing.

The estimated length of this Brownfield Plan is 11 years, with 2024 as the anticipated approval year of the plan, and 2026 projected to be the year that full increase in taxable value will occur. If it is found to be necessary to add further eligible activities not currently included in this Brownfield Plan, an amendment to the plan will be necessary and may extend the length of the Brownfield Plan. However, in no event shall the duration of the plan exceed 35 years following the date of the Farmington City Council resolution approving this Brownfield Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years.

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

2.7 STATEMENT OF QUALIFYING CHARACTERISTICS AND PERSONAL PROPERTY

On July 21, 2023, Matthew J. Schmidt, Michigan Master Assessing Officer (4) inspected the property to evaluate its functionality. His affidavit concludes, "The current condition of this former American Legion building is, in my opinion, functionally obsolete according to MCL 125.262(u) of the Brownfield Redevelopment Financing Act, as amended."

There is a 19th Century canon displayed at the property. Plans call for it to be incorporated into future facility landscaping.

2.8 ESTIMATES OF RESIDENTS AND DISPLACEMENT OF INDIVIDUALS/FAMILIES

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

Figure 1
Site Location Map of Eligible Property



JOB NUMBER: 22-16338

SITE LOCATION MAP

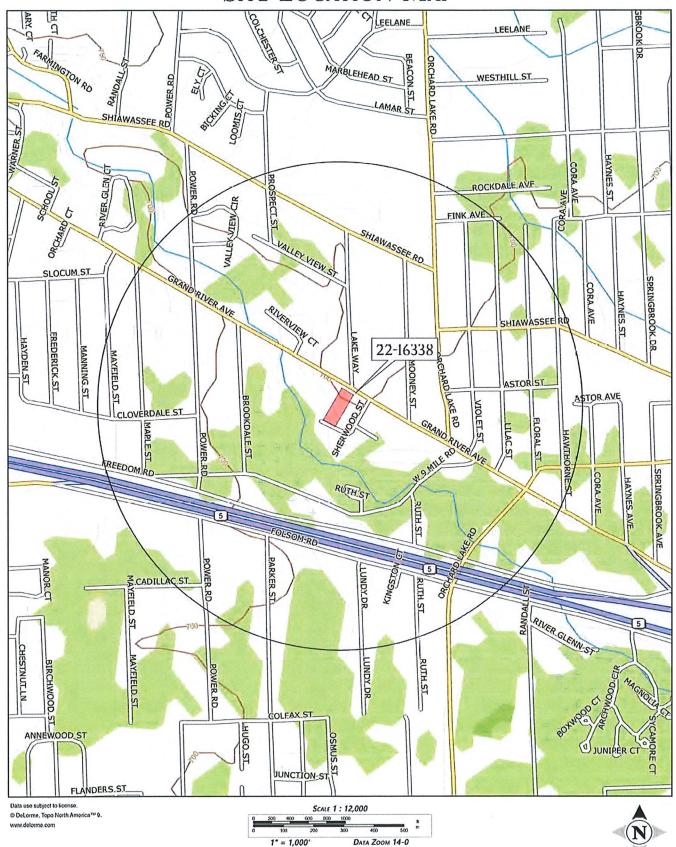


Figure 2
Eligible Property Boundary Map

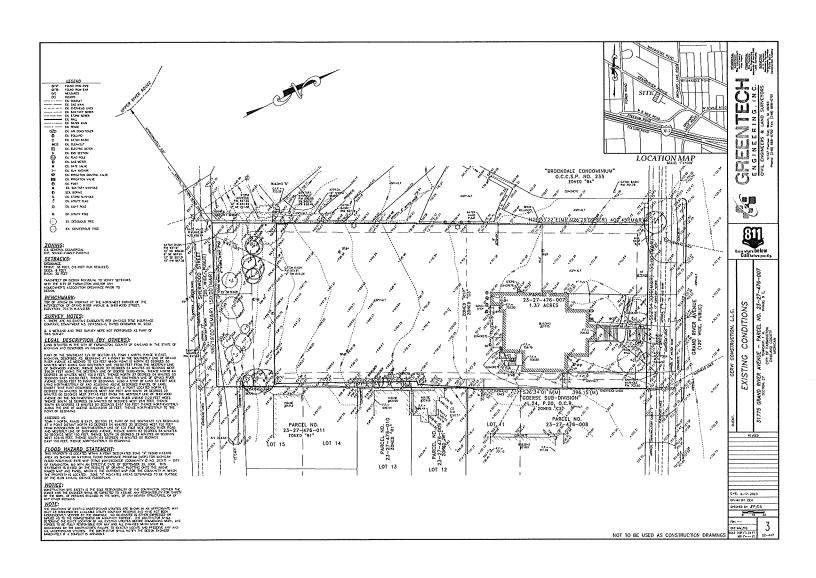
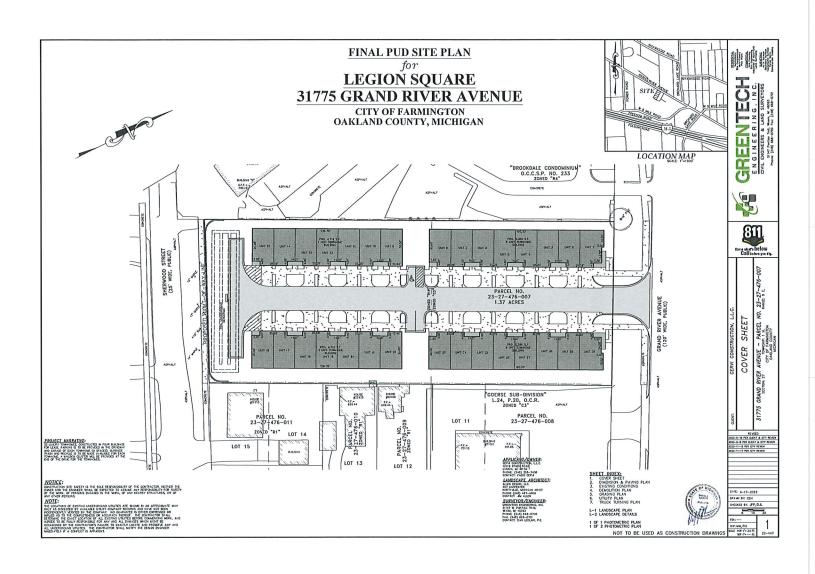
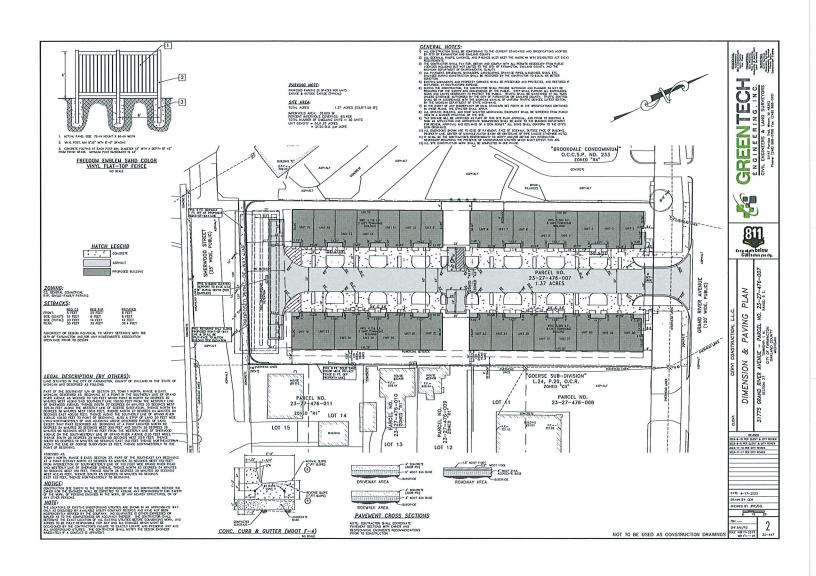


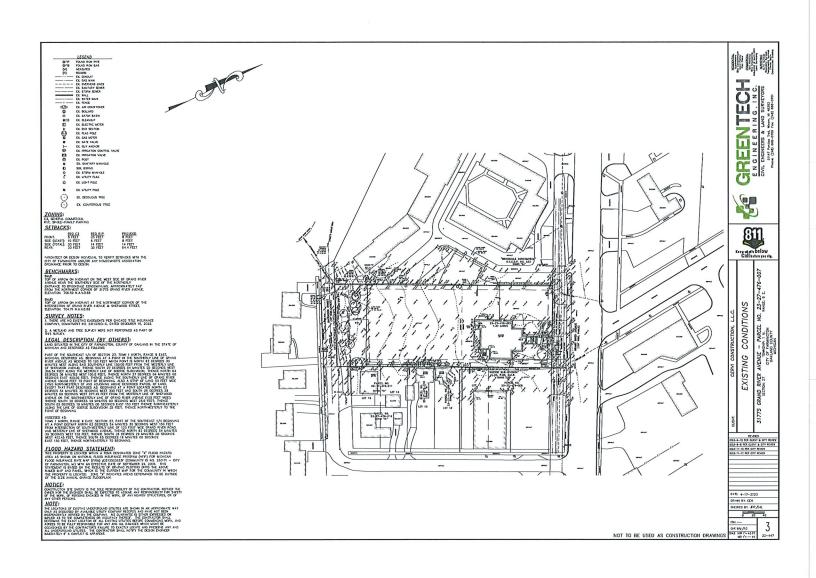
Figure 3
Site Rendering(s)

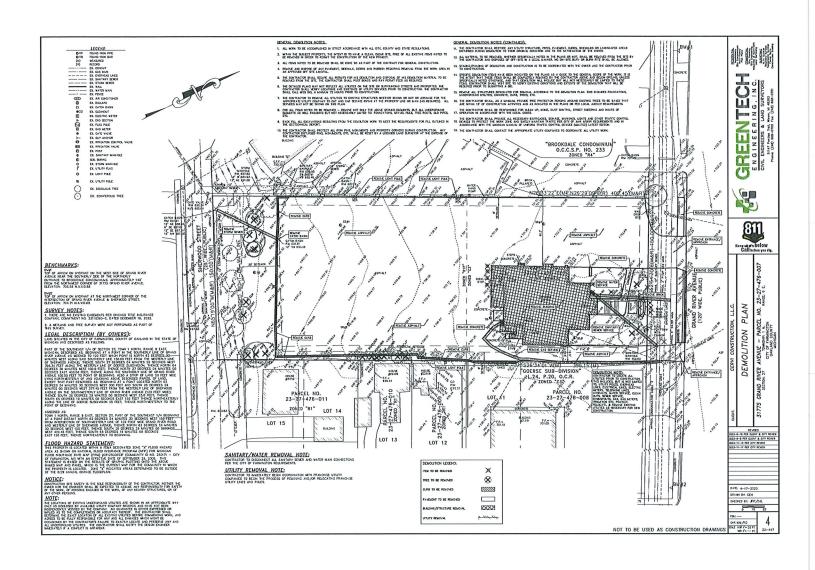


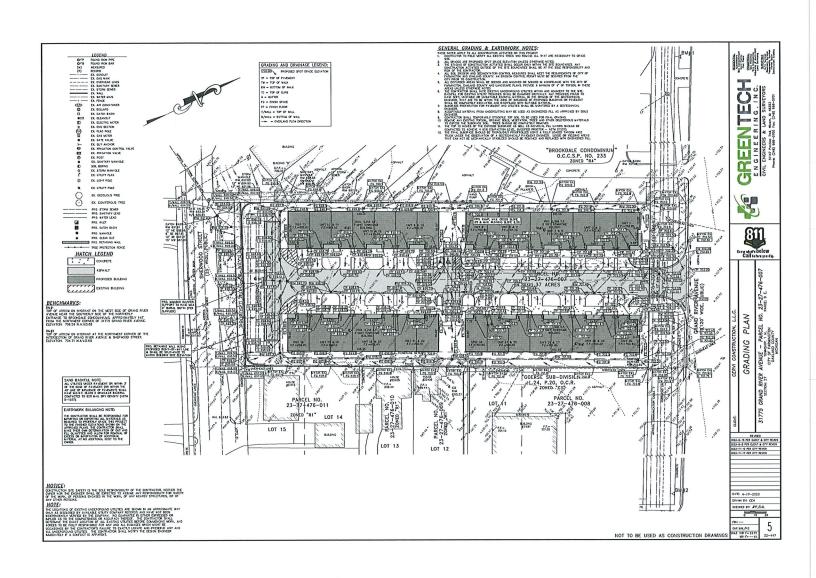
Figure 4
Engineering Site Plan(s) or Site Plan(s)

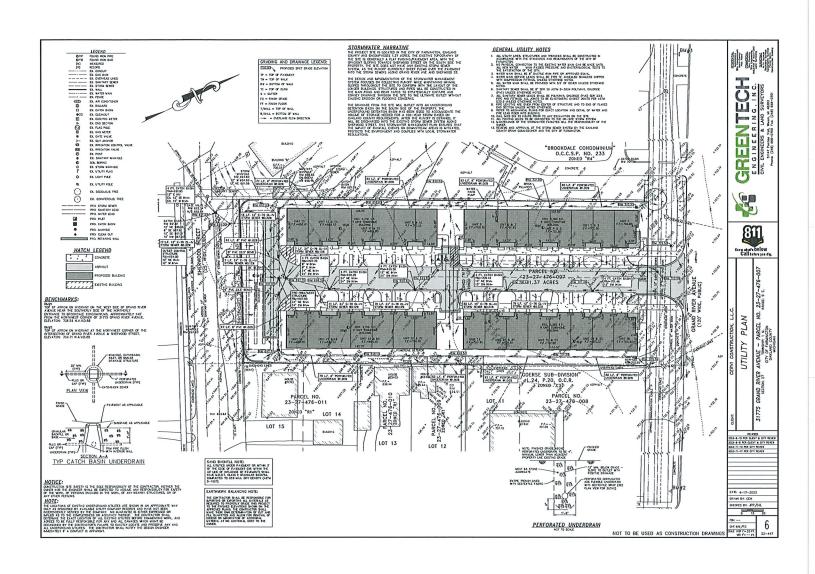


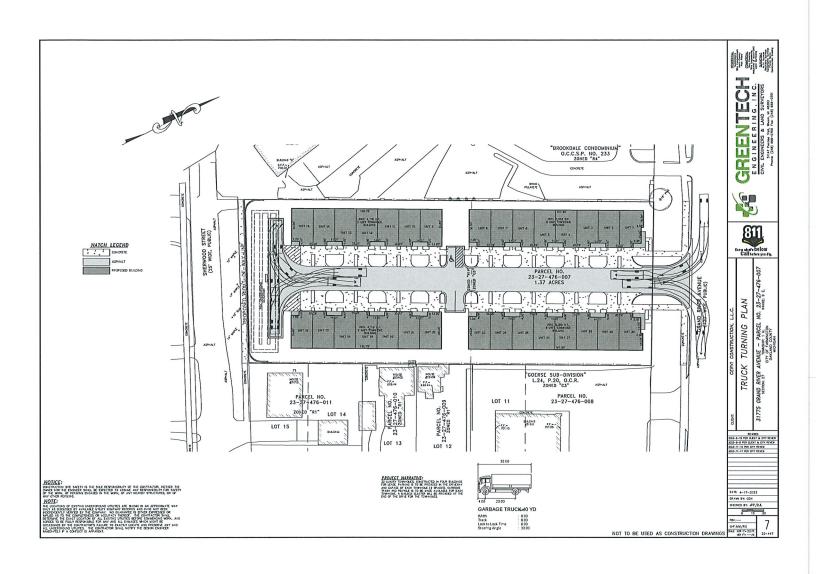




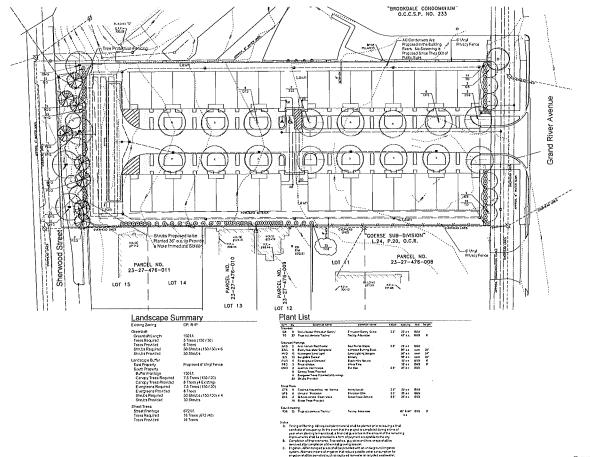












ALLENDESIGN



Landscape Plan

Project: Legion Square Farmington, Michigan

Prepared for:

Cerui Construction 12419 Stark Road Livonia, Michigan 45150

Revision:	Issued:
Submostion	April 17, 2123
Pedast	June 15, 2321
Femal	Omsber 13, 2021
Recised	Occaber 27, 2121

Job Number:

Drawn By: Checked By:



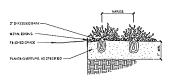


L-1



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DECIDUOUS TREE PLANTING DETAIL

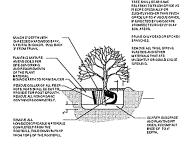


PERENNIAL PLANTING DETAIL





EVERGREEN TREE PLANTING DETAIL



SHRUB PLANTING DETAIL

LANDSCAPE NOTES

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Landscape Details

Project

Legion Square Farmington, Michigan

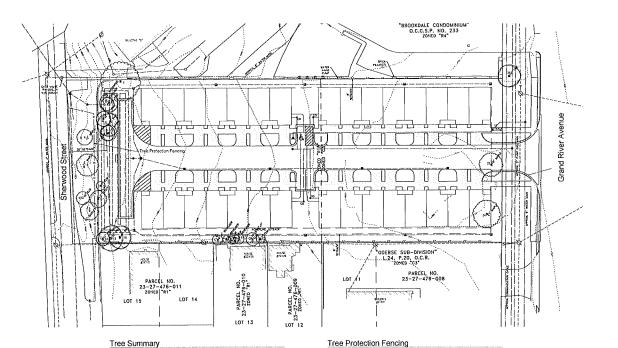
Prepared for: Centi Construction 12419 Stark Road Divorse, Michigan 48150

Issued:

Job Number:

Drawn By: Checked By:

L-2



Prepared for: Geni Construction 12419 Stark Road Liveria, Michigan 48190

Title: Woodland Plan

Project: Legion Square Farmington, Michigan

ALLENDESIGN EST Gargeries Newtodia Web gar as 167 n patha forentiamentum EST 451 451 4516

Revision:	lssued:
Submission	April 17, 2123
Perised	June 11, 2123
Recred	Constant 18, 2323
Period	Corsher 27, 2023

Job Number:

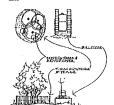
Drawn By: Checked By:





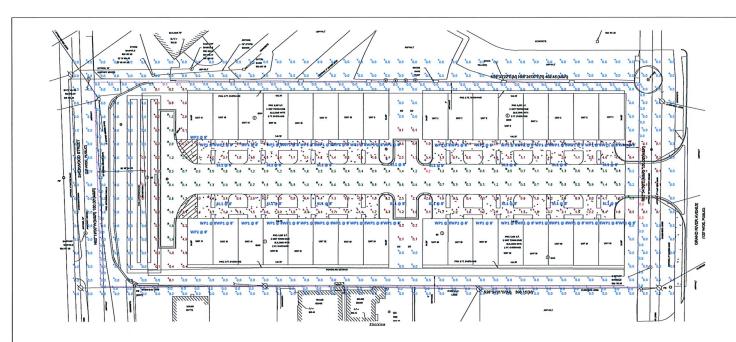
L-3

TYPICAL SNOWFENCE INSTALLATION



Tree Summary
Total Trees
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Landrach Digit Removed
Landrach Register
Tree Register
Tree List
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tatistics							
Description	Symbol	Avg	Max	Min	Avg/Min	Max/Min	
Central Drive and Parking	ж	1.2 fc	4.2 fc	0.2 fc	6.0:1	21.0:1	
Overall Grade	+	0.7 fc	5.9 fc	0.0 fc	N/A	N/A	
Property Line	+	0.0 fc	0.2 fc	0.0 fc	N/A	N/A	

EER ANDOR ARCHITECT HUST DETERMINE APPLICABILITY OF THE LAYOUT TO EXISTING / FUTURE FIELD CO LAYOUT REPRESENTS ILLUMINATION LEVELS CALCULATED FROM LABORATORY DATA TAKEN UNDER CONTROL CEW THE ALLUMINATURE DEGIDERATION SOCIETY APPROVED PROMISOOS, ACTULA REPROPANANCE OF ANY MAN MAY WARY DUE TO VARIATION IN ELECTRICAL NOLTAGE, TOLERANCE IN LAYPS, AND OTHER VARIABLE FIELD REGIOTS DIOCLETUSE FROM GROUPE AND/OR TROOK UP.

NES CONTACT GASSER BUSH AT QUOTES@GASSERBUSH.COM OR 734-266-6705

Symbol	ymbol Label Qu		Manufacturer	Catalog Number	Description	Lumens Per Lamp	Light Loss Factor	Wattage
	SL1	16	Brownlee Lighting	7080-C17-40K	Black plastic housing, aluminum reflector, frosted plastic lens enclosure	1811	0.9	16.21
\bigcirc	WP1			Bakersville Small One Light Outdoor Wall Lantern	962	0.9	9.43	
	WP2 Lithonia WDGE2 LED P3 40K 80CRI T3M PE		WDGE2 LED WITH P3 - PERFORMANCE PACKAGE, 4000K, 80CRI, TYPE 3 MEDIUM OPTIC	3216	0.9	32.1375		

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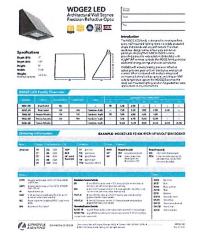


Table 1 Eligible Activities

Table 1. Eligible Activities

Legion Square Redevelopment 31775 Grand River Farmington, MI AKT Peerless Project No. 18347f-1-25

ELIGIBLE ACTIVITIES COST SUMMARY									
				ı	stimated				
			Eli	gibl	Cost of e Activity	EGLI	E & Local TIF	L	ocal-Only TIF
Preapproved Activities				\$	8,043	\$	8,043	\$	-
TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$	8,043	\$	8,043	\$	
Demolition				\$	140,800	\$	-	\$	140,800
Lead and Asbestos Activities				\$	35,000	\$	-	\$	35,000
TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES				\$	175,800	\$	-	\$	175,800
Total Environmental and Non-	nvironme	ntal Eligib	le Activities	\$	183,843	\$	8,043	\$	175,800
15%	6 Contingen	cy on Eligib	le Activities	\$	26,370	\$	-	\$	26,370
Brownfield Plan Preparation				\$	5,000	\$	-	\$	5,000
Brownfield Plan Implementation				\$	3,500	\$	-	\$	3,500
Total Eligible Activitie	\$	218,713	\$	8,043	\$	210,670			
BRA Administration Fee				\$	47,445				
Local Brownfield Revolving Fund (LBRF)				\$	218,713				
Total Eligi	\$	484,871	\$	8,043	\$	210,670			



Table 2

Tax Increment Revenue Estimates

Table 2. Tax Increment Revenue Estimates Legion Square Redevelopment 31775 Grand River, Farmington, MI AKT Peerless Project No. 18347f

	Estimated T	V Increase rate:	R	edevelopr	nent	Phase	Coi	nstruction 1.01	Соп	nplete																
		Plan Year	1000	1	1	2		3		4		5	3	6		7	36	8		9		10		11		
		Calendar Year		2024		2025		2026		2027	-	2028		2029		2030		2031		2032		2033		2034		
	Initial	Taxable Value	\$	-	\$		\$		\$		\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-		
Post-Dev TV (30% of Project Investment)	Esti	mated New TV	\$				\$	1,425,000	\$1	1,439,250	\$1	1,453,643	\$1	,468,179	\$1	,482,861	\$1	,497,689	\$ 1,	,512,666	\$ 1	,527,793	\$:	1,543,071		
Incremental Diffe	rence (New	TV - Initial TV)	\$		\$		\$:	1,425,000	\$1	1,439,250	\$1	1,453,643	\$1	,468,179	\$1	,482,861	\$1	,497,689	\$ 1,	,512,666	\$ 1	,527,793	\$:	1,543,071		tal Increase in
																										ax Revenues
	Millage Rati																								dı	ring the Plan
State Education Tax (SET)	6.0000	Incremental			\$		\$	8,550	\$	-/	\$	8,722	\$	8,809			\$		\$	9,076		9,167	\$	9,258	\$	80,101
School Operating Tax	18.0000	Incremental	\$		\$	-	\$	19,166	\$	25,907	\$	26,166	\$	26,427			\$	26,958		27,228		27,500	\$	27,775		240,303
School Total	24.0000		\$	-	\$	-	\$	6,484				34,887	200	35,236			\$	35,945	\$	36,304	\$	36,667	\$	37,034	\$	320,404
							A. J	Partial of S	cho	ool Operatir	ng fo	or Pre-App	rove	d EAs this	year	only										
Local Capture - BRA	Millage Rati	0																								
School Supplemental	5.7067	Incremental	Š	C. C	\$	THE PARTY	Ś	8,132	\$	8,213	\$	8,296	\$	8.378	\$	8,462	\$	8.547	\$	8,632	\$	8,719	\$	8,806	\$	76,185
Library	1.4742	Incremental			5		\$	2,101	\$	2,122	\$	2.143	\$	2,164	\$	2,186	\$	2,208	5	2,230	\$	2,252	\$	2,275	\$	19,681
Intermediate School Vote	2.9777	Incremental	Ś		Ś		\$	4,243	\$	4.286	\$	4,329	\$	4,372	\$	4,416	\$	4,460	\$	4,504	\$	4,549	\$	4,595	\$	39,753
Intermediate School Allocation	0.1881	Incremental		-	Ś		Ś	268		271	\$	273	\$	276	\$	279	\$	282	\$	285	\$	287	\$	290	\$	2,511
County Operating	3.9686	Incremental			Ś	-	Ś	5,655	\$	5,712	\$	5,769	\$	5,827	\$	5,885	\$	5,944	\$	6,003	\$	6,063	\$	6,124	\$	52,981
Oakland Community College	1.4891	Incremental		-	\$	-	S	2,122		2,143	\$	2,165	\$	2,186	\$	2,208	\$	2,230	\$	2,253	\$	2,275	\$	2,298	\$	19,880
City Operating	13.9000	Incremental	\$		\$		\$	19,808	\$	20,006	\$	20,206	\$	20,408	\$	20,612	\$	20,818	\$	21,026	\$	21,236	\$	21,449	\$	185,567
Capital Improvement	0.1000	Incremental	S		5		\$	143	\$	144	\$	145	\$	147	\$	148	\$	150	\$	151	\$	153	\$	154	\$	1,335
City Streets	1,4040	Incremental			\$	-	\$	2,001	\$	2,021	\$	2,041	\$	2,061	\$	2,082	\$	2,103	\$	2,124	\$	2,145	\$	2,166	\$	18,744
City 2018 (CAP)	2.0000	Incremental	Ś		\$		5	2,850	\$	2,879	\$	2,907	\$	2,936	\$	2,966	\$	2,995	\$	3,025	\$	3,056	\$	3,086	\$	26,700
City 2018 (OP)	0.8302	Incremental	Ś		\$		5	1,183	\$	1,195	\$	1,207	\$	1,219	\$	1,231	\$	1,243	\$	1,256	\$	1,268	\$	1,281	\$	11,083
County PK & REC	0.3431	Incremental	Ś		\$		\$	489	\$	494	\$	499	\$	504	\$	509	\$	514	\$	519	\$	524	\$	529	\$	4,580
Oakland Transit	0.9500	Incremental	\$		\$	-	\$	1,354	\$	1,367	\$	1,381	\$	1,395	\$	1,409	\$	1,423	\$	1,437	\$	1,451	\$	1,466	\$	12,683
HCMA	0.2070	Incremental			\$		\$	295	\$	298	\$	301	\$	304	\$	307	\$	310	\$	313	\$	316	\$	319	\$	2,763
Local BRA Total	35,5387	No. of Concession, Name of Street, or other Concession, Name of Street, Original Concession, Original Concession	Ś	-	\$		\$	50,643	\$	51,149	\$	51,661	\$	52,177	\$	52,699	\$	53,226	\$	53,758	\$	54,296	\$	54,839	\$	474,447
							1																			
No. Controlle Milleres	Addison Dak						1																			
	Millage Rat	New TV	ŝ		ė		Ś	4.560	Ś	4,606	Ś	4,652	ć	4,698	ć	4.745	ć	4.793	¢	4.841	¢	4.889	¢	4,938	\$	42,720
School Debt	3.2000	New TV	\$	-	\$	-	\$	4,560		280		283		286		288	•	291		294		297		300		2,597
Zoo Authority	0.1945			-	>	-	\$					137		139		140		142		143		144		146		1,262
Art Institute	0.0945	New TV	\$		->	-	\$	4,972				5,072		5,122		5,174		5,225		5,278		5,330		5,384		46,579
Total Non-Capturable Taxes	3.4890		\$	-	\$	-	\$	4,972	>	5,022	>	5,072	>	5,122	Þ	5,1/4	Þ	5,225	Þ	5,278	Þ	5,530	Þ	5,384	->	40,5/9



Table 3
Reimbursement Allocation Schedule

Table 3. Reimbursement Allocation Schedule Legion Square Redevelopment 31775 Grand River, Farmington, MI AXT Peerless Project No. 183471

Developer Projected Reimbursement	Proportionality		ol & Local Taxes	Loca	l-Only Taxes	Total		
School	40.3%	\$	3,242			\$	3,242	
Local	59.7%	\$	4,801	\$	210,670	\$	215,471	
TOTAL		\$	8,043	\$	210,670	\$	218,713	
EGLE	100.0%	\$	8,043					
MEE	0.0%	5		ı				

	Estimated Capture	
Estimated Total Years of Plan: 11	Administrative Fees	\$ 47,445
Estimated total reals of Plan:	Local Revolving Fund	\$ 218,713

												End Flan	
	Flen Year	1	2	3	4	5	6	7	6	9	10	11	TOTAL
	Calendar Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
Partial School Operating Incremental Revenue	\$	- \$	- \$	6,484 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 6,48
School TIR Available for Reimbursement	\$	- \$	- \$	6,484 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 6,48
Total Local Incremental Revenue	5	- \$	- \$	50,643 \$	51,149 \$	51,661 \$	52,177 \$	52,699 \$	53,226 \$	53,758 \$	54,296 \$	54,839	
BRA Administrative Fee	(10% of BRA Local) 5	. \$	- \$	5,064 \$	5,115 \$	5,166 \$	5,218 \$	5,270 \$	5,323 \$	5,376 \$	5,430 \$	5,484	\$ 25,83
Local TIR Available for Reimbursement	5	- \$	- \$	45,578 \$	46,034 \$	46,495 \$	46,959 \$	47,429 \$	47,903 \$	48,382 \$	48,866 \$	49,355	\$ 232,49
Total State & Local TIR Available		- 5		52,062 \$	45,034 \$	46,495 \$	46,939 \$	47,429 \$	47,903 \$	48,382 \$	48,866 \$	49,355	
DEVELOPER	Beginning Balance												
DEVELOPER Reimbursement Balance	\$ 218,713 \$	218,713 \$	218,713 5	169,892 \$	123,858 \$	77,364 \$	30,404 \$	0 5	0 5	0 5	0 5	0	
													EA ELEM
SCHOOL Reimbursement Balance	\$ 3,242 \$	3,242 \$	3,242 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		
Eligible Activities Reimbursement	\$ 3,242 \$	- \$	- \$	3,242 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 3,24
Environmental Eligible Activities	\$ 3,242 \$	· \$	- \$	3,242 \$	- \$	- 5	- \$	- \$	- \$	- \$	- \$		
Non-Environmental Eligible Activities	5 - 5	. 5	- \$	- \$	- \$	- 5	- \$	- 5	- \$	- \$	- \$		
Total SCHOOL TIR Reimbursement	\$	- \$	- \$	3,242 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 3,24
LOCAL Reimbursement Balance	\$ 4,801 \$	4,801 \$	4,801 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		
Eligible Activities Reimbursement	\$ 4,801 \$	- \$	- \$	4,801 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 4,80
Environmental Eligible Activities	5 4,801 5	- \$	- \$	4,801 \$	- \$. 5	- \$	- \$	- \$	- \$	- \$		
Non-Environmental Eligible Activities	5 - 5	- \$	- \$	- \$	- \$. 5	- \$. \$	- \$	- \$	- \$		
Total LOCAL TIR Reimbursement	\$	- \$	- \$	4,801 \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ 4,80
LOCAL-ONLY Reimbursement Bolance	\$ 210,670 \$	210,670 \$	210,670 \$	169,892 \$	123,858 \$	77,364 \$	30,404 \$	0 \$	0 \$	0 \$	0 \$	0	
Eligible Activities Reimbursement	\$ 210,670 \$	- \$	- \$	40,778 \$	46,034 \$	46,495 \$	46,959 \$	30,404 \$	- \$	- \$	- \$		\$ 210,67
Interest Reimbursement	\$ - 5	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$		\$ -
Total Local-Only TIR Reimbursement	\$	- \$	- \$	40,778 \$	46,034 \$	46,495 \$	46,959 \$	30,404 \$	- \$	- \$	- \$		\$ 210,67
Total Annual Developer Reimbursement	5	. 5		48,820 \$	46,034 \$	46,495 \$	46,959 5	30,404 \$. 5		\$ 218,71
	LERF Year	0 1	0 i	0	0	0	0	1	2	3	4	5	
LBRF Deposits	\$	- \$	- \$	3,242 \$	- \$	- \$	- \$	47,429 \$	47,903 \$	48,382 \$	48,866 \$	22,890	\$ 218,71
STATE	\$ 3,242	Ś	- \$	3,242 \$	- 5	- S	- \$	- \$	- \$	- \$	- \$		
LOCAL	\$ 215,471			. 5	- 5		- 5	47,429 \$	47,903 \$	48,382 \$	48,866 \$	22,890	



Attachment A Legal Description

LEGAL DESCRIPTION (BY OTHERS):

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

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

ASSESSED AS:

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

Attachment B Interlocal Agreement

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Attachment C Letter of Functional Obsolescence

Cervi Construction, LLC Mr. Fabio Cervi 12419 Stark Road Livonia, MI 48150

Mr. Cervi:

My name is Matthew J. Schmidt, I am a Michigan Master Assessing Officer (4) and am writing this correspondence to offer my professional opinion regarding the current condition and functional utility of a former American Legion Hall that is located at 31775 Grand River Avenue in Farmington, Michigan as required by the Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended.

Listed below is an information summary of the improved property involved in this function utility analysis.

Parcel ID Number	Property Address	Parcel Size	Building Size
20-23-27-476-007	31775 Grand River Ave	1.386 Acres	3,867 SF

I personally inspected the property referenced above on July 21, 2023. I have attached five photographs that I took of this older building during this site visit that are included as Attachments #1 - #5 to this analysis.

The Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended, contains approval provisions (MCL 125.2663(2)(h)) which include, in part, "If the project is on property that is functionally obsolete, the taxpayer shall include, with the application, an affidavit signed by a level 3 or 4 assessor, that states that it is the assessor's expert opinion that the property is functionally obsolete and the underlying basis for that opinion."

The Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended, defines "functionally obsolete" in MCL 125.2652(u) as meaning "that the property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property."

The Affidavit contained on the following pages addresses the functional obsolescence that is present in this former American Legion Hall property. I have also included as additional attachments to this Affidavit a property map and building sketch of the subject property as provided by the City of Farmington Assessing Department (Attachments #6 & #7) as well as my Current Resume and a copy of my State Tax Commission (STC) Michigan Master Assessing Officer (4) and Michigan Certified Personal Property Examiner Certificate.

If you have any additional questions about this obsolescence analysis, the attachments or the enclosed affidavit please contact me directly at mschmidt0018@comeast.net or at (586) 722-4852. Thank you.

Sincerely,

Matthew J. Schmidt

Michigan Master Assessing Officer (4)

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enc.

AFFIDAVIT

STATE OF MICHIGAN)
)
COUNTY OF MACOMB	j

MATTHEW J. SCHMIDT, being duly sworn, depose and states as follows:

I, Matthew J. Schmidt, Michigan Master Assessing Officer (4) make this affidavit as required under MCL 125.2663(2)(h) of the Brownfield Redevelopment Financing Act, Act 381 of 1996, as amended.

I, Matthew J. Schmidt, did on July 21, 2023 personally inspect the 1.386 acre subject property currently identified as 20-23-27-476-007 that is located at 31775 Grand River Avenue in the City of Farmington, Michigan which has a current legal description of "T1N, R9E, SEC 27 PART OF SE ¼ BEG AT PT DIST N 62-54-30 W 150 FT FROM INTER OF SWLY LINE OF 120 FT WIDE GRAND RIVER RD & WLY LI OF SHERWOOD AVE, TH N 62-54-30 W 150 FT, TH S 26-29-00 W 402.45 FT, TH S 65-19-00 E 150 FT, TH NELY TO BEG 1.38 A"

Functional utility is defined in The Appraisal of Real Estate, Twelfth Edition, as "the ability of a property of building to be useful and to perform the function for which it is intended, according to current market tastes and standards. Functional utility also relates to the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms."

Functional inutility is also defined in The Appraisal of Real Estate, Twelfth Edition, as "an impairment of the functional capacity of a property or building according to market tastes and standards. It qualifies as functional obsolescence when ongoing change, caused by technical advances and economic aesthetic trends, renders building layouts and features obsolete."

The property referenced above includes a raised one-story brick American Legion Building that, according to the City of Farmington Assessing Department, was constructed in 1945 and has 3,867 square feet on one floor with the same amount square footage located in this building's lower level/basement. There is also a one-story storage frame addition located on the southwest corner of the subject property. The current condition of this former American Legion building is, in my opinion, functionally obsolete according to MCL 125.262(u) of the Brownfield Redevelopment Financing Act, as amended.

The reason for this opinion is that, based on my firsthand observation of this subject property. This building contains a significant amount of functional inutility that is caused, in part, by building's design. The lower level/basement area of the subject building contains an unworking elevator, a dated bar, social and meeting areas, restrooms, an older kitchen and smaller storage areas. The heating and electrical systems at this location are both dated and seem very close to the end of their useful economic life. The upper level/first floor contains a single former banquet area, bar, kitchen and restrooms that combine to account for the majority of the upper floor's total area. This building's upper floor is only accessible via stairways from the interior of the lower-level area and through the front of the building's exterior. The estimated cost to renovate this 78-year-old building into a fully functional condition would be significant.

According to a Pre-Demolition Asbestos Survey prepared by McDowell & Associates (Job No. 22-16338), based on 55 bulk samples taken from 25 suspect building materials asbestos was detected in the subject building's floor tiles, joint compounds, window glazing and door caulk. There was an assumption in this report stating that the subject building's roofing materials will also contain asbestos "unless sampling and testing show otherwise." This report also states that "Asbestos-containing materials should be removed from the property by a licensed asbestos abatement contractor prior to demolition"

It is difficult to identify any existing social club or service organization that would require the type of square footage that was routinely used by this American Legion Hall over its first 40 years in operation. Based on the subject building's impaired functional capacity as well as the functional obsolescence and asbestos remediation issues previously discussed, along with the large amount of deferred maintenance evident in all of the building's structural components it would be extremely difficult to imagine any type of feasible redevelopment of the subject property to an alternative exempt or commercial type of property use.

The functional inutility existing in this improved property is, in my opinion, why the highest and best use of the subject property, as improved, is not to continue with the subject property's existing use. The property owner will have to determine what use will maximize the property's value and will be better supported by current market tastes and standards, including a complete demolition of this older structure.

Therefore, my opinion is that this American Legion Building located at 31775 Grand River Avenue in Farmington, Michigan suffers from significant levels of functional obsolescence that have resulted in a substantial loss of value that exceeds 50% of the value of this subject property.

Further deponent sayeth not.

Matthew J. Schmidt

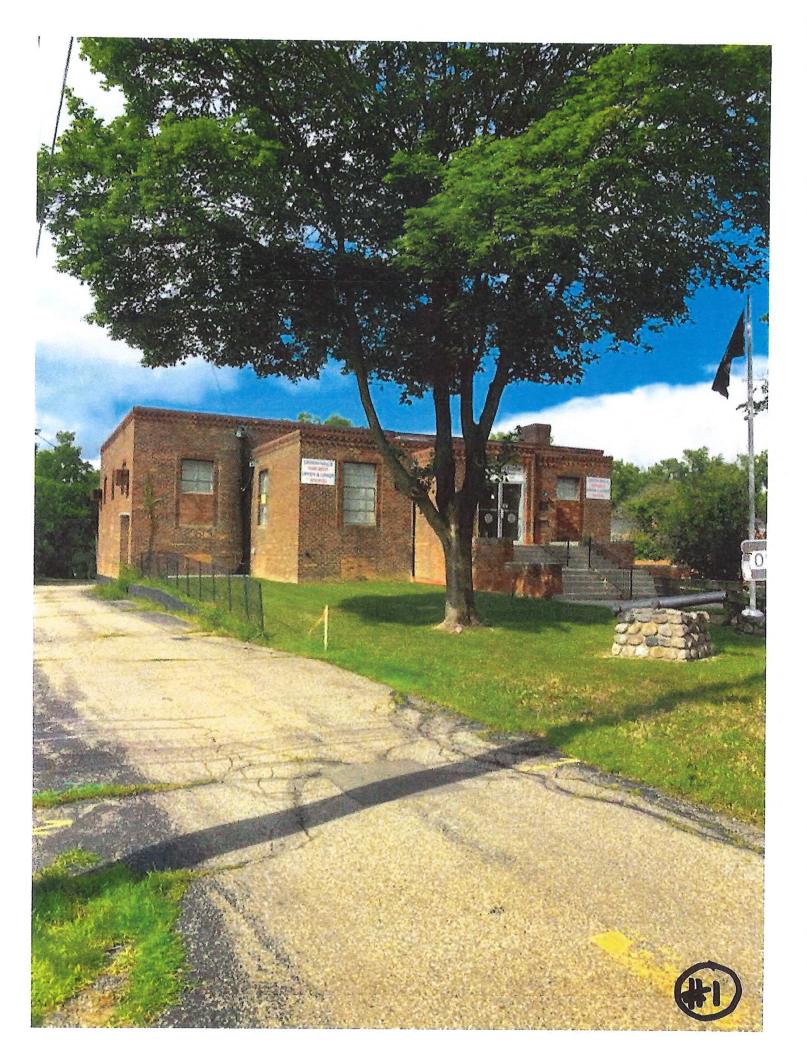
Subscribed and sworn to before me

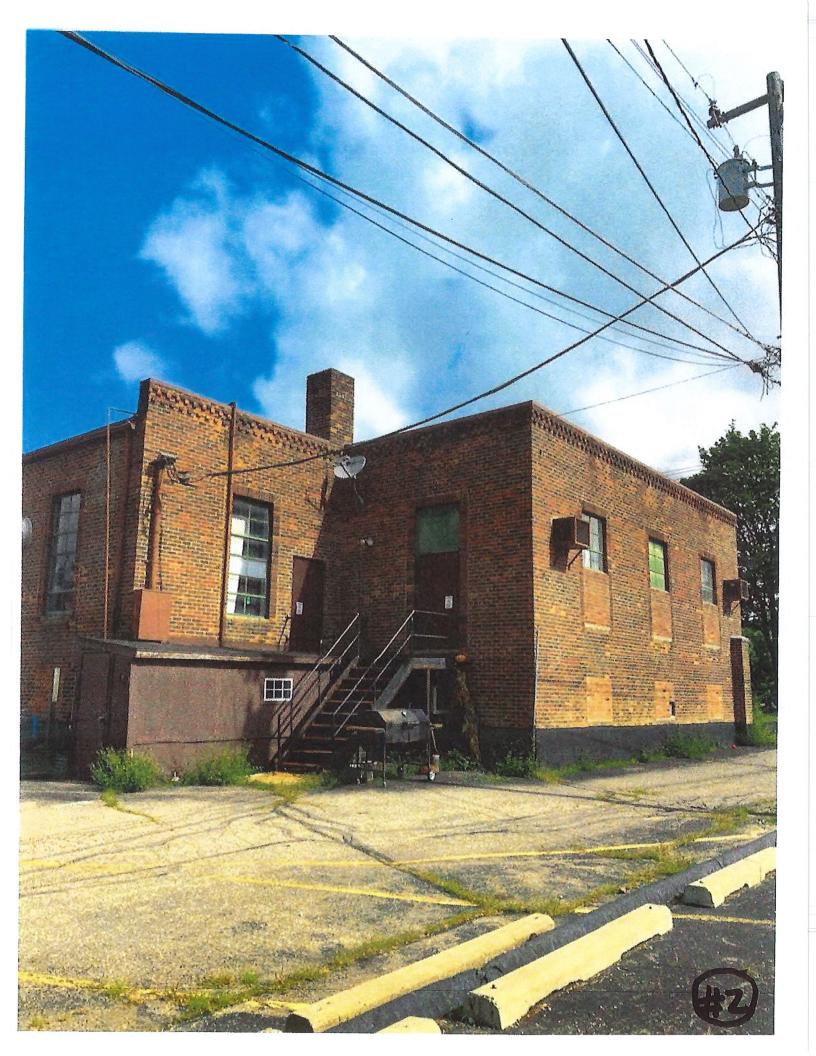
This 25th day of July 36, 2023

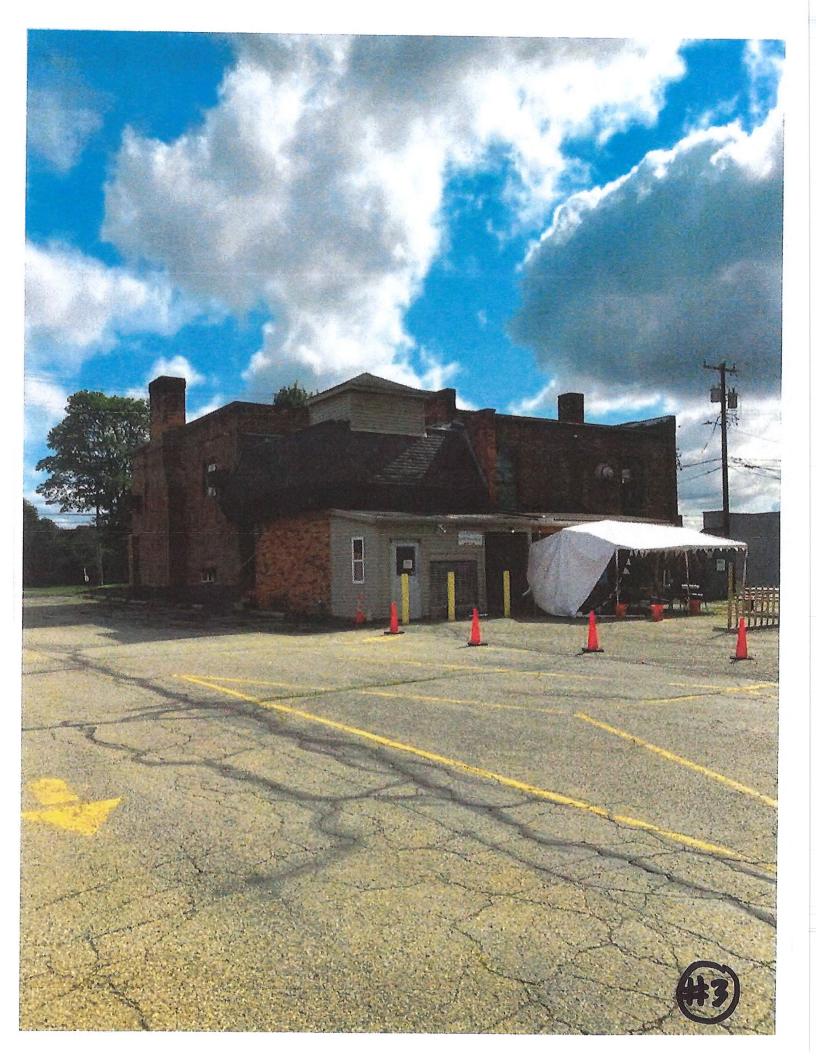
Macomb County, Michigan

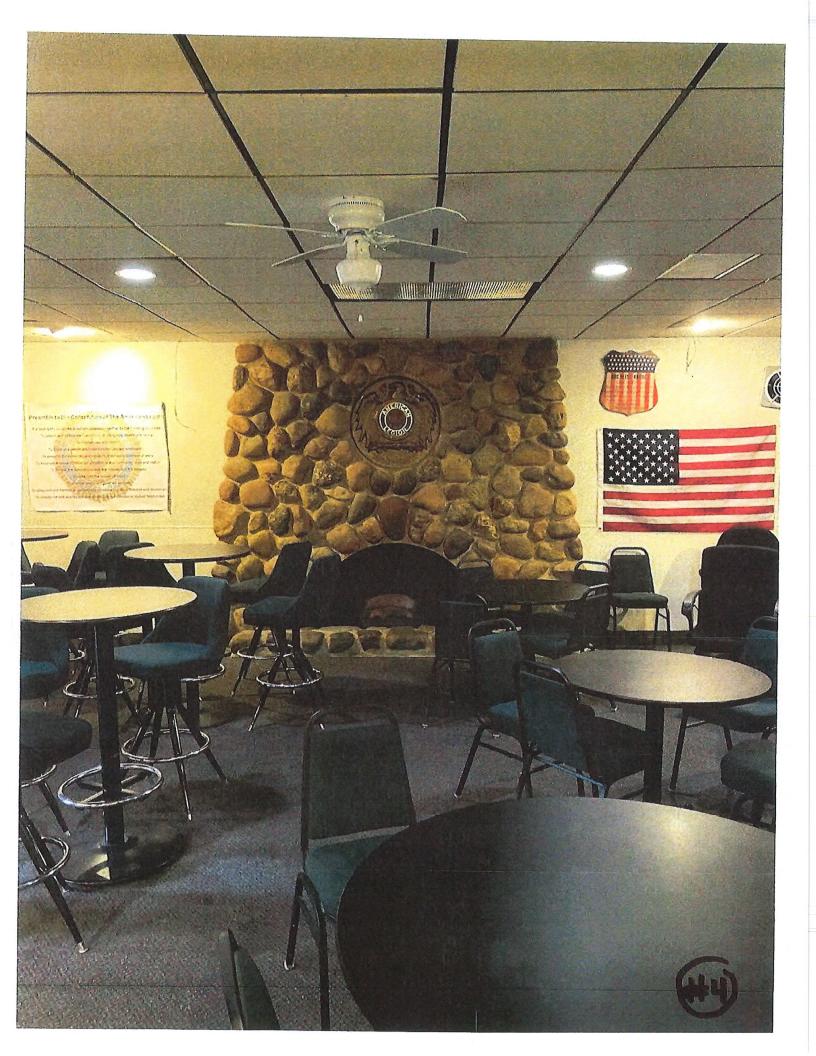
My Commission Expires: 12/23/2028

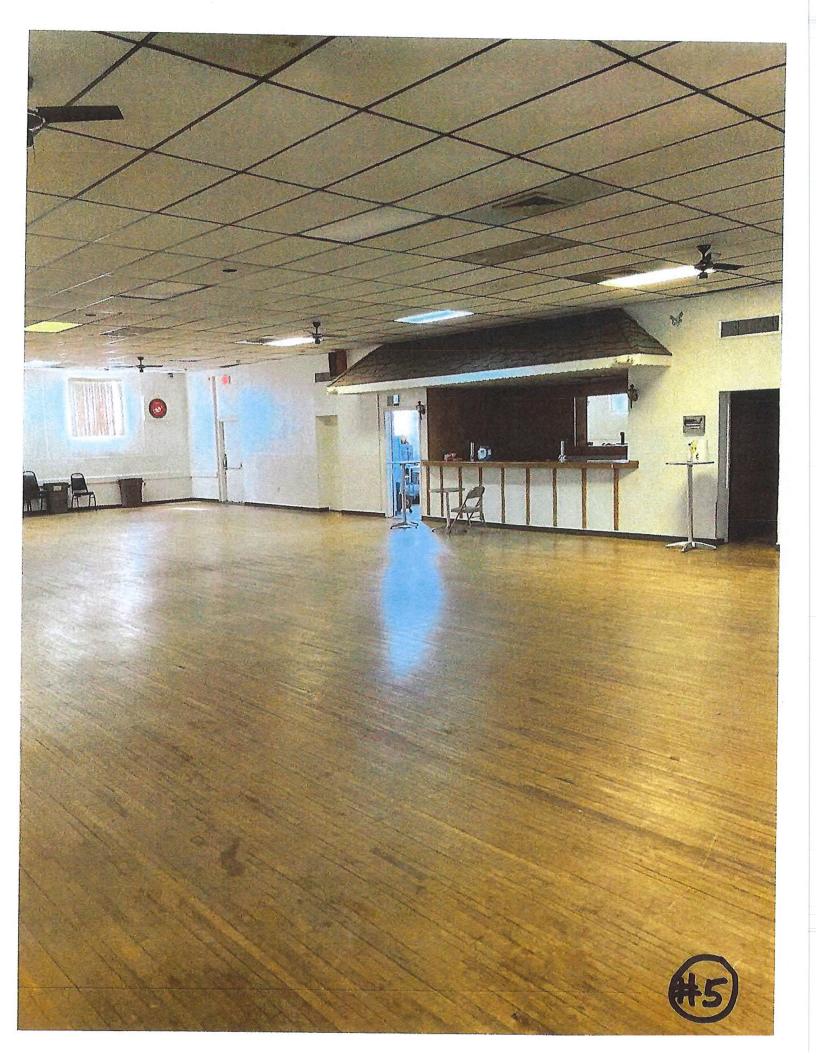
LAURA J. WHITE
Notary Public, State of Michigan
County of Macomb
My Commission Expires Dec. 23, 2028
Acting in the County of

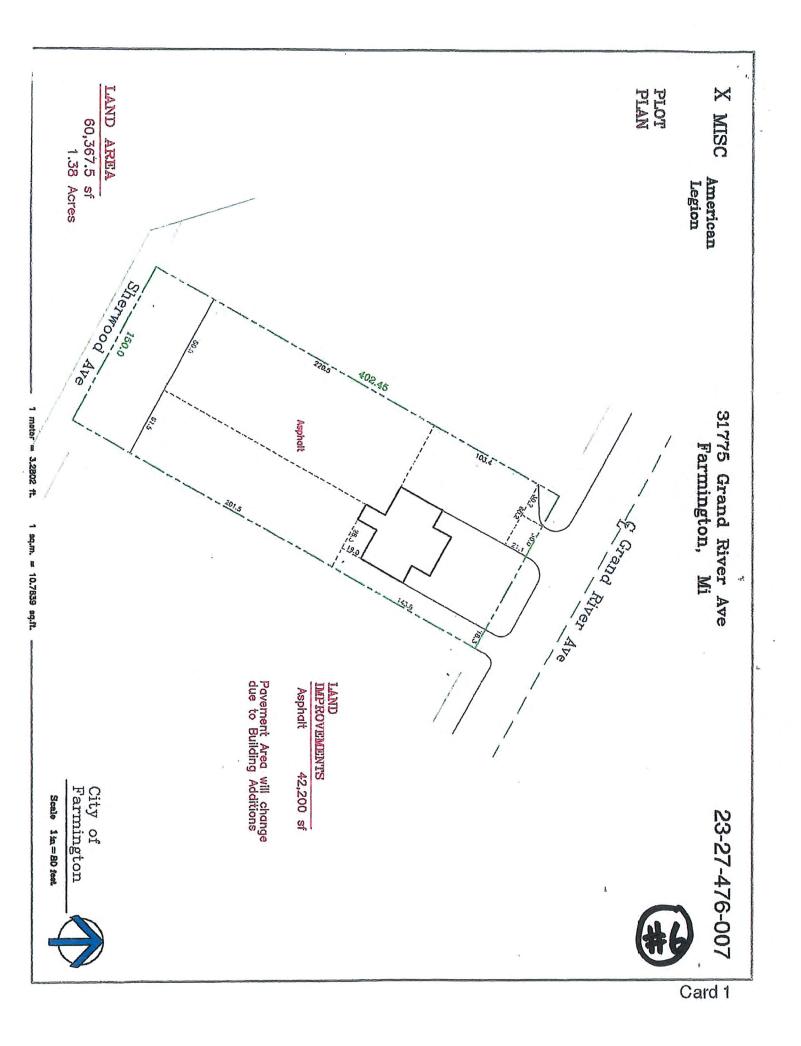












X MISC

BUILDING OVERALL

American Legion

31775 Grand River Ave Farmington, Mi

42.0 actions. 28.25 18.0 19.0 1 Sty/Bsmt Masonry 3,867 sf Pmtr. 301Lf Hgt, Bit, 1945 Club Addition

The building footprint & digital pictures show additions

City of Farmington

Scale 1 m = 20 fast

BLDG AREA 3,867 sf

1 meter = 3.2802 ft

1 sa.m. = 10.7839 sa.ft.

15.0



MATTHEW J. SCHMIDT

55353 Parkview Drive Shelby Twp, MI 48316

Cell Phone: (586) 722-4852

Email: mschmidt0018@comeast.net

EDUCATION

University of Detroit

Bachelor of Arts: Communication Studies

Graduation: May 1988

QUALIFICATIONS

Michigan State Tax Commission (STC)

Michigan Master Assessing Officer (MMAO)(4)

July 1996 to Present

Michigan Certified Personal Property Examiner (MCPPE)

December 1991 to Present

WORK EXPERIENCE

Township Assessor, Charter Township of Shelby

September 2012 to Present

City Assessor, City of Sterling Heights

July 1996 to August 2012

Appraiser, City of Sterling Heights

July 1990 to June 1996

Appraiser, Macomb County Equalization Department

October 1988 to June 1990

MEMBERSHIP

Michigan Assessors Association (MAA)

MAA President: 2016

Southeast Chapter Michigan Assessors Association (SECMAA)

SECMAA President: 2013

Macomb Assessors Organization (MAO)

MAO President: April 2002 to March 2003

International Association of Assessing Officers (IAAO)

IAAO Member: 1990 to Present

EDUCATION EXPERIENCE

Michigan Assessors Association (MAA) Instructor:

Market Analysis & Highest & Best Use: Novi, MI (August 27-29, 2018)

Land Valuation Determination & Economic Condition Factors: Novi, MI (May 6-10, 2019)

FUNCTIONAL OBSOLESCENCE AFFIDAVIT PROJECTS

Vacant Former Automobile Dealership (Southfield, MI): July 2023

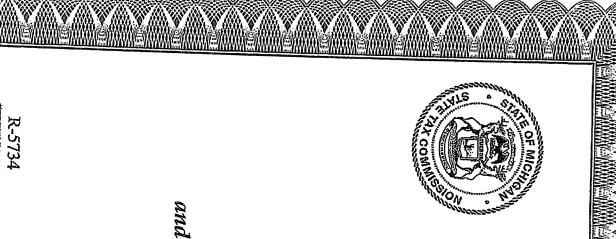
Vacant Office Building (Lawrence Technological University)(Southfield, MI): August 2022

Former John Grace School (Southfield, MI): April 2022

Vacant Commercial Properties (Southfield, MI): November 2021

Former Brewery & Restaurant Property (Southfield, MI): March 2021

Former Northland Mall, Macy's & JC Penney Properties (Southfield, MI): November 2020



STATE OF MICHIGAN

STATE TAX COMMISSION



This is to certify that

Matthew J. Schmidt

თ ვა

Michigan Master Assessing Officer (4)

and Michigan Certified Personal Property Examiner

Issued under the provisions of Act 206, Public Acts of 1893, Being Section 211.10d of the Michigan Compiled Laws.

CERTIFICATE NO R-5734

12/31/2023 EXPIRATION DATE

Executive Director, State Tax Commission