

PARK PLACE REDEVELOPMENT AREA

300 East State Street, Tax Parcel No. 28-51-794-090-00
Traverse City, Michigan 49684



Act 381 Work Plan ***To Conduct*** ***MSF Non-Environmental Activities***

Revised March 16, 2017
(MEDC Revisions August 22, 2017)



Prepared with assistance from:
ADVANCED REDEVELOPMENT SOLUTIONS
101 N. Madison
Traverse City, Michigan 49684
Contact: Eric P. Helzer, EDFP
Phone: (517) 648-2434

Grand Traverse County Brownfield Redevelopment Authority
400 Boardman Avenue
Traverse City, Michigan 49684
Contact: Jean Derenzy
Phone: (231) 922-4676

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•	Eligible Property Location Map – Page 9
•	Eligible Property Boundaries – Page 9
•	Legal Descriptions and Eligible Property Boundary Map – Exhibit A
Attachment B	Executed Interlocal Agreement
Attachment C	Executed Reimbursement Agreement

1.0 INTRODUCTION

The Grand Traverse County Brownfield Redevelopment Authority (the “Authority”) is submitting this Act 381 Work Plan Amendment to conduct Michigan Strategic Fund (MSF) Non-Environmental Eligible Activities (“MSF Work Plan”) for the proposed Park Place Redevelopment Area in Traverse City, Grand Traverse County, Michigan (the “Eligible Property” as further defined below in Section 1.1).

A separate Act 381 Work Plan may be submitted to conduct Michigan Department of Environmental Quality (MDEQ) Environmental Eligible Activities (“MDEQ Work Plan Amendment No.1”) if it is determined that environmental activities are required.

The Project proposes to redevelop an underutilized and inefficient dome meeting structure and pool/health club building in downtown into a new state-of-the-art conference center with modern technology and functionality that will add greatly to the sustainability of the attached historic hotel. Regency Midwest Ventures LP (“Regency”), the Historic Park Place Hotel owners plan to abate extensive asbestos and raze the existing pool building and dome meeting structure, so that construction can begin on a meeting space and functioning swimming pool and exercise room in their place. The redevelopment integrates design elements, cleanup of asbestos and economic development to further goals of the City of Traverse City, Traverse City Downtown Development Authority, Grand Traverse County, and the Michigan Economic Development Corporation (MEDC). It will result in: (1) the community and municipal benefits of increased property taxes on the subject property; (2) preservation and sustainability of a prominent historic resource in downtown Traverse City, the Historic Park Place Hotel (tower building) built in 1929-1930; (3) a downtown state-of-the-art conference center facility with increased capacity that will add to the economic vitality of downtown Traverse City by generating additional revenue; (4) increased travel periods to Traverse City and the surrounding area between peak and off-peak seasons or “shoulder seasons” when businesses could use more customers; (5) an urban vs. suburban conference center location within the downtown in close proximity and walkability to amenities; (6) a project that directly caters to what today’s millennial travelers highly value - an up-tempo, integrated, destination-driven travel “experience”; (6) a new conference center that will add to the success of the city’s broader downtown development strategy; and, (7) a substantial improvement to the appearance and aesthetics of the subject property which will assist in increasing the property values of the neighboring community.

The Project is seeking MSF tax increment financing (TIF) incentives to support redevelopment of the subject property that is expected to begin in Spring/Summer of 2017.

Based on the current site conditions, certain activities are necessary to prepare the subject property for redevelopment. The following sections present site background information, current subject property conditions, the proposed MSF non-environmental activities and the costs associated with the proposed activities.

1.1 ELIGIBLE PROPERTY INFORMATION

The following sections provide details on subject property ownership and use. For purposes of this MSF Work Plan, subject property shall also mean Eligible Property as defined below.

1.1.1 Location and Eligibility

The subject property includes one (1) parcel totaling approximately 4.77 acres located within Traverse City, Grand Traverse County, Michigan, with the parcel tax identification number 28-51-794-090-00 which is a recognized historic resource and is identified as a “facility”.

A Brownfield Plan (“Plan”) for the Park Place Redevelopment Area Project (“Project”) was approved by the City of Traverse City City Commission on February 21, 2017 after recommendation by the Grand Traverse County Brownfield Redevelopment Authority on January 25, 2017. The Grand Traverse County Board of Commissioners adopted the Plan on March 15, 2017.

The subject property is also located in the Traverse City Downtown Development Authority (TC DDA) and as such, the TC DDA and Authority entered into an Interlocal Agreement (Attachment B) to provide for the capture and use of the tax increment revenues of the DDA and Authority to pay the cost of the Act 381 eligible activities related to the Plan approved by the Authority on eligible property which lie within the boundary of the DDA Plan. The Authority and DDA have entered into an Interlocal Agreement under the Urban Cooperation Act, PA 7 of 1967, Extra Session amended (Act 7), which provides that a public agency may enter into interlocal agreements with other public agencies to exercise jointly any power, privilege, or authority that the agencies share in common and that each might exercise separately.

Refer to Attachment A for a copy of the adopted Brownfield Plan revised March 6, 2017. The following items can be found in this attachment:

- Eligible Property Location Map – Page 9
- Eligible Property Boundary – Page 9
- Legal Descriptions and Eligible Property Boundary Map – Exhibit A

Current site plans and site photographs are included within the Figures and Photos attachment of this MSF Work Plan.

The subject property is considered “Eligible Property” as defined by Act 381, Section 2 because: (a) the subject property was previously utilized or is currently utilized for commercial purpose; (b) the hotel building comprised by the subject property is a historic resource; (c) the subject property has been determined to be a “facility”; and, (d) the subject property is located within the City of Traverse City, a qualified local governmental unit, or “Core Community” under Act 381.

Eligible Property				
Address (Parcel Reference #)	Tax ID	Basis of Eligibility	Current Zoning	Approximate Acreage
300 East State Street	28-51-794-090-00	Historic Resource and Facility	C-4c	4.77

1.1.2 Current Ownership

Ownership information for the parcel comprising the subject property is summarized in the following table.

Tax ID	Address (Parcel Reference #)	Current Owner ("Developer") on Record and Contact Information
28-51-794-090-00	300 East State Street	Regency Midwest Ventures LP Kyle Scholten, Chief Financial Officer (605) 334-2371 kscholten@ramkota.com

1.1.3 Proposed Future Ownership

Ownership of the Eligible Property will be held by Regency Midwest Ventures LP.

1.1.4 Delinquent Taxes, Interest, and Penalties

No delinquent taxes, interest, or penalties are known to exist for the Eligible Property.

1.1.5 Existing and Proposed Future Zoning for Each Eligible Property

The Eligible Property consists of one parcel as identified in the above tables. Parcel is zoned Regional Center District (C-4c) and the proposed redevelopment fits well within the existing zoning. No rezoning is needed to accommodate the planned redevelopment. The C-4c, Regional Center District is intended for the purpose of accommodating a broad variety of retail, office and residential uses integrated with hotels, convention centers, and integrated common parking facilities.

1.2 HISTORICAL USE OF EACH ELIGIBLE PROPERTY

The subject property was historically developed with and/or operated with the following:

- Commercial laundry operations
- Automotive service
- Wholesaler candy and tobacco
- Residential buildings
- School buildings
- Motor lodge
- Hotel and Conference Center

The subject property has been developed as a hotel since at least the 1870s (about 140 years), but also included a variety of other commercial businesses and residential structures throughout most of the 20th century. Usage of petroleum products on the subject property is documented back the 1880s, in connection with "white gas" USTs, gas lighting, and heating oil. However, based on the time transpired, and the results of a subsurface investigation on the subject property in 1996, no detrimental impacts from historical petroleum tanks are suspected to remain, if they ever existed. Two commercial laundry operations, an auto service

shop, a wholesaler of candy and tobacco and several other uses of a commercial nature operated on the site, mostly in the first half of the 20th century. The current tower was constructed in 1930, and the Dome, pool, and West Wing were added in the 1960s. As the hotel expanded, contiguous lots with the commercial buildings and residential structures were acquired, and the older structures were removed. No obvious indications of environmental problems were found in connection with pre-1990 land use. It is reasonable to assume that past petroleum tanks were removed, not left in place, since the hotel's expansion would likely have required complete removal for foundation support. In 1990 the hotel underwent a major renovation, and included asbestos abatement. One regulated heating oil tank was removed in 1990 and no leak was found. PCB transformers in the hotel were removed. Various reports of upgrades to elevator systems were given.

Refer to Attachment A for a copy of the adopted Brownfield Plan revised March 6, 2017 Exhibit B which includes a complete history of the subject property and an overview of the conditions on the Eligible Property as it is related to its basis of eligibility and inclusion in the Plan. As Eligible Property, the subject property is eligible for Brownfield redevelopment incentives from the Authority.

1.3 CURRENT USE OF EACH ELIGIBLE PROPERTY

Today, the Eligible Property under this MSF Work Plan consists of the Historic Park Place Hotel, a 140-room full service hotel with a pool, restaurant, conference facilities and associated amenities. There are two main sections of the hotel: (i) a 10-story tower that was originally constructed in about 1930 with attached Dome and pool building added in the 1960s, and; (ii) the 3-story West Wing constructed in 1964.

1.4 SUMMARY OF PROPOSED REDEVELOPMENT AND FUTURE USE FOR EACH ELIGIBLE PROPERTY

The Historic Park Place Hotel continues to play a significant role as an historic icon to the Traverse City area. Regency feels that in order to continue to offer that hotel to the public in the manner with which they have become accustomed, they need to be able to compete for group business in the area, something that their current dome meeting space does not allow them to do effectively. The current dome meeting space, while arguably interesting, is not only undersized but also not at all conducive to the wishes of today's meeting consumer. The acoustics are extremely unacceptable to their guests and they've been unable to find a workable solution to this. In addition, the circular design, isn't at all what an attendee expects to see in a modern facility. In much the same way that homes with this design are nearly impossible to decorate; there simply isn't a good way to set this room to accommodate meetings and events. As such, if the applicant is unable to accomplish this, it's likely that the Historic Park Place Hotel will see its revenue stream erode to a point where eventually they will be forced to make some much more impactful and difficult decisions.

In short, a new conference center will be a major improvement to downtown that will substantially benefit the community and the applicant's investment will bode well for the city. Additionally, for the Historic Park Place Hotel to remain a vibrant, competitive and a viable fixture in downtown Traverse City, MSF Work Plan approval to allow for eligible activity costs proposed is critical to allow for a successful redevelopment of this Eligible Property.

Regency anticipates investing approximately \$4.73 million in future investments (inclusive of Brownfield eligible activity costs) and an additional approximate \$1.96 million by municipal public entities for a total investment of approximately \$6.69 million.

See Figures 1 thru 3 for Site Plan and Elevations/Renderings of the proposed new development. See attached Photos for Current Photos and Surrounding Area. Additional renderings can be found in the Brownfield Plan pages

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

MSF Work Plans submitted for MSF consideration require responses to the following questions.

1.5.1 Sufficiency of Individual Activities to Complete Eligible Activities

- Brownfield and Work Plan Preparation—The Brownfield Plan and Work Plan have been completed in accordance with Act 381.
- Infrastructure Improvements—Infrastructure improvements are sufficient to complete the project since they will result in improvements that will directly benefit the subject property and public generally.
- Lead and Asbestos Survey and Abatement—Lead and asbestos survey and abatement activities are sufficient to complete the eligible activities because they will fully abate lead paint and asbestos containing materials on the Property in preparation for building demolition.
- Demolition—Site and building demolition activities are sufficient to complete the eligible activities because they will completely remove existing development (Dome and pool building) from the Eligible Property.

1.5.2 Necessity of Individual Activities to Complete Eligible Activities

- Brownfield Plan and Work Plan Preparation—Approval of the Brownfield Plan and Work Plan is necessary to make the development financially feasible.
- Infrastructure Improvements—All Infrastructure improvements proposed are necessary to comply with local rules and regulations, and will improve infrastructure quality for the public generally. Consequently, the streetscapes improvements, watermain replacement, storm sewer water quality improvements, electric line improvements, and the associated support work tasks are necessary activities for successful redevelopment.
- Lead and Asbestos Survey and Abatement—The current buildings (Dome and pool building) on the Eligible Property need to be demolished to accommodate the new development. Asbestos and lead paint abatement activities are required to complete building demolition activities in accordance with state and federal regulations.
- Demolition—Due to the presence of abandoned utilities, portions of parking lots/drives, and buildings, the site demolition and building demolition are necessary activities. Together, the site demolition and building demolition will sufficiently complete demolition on the Eligible Property.

1.5.3 Reasonableness of Costs

The estimates for the individual activities are based on preliminary competitive bids. The estimates are market-rate and are thus presumed to be reasonable.

1.5.4 Public Benefit

The Park Place Hotel continues to play a significant role as an historic icon to the Traverse City area. In order for Regency to continue to offer this hotel to the public in the manner with which they have become accustomed, they need to be able to compete for group business in the area, something that their current meeting space does not allow them to do effectively.

This development will provide in a central downtown locale a new state-of-the-art conference center facility will allow the Park Place to increase their current capacity by approximately 60% to 70% (from 300 to 500 attendees per event). According to the Traverse City Convention & Visitors Bureau (TC CVB) figures from 2015/2016, the increased capacity and modern conference center will add to the economic vitality of downtown Traverse City by generating additional revenue. The TC CVB receives over 360 inquiries annually for group events averaging roughly 350 attendees. The economic impact to the area from event attendees averages roughly \$127/day/attendee (a.k.a “average spend per day”). Understanding that the opportunity to bring more conferences to Traverse City allows growth and economic vitality to the City of Traverse City. With the recognition of bringing an additional 70 to 75 new conferences to downtown, that can equate to a financial impact of \$3 million per annum to the community. Conferences of these sizes that can be held at the Park Place help downtown during travel periods between peak and off-peak seasons or “shoulder seasons” when businesses could use more customers.

As far as downtown development projects, there are very few projects being considered in Traverse City presently that would be as beneficially impactful as the proposed Park Place Conference Center. Major hotel corporations have identified that many event planners are seeking urban vs. suburban locations. Proximity and walkability to amenities drives this segment. This project directly caters to what today’s millennial travelers highly value - an up-tempo, integrated, destination-driven travel “experience”. The new conference center will add to the success of the city’s broader downtown development strategy.

The project will also improve public infrastructure around the Eligible Property.

1.5.5 Reuse of Vacant Buildings and Redevelopment of Blighted Property

This Project consists of redevelopment of subject property which currently contains two inefficient and underutilized buildings. Both could be designated as functionally obsolete, but since the Eligible Property is deemed “a facility” and a historic resource, it was unnecessary to do so. Neither structure can serve the commercial market at generally accepted market rates. Therefore, these two existing building structures will have their asbestos abated and both structures will be demolished (existing pool building and dome meeting structure) so construction on a new meeting space and pool/health club in the Spring 2017.

The new development will create a new conference center that will be a major improvement to downtown that will substantially benefit the community and the applicant’s investment will bode well for the city. In addition, it will remove functional obsolescence through

redevelopment and the removal of existing structures. Ultimately, this new development will positively impact the aesthetic and visual effect of the Eligible Property.

1.5.6 Job Creation

Once complete, approximately 18 immediate new full-time equivalent (FTE) jobs will be created by this Project. It is anticipated that additional jobs will be created upon project maturation. The Park Place currently retains approximately 90 to 120 full time jobs, seasonally adjusted depending on the time of year. The average hourly wage will be approximately \$9.75.

1.5.7 Unemployment Status

According to the Michigan Labor Market Information system, the Grand Traverse County unemployment rate was 3.4% in June 2017. Comparatively, the June 2017 unemployment rate was 4% in the State of Michigan, and 4.5% in the United States. All data is not seasonally adjusted.

1.5.8 Contamination Alleviation

The subject property will be prepared to make it suitable for the proposed development, and appropriate activities will be performed to prevent unacceptable exposure to hazardous substances if encountered during subsurface construction. Currently, there are no obvious indications of environmental problems in connection with past and current land use. It is reasonable to assume that past petroleum tanks were removed, not left in place, since the hotel's expansion would likely have required complete removal for foundation support. The Brownfield Plan has identified environmental eligible activities in the event they are discovered after demolition of the buildings or during new construction. If soil and/or groundwater which may be hazardous to human health, safety, and the environment is identified, measures will be taken to properly manage those identified concerns and a separate Act 381 Work Plan for environmental activities may be prepared. Environmental conditions on the subject property are discussed in detail of the adopted Brownfield Plan located in Attachment A, Exhibit B.

1.5.9 Private Sector Contribution

Regency is expecting an investment of approximately \$4.73 million for the Project. The balance, or all of the costs if no MDEQ loan BRL and RRLF program funds are available, will be funded directly by Regency.

1.5.10 Brownfield Creation

The Project will not create a new Brownfield site.

1.5.11 Project Financial Data

The Project cannot proceed without the incentives contemplated for this redevelopment. The Developer anticipates making an investment of approximately \$4.73 million in real property improvements on the Eligible Property. The Developer will finance all Eligible Activities under this MSF Work Plan related to improvements on the Eligible Property with private funds. Public eligible activities are estimated at \$1,940,000 and will be funded by municipal public entities.

Additionally, and not included in the \$4.73 million of Developer improvements related to the conference center and pool/health club buildings, during this phase of construction the Developer will also be renovating the interior of the Park Place Hotel rooms which began in 2016, bring them back to their previous glory with very period specific décor. The applicant will also renovate the “Top of the Park” lounge to enable them to capitalize on the incredible views that area offers. The additional investment into the Historic Park Place Hotel is estimated at \$2,000,000 over the course of a four-year period (2016-2019).

1.5.12 Incentives

The total estimated cost of the eligible activities to be reimbursed through the capture of tax increment revenues under this MSF Work Plan is provided in Table 1. The reimbursement to the Developer through the capture of tax increment revenues is estimated to be \$854,717 (\$837,680 excluding local-only costs). Public eligible activities are estimated at \$1,940,000 and an estimated \$100,069 for the State of Michigan Brownfield Redevelopment Fund (MBRF) capture. The Developer had requested an additional \$1,062,851 toward other identified Brownfield eligible activity costs, including contingency and interest, but the Authority did not allow these other requested eligible costs. The Developer anticipates making an investment of approximately \$4.73 million in real property improvements on the Property. Redevelopment of the Property is expected to subsequently generate increases in taxable value and result in incremental taxable value in 2018. The Developer will finance all Eligible Activities under this MSF Work Plan related to improvements on the Eligible Property. Refer to Table 1 for additional detail on these activities.

1.5.13 Additional Information

Regency has taken significant time and effort to evaluate the current condition and renovation possibilities of the existing dome and pool buildings for reuse but has determined that the costs required to rehabilitate the dome structure are such that any reasonable return on the investment is not achievable, nor will it add much (if anything) to the already existing financial return. This would limit the Park Place’s ability to raise additional equity or to finance the Project with any lenders. In addition, to any renovation being too cost prohibitive and financially not viable, a renovated dome is ultimately not conducive to the wishes of today’s meeting consumer. Any type of renovation would also not meet the Park Place’s goal of creating a new state-of-the-art facility that will allow the Park Place to increase their current capacity by approximately 60% to 70%.

Additionally, local support for this public-private partnership is outstanding. The partnership support includes private enterprise, City of Traverse City, Grand Traverse County, Traverse City Downtown Development Authority, Downtown Traverse City Association, Traverse City Tourism, Traverse City Convention & Visitors Bureau, Traverse City Area Chamber of Commerce, and hopefully the State of Michigan. There is broad consensus that this will not only help northern Michigan but help create a better Traverse City, and position the City to be even more of a model for city redevelopment than it already is.

2.0 CURRENT PROPERTY CONDITIONS

The following sections provide detail on the subject property's brownfield qualifications.

2.1 PROPERTY ELIGIBILITY

The subject property is considered "Eligible Property" as defined by Act 381, Section 2 because: (a) the subject property was previously utilized or is currently utilized for commercial purpose; (b) the hotel building comprised by the subject property is a historic resource; (c) the subject property has been determined to be a "facility"; and, (d) the subject property is located within the City of Traverse City, a qualified local governmental unit, or "Core Community" under Act 381.

2.2 SUMMARY OF ENVIRONMENTAL CONDITIONS

Under Part 201, a "facility" is defined as "any area, place, or property where a hazardous substance in excess of the concentrations which satisfy the requirements of section 20120a (1) (a) has been released, deposited, disposed of, or otherwise comes to be located." M.C.L. § 324.20101(1) (o). A "release" is defined to include "spilling" or "leaking" of a hazardous substance into the environment. In addition, a "release" includes the abandonment of containers or other closed receptacles containing hazardous substances. M.C.L. § 324.20101(1) (bb).

Attachment A, Exhibit B includes a history of the subject property and an overview of the conditions on the Eligible Property as it is related to its basis of eligibility and inclusion in the Plan. A Baseline Environmental Assessment (BEA) was performed on May 22, 1996 by Otwell Mawby, P.C. under the Category "A" and was affirmed by the Michigan Department of Environmental Quality (MDEQ).

2.3 HISTORICAL RESOURCE

"Historical Resource" means a building that is on the Historic Register or in a Historic District. The subject property is considered a "Historic Resource" as defined by Act 381 because the Historic Park Place Hotel (tower building) was built in 1929-1930 and: (i) is a Registered Michigan Historic Site through the Bureau of History, Michigan Department of State, Registered Local Site No. 1746; and, (ii) is located in the City of Traverse City Historic District.

2.4 FUNCTIONALLY OBSOLETE

"Functionally Obsolete" means that the subject 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 subject property itself or the subject property's relationship with other surrounding subject property.

While the City of Traverse City did not officially obtain a functional obsolescence determination, the dome structure is obsolete functionally – acoustics, insulation, weatherproofing, windows, mechanical systems, electrical, fire and egress. The dome structure is also obsolete practically – acoustics, finishes, lighting, natural daylight, etc.

2.5 BLIGHTED

"Blighted" means property that meets any applicable criteria set forth in Act 381, as determined by the governing body. The Eligible Property does not meet any blight definition by the city or as qualifying criterion under Act 381.

2.6 ADJACENT AND CONTIGUOUS

The City of Traverse City is considered a qualified local governmental unit as provided in Act 146 of 2000, as amended. The definition of "Eligible Property" in PA 381 of 1996, as amended, includes property that is located in a qualified local governmental unit and is environmentally contaminated (a "facility"), blighted property, historic resource or deemed functionally obsolete property and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

No parcels are adjacent or contiguous to the "facility" / Historic Resource qualifying parcel.

3.0 SCOPE OF WORK

The following scope of work has been identified to address the subject property's Brownfield conditions. Please see Sections 4.2.1 and 4.2.2 below and the attached Table 1 for unit costs associated with the eligible activities.

3.1 MDEQ ELIGIBLE ACTIVITIES

Environmental eligible activities are not included or requested as a part of this MSF Work Plan for the subject property.

The Eligible Property is contaminated and has been deemed a "facility". The subject property will be prepared to make it suitable for the proposed development, and appropriate activities will be performed to prevent unacceptable exposure to hazardous substances if encountered during subsurface construction. Currently, there are no obvious indications of environmental problems in connection with past and current land use. It is reasonable to assume that past petroleum tanks were removed, not left in place, since the hotel's expansion would likely have required complete removal for foundation support. The Brownfield Plan has identified environmental eligible activities in the event they are discovered after demolition of the buildings or during new construction. If soil and/or groundwater which may be hazardous to human health, safety, and the environment is identified, measures will be taken to properly manage those identified concerns and a separate Act 381 Work Plan for environmental activities may be prepared. Environmental conditions on the subject property are discussed in detail of the adopted Brownfield Plan located in Attachment A, Exhibit B.

3.2 MSF ELIGIBLE ACTIVITIES

Non-environmental eligible activities will include Brownfield and Work Plan preparation, asbestos and lead paint survey and abatement, demolition, and infrastructure improvements. A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with Tax Increment Revenues from the subject property are provided in the attached Table 1. Also, figures illustrating the Draft Demolition Plans (Figures 4A, 4B and 4C) and infrastructure improvements (Figure 5, 6, 7 and 8) are provided in the attachments. Additional, detailed breakouts of the non-environmental activities being requested for MSF approval are described in the following sections. All work will be managed appropriately under each eligible activity category as permitted by current state non-environmental eligible activity guidance issued by the MEDC. Conditions on the subject property are discussed in detail in Attachment A, Exhibit B of the adopted Brownfield Plan.

3.2.1 Lead and Asbestos Abatement

Lead (including cadmium, if present) & asbestos survey is included as an eligible activity to support full abatement of the asbestos containing materials on the subject property in preparation for building demolition areas only associated with the new conference center (including entry transition area, pre-function area) and pool/health club facilities. The lead & asbestos survey has been completed for the Project and is included for MSF approval as part of this MSF Work Plan. Preparatory work toward abatement and partial abatement may also begin prior to MSF approval of this MSF Work Plan and is included for approval by the MSF. Initiating abatement prior to MSF approval is allowed and may become necessary for the Project to remain on schedule because the conference center is seasonally sensitive business

in northern Michigan. A State of Michigan Certified Asbestos Project Designer will provide the necessary asbestos abatement project scope of work for required abatement protocols to be followed on a project of this magnitude. The Developer will abate lead paint (including cadmium, if present) and asbestos-containing materials prior to demolition. All asbestos abatement will be performed in accordance to applicable asbestos removal requirements by a licensed contractor. In addition, planning, evaluation & supervision, bid specification compliance and third party air monitoring will be performed to comply with applicable requirements and have been included in the MSF Work Plan request for MSF approval.

3.2.2 Demolition

Pre-demolition survey of regulated materials and universal waste, site demolition of associated site improvements (paving, utilities, etc.), interior partial building demolition of entry transition area and complete building demolition activities of the dome and pool structures being replaced in order to prepare the Eligible Property and site for the proposed improvements will be completed. Demolition activities will include complete removal and necessary backfilling of voids with engineered fill caused by the removal of basements and foundations. Demolition activities are necessary to prepare the site for the proposed new construction. Demolition will be performed in accordance to applicable local requirements by a licensed contractor. In addition, planning, evaluation & supervision, bid specification compliance and third party oversight will be performed to comply with applicable requirements and have been included in the MSF Work Plan request for MSF approval. Please see Figures 4A, 4B and 4C for the Draft Demolition Plans.

3.2.3 Infrastructure Improvements

As the City of Traverse City is a qualified local governmental unit, infrastructure improvements activities proposed will be publicly owned, maintained and operated, are located in a public right-of-way or easement, will support the project, and will serve others and/or the public. Please see Figures 5, 6, 7 and 8 for the Infrastructure Improvements Maps.

- *Streetscapes* (Figure 5) – Work will occur on Park Street which provides the entrance to the Park Place. The first impression a tourist, shopper or perspective business person receives of Downtown is the street. Improving that first impression by improving the aesthetics of the street is critical to attracting new users. Equally important, the physical street environment is a critical element in the effort to keep people coming back to Downtown. To maintain a successful downtown business and entertainment district, it is critical that we build an attractive place where people like and want to visit. The proposed streetscape improvements include replacing the historic brick pavers for the street, replace the sidewalks for heated sidewalks to add to the ability to enjoy sidewalks year-around, planting street trees, and providing benches, bike racks, trash cans, planters, and street lights. Streetscapes will be paid for by the TC DDA.
- *Watermain - 12"* (Figure 6) – An upgraded 12" watermain will be installed from Boardman to Cass down State street which is the area impacted by the Park Place. This will provide the City an improved water system reliability including fire protection to support redevelopment and existing structures. The improvement will upgrade the

City's water distribution system to current standards for fire protection. Watermain will be paid for by the City of Traverse City.

- *Storm Sewer Water Quality* (Figure 7) – Traverse City will implement best practices for storm water management that positively impacts the area of the DDA TIF 97Plan area. The Park Place Brownfield Plan will begin the process of implementing an area-wide plan. Managing stormwater runoff from frequent storm events (generally less than one inch of rain) has a profoundly positive impact on stormwater quality. This can be accomplished through infiltration, filtration, or a combination of the two. Infiltration helps to remove stormwater runoff volume at or near the source; infiltrated runoff is naturally filtered through soil media and does not discharge the Boardman River, or Grand Traverse Bay. Filtration is often implemented as an end-of-pipe treatment; although this does not reduce runoff volume, it removes many of the pollutants prior to discharge. Both techniques are effective. The plan includes a combination of infiltration and filtration to improve water quality for a significant portion of the downtown area. Storm Sewer will be paid for by the TC DDA.
- *Electric Lines* (Figure 8) – Traverse City plans on undergrounding existing overhead facilities including lines, boxes for switches and other equipment. In some cases, undergrounding the existing lines may require the utility to acquire new easements when the existing overhead route is inappropriate for an underground line. In addition, building the underground lines in this urban area may require the use of directional boring rather than trenching, which is less expensive, to minimize disruptions to streets, alley and driveways. The exact construction methodology, route and course have not been determined but the plan is to eliminate the overhead system that is immediately behind the Park Place Conference Center along the alleyway to the east. The improvement will upgrade the City's electrical system to current standards, reduce long-term operation and maintenance and provide aesthetic benefits by reducing visual clutter. Electric lines are owned by Traverse City Light and Power (TCLP), which is a municipal public entity, and this improvement will be paid for by TCLP.

3.2.4 Brownfield and Work Plan Preparation

Reasonable costs associated with development and preparation of a Brownfield Plan and Work Plan are included in this MSF Work Plan request for the Eligible Property in accordance with all applicable MDEQ/MSF guidance and as required per Act 381 of 1996, as amended.

4.0 SCHEDULE AND COSTS

The following sections present the proposed schedule to complete the Project and the associated costs.

4.1 SCHEDULE OF ACTIVITIES

Project activities will commence in the Spring of 2017. Completion of the new conference center and pool/health club buildings is anticipated to occur before the Spring 2018.

4.2 ESTIMATED COSTS

The itemized estimated costs to complete the eligible activities including all labor, equipment, subcontractors, and materials under this MSF Work Plan are provided in Sections 4.2.1 and 4.2.2 below and in the attached Table 1. Contingency and Interest associated with the eligible activities is not included in this MSF Work Plan.

4.2.1 Description of MSF Eligible Activities Costs

The estimated cost for the eligible activities described in this section and included for approval by the MSF is \$2,777,680 of which the projected costs of Developer eligible activities are \$837,680 and public eligible activities are estimated at \$1,940,000. State of Michigan Brownfield Redevelopment Fund (MBRF) capture (\$100,069) and local-only capture (\$17,037) are not included in these costs but have been included in the adopted Brownfield Plan. Individual costs associated with the eligible activities are provided in the attached Table 1.

4.2.2 Local-Only Costs

The project expects to incur \$17,037 in local-only costs for application fees and Brownfield Plan/Act 381 Work Plan preparation.

4.2.3 Contingency and Interest

Contingency and Interest associated with the eligible activities is not included in this MSF Work Plan.

5.0 PROJECT COSTS AND FUNDING

The following subsections present the total estimated Project costs and the source and uses of funds.

5.1 TOTAL ESTIMATED PROJECT COSTS

The total costs of the non-environmental eligible activities under this MSF Work Plan are provided in Table 1. The Developer and municipal public entities (TCLP, City of Traverse City, and the TC DDA) anticipate making a Capital Investments of approximately \$6.69 million in improvements on the Eligible Property and infrastructure improvements. The Developer will finance all MSF Eligible Activities estimate at \$854,717 under the Plan related to improvements on the Eligible Property with private funds and limited use of available MDEQ BRL and RRLF loans should they materialize. Public eligible activities are estimated at \$1,940,000 under the Plan and will be completed by and financed by municipal public entities.

5.2 SOURCES AND USES OF FUNDS

The Developer and municipal public entities (TCLP, City of Traverse City, and the TC DDA) anticipates investment of \$6.69 million in improvements on the Eligible Property and infrastructure improvements. Redevelopment of the subject property is expected to subsequently generate increases in taxable value and result in incremental taxable value. Tax increment revenue will be utilized to reimburse the cost of eligible activities. Table 4d provides an estimate of tax increment revenue. Private eligible activity costs are financed from Developer equity and bank financing to allow for the completion of the conference center and pool/health club structures.

5.3 OTHER INFORMATION

The state and local breakdown of tax increment revenues anticipated to be used for reimbursement of eligible costs through this MSF Work Plan is summarized below.

This is a commercial development which is non-exempt and taxed at the full millage rate.

The Project anticipates reimbursement of \$2,894,786 in Brownfield eligible activities, under this MSF Work Plan which includes State-Only Michigan Brownfield Revolving Fund and local-only tax captures. Excluding State-Only Michigan Brownfield Revolving Fund and local-only tax captures, MSF Work Plan Eligible Costs are \$2,777,680.

There are 49.6208 non-homestead mills available for capture, with school millage equaling 24.0000 mills (48.37%) and local millage equaling 25.6208 mills (51.63%). None of the project will include homestead residential property, with those properties including the State Education Tax and local ISD taxes. The requested tax capture for MSF portion of non-environmental eligible activities breaks down as follows:

<u>State to Local Tax Capture</u>	<u>MSF Work Plan Eligible Costs</u>
MSF School Tax Capture (48.37%)	\$ 1,343,564
MSF Local Tax Capture (51.63%)	\$ 1,434,117
Local-Only Tax Capture*	\$ 17,036
State-Only Tax Capture**	\$ 100,069
TOTAL***	\$ 2,894,786

* Includes capture for Local-Only Administrative Activities (Brownfield/MSF Work Plan added costs, Application Fees).

** Includes capture for State-Only Michigan Brownfield Revolving Fund.

*** Includes capture for all eligible activities so long as there are sufficient incremental revenues available for capture. Based upon current estimates of projected Taxable Value, the identified Eligible Activities may not be fully reimbursed if Taxable Value assumptions do not rise over the 30-year capture period. If there are available revenues due to increased Taxable Values during the capture period, then the Brownfield Plan may allow for full reimbursement of the identified Eligible Activities.

6.0 LIMITATIONS

The cost estimates included within this MSF Work Plan are just that—estimates—and the actual costs incurred may vary depending on site conditions. If in fact the eligible activity costs exceed the estimated amount for reimbursement, the Developer and the Authority may submit an amended Brownfield Plan and amended Act 381 Work Plan. Please reference Attachment A for a copy of the Brownfield Plan.

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

FIGURES

Figure 1: Proposed Park Place Additions (Site Plan)

Figures 2A, 2B and 2C: Conference Center Building (Elevations/Renderings)

Figure 3: Pool/Health Club (Elevation/Rendering)

Figures 4A, 4B and 4C: Draft Demolition Plans

Figure 5: Infrastructure Improvements Map - Streetscapes

Figure 6: Infrastructure Improvements Map - Watermain - 12"

Figure 7: Infrastructure Improvements Map – Storm Sewer Water Quality

Figure 8: Infrastructure Improvements Map – Electric Lines



FIGURE 1 – Proposed Park Place Additions (Site Plan)



FIGURE 2A – Conference Center Building (Elevations/Renderings)



FIGURE 2B – Conference Center Building (Elevations/Renderings)



FIGURE 2C – Conference Center Building (Elevations/Renderings)



FIGURE 3 – Pool/Health Club (Elevation/Rendering)

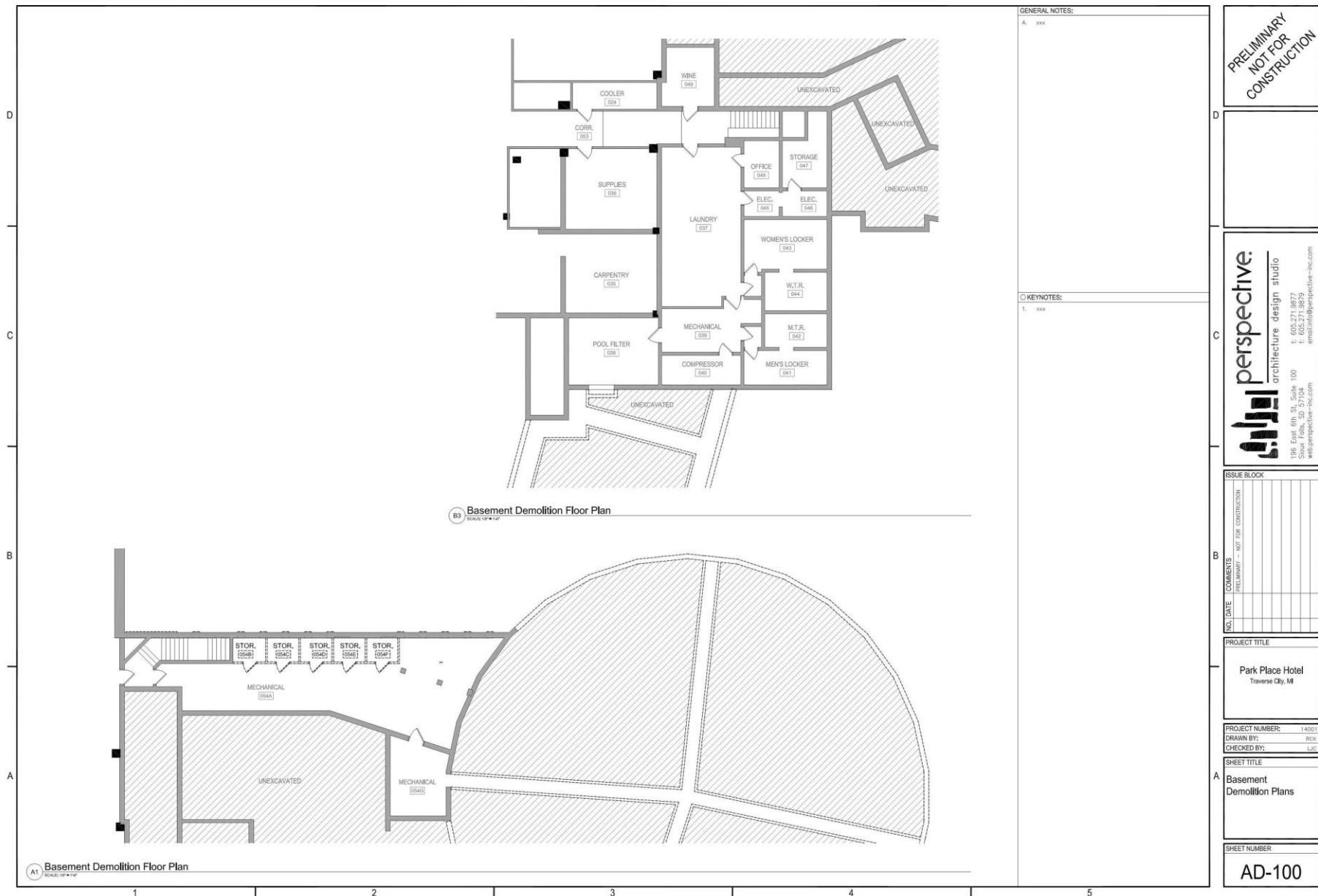


FIGURE 4A – Draft Demolition Plan (Basement Demolition Plans)

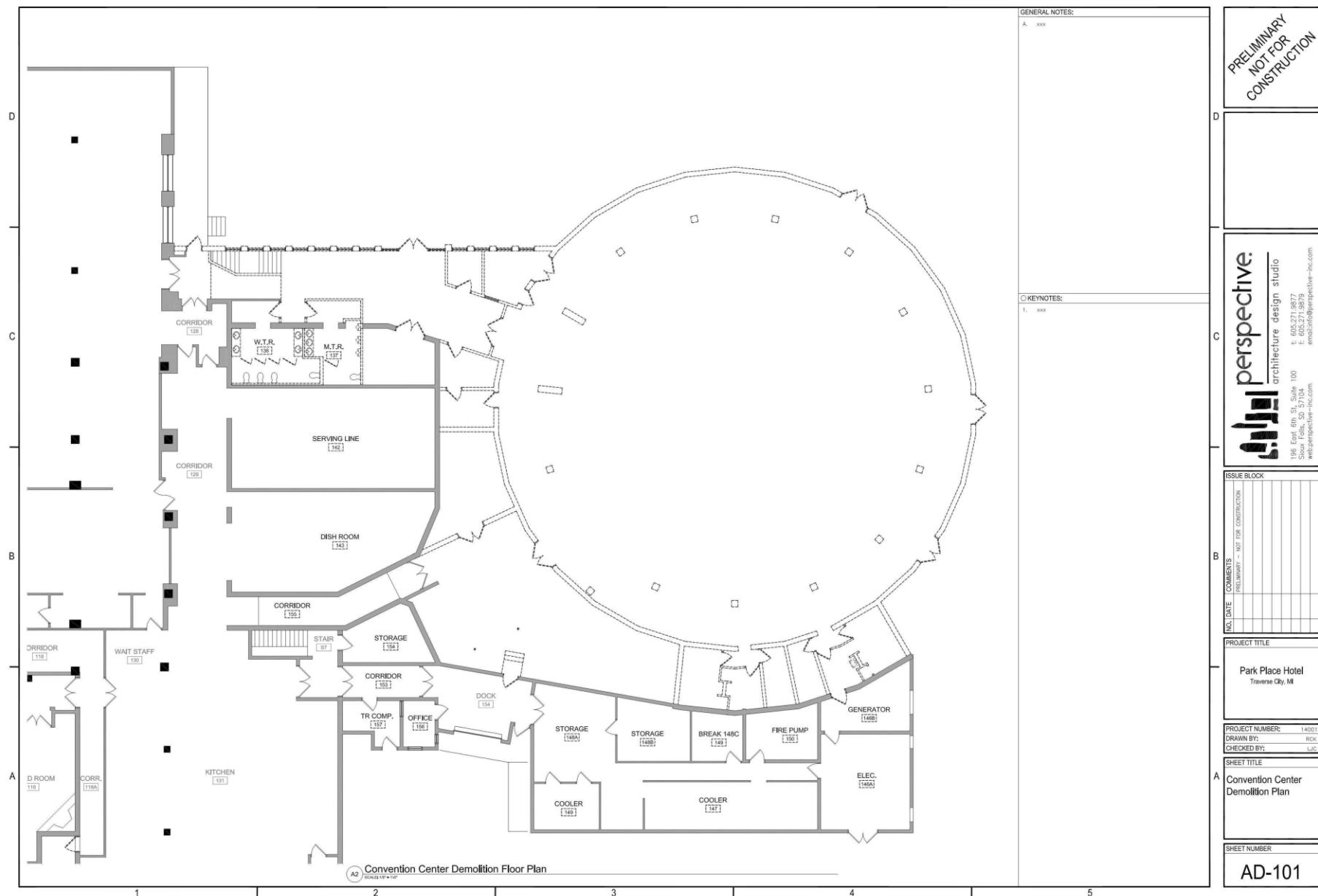


FIGURE 4B – Draft Demolition Plan (Convention Center “Dome” Demolition Plan)

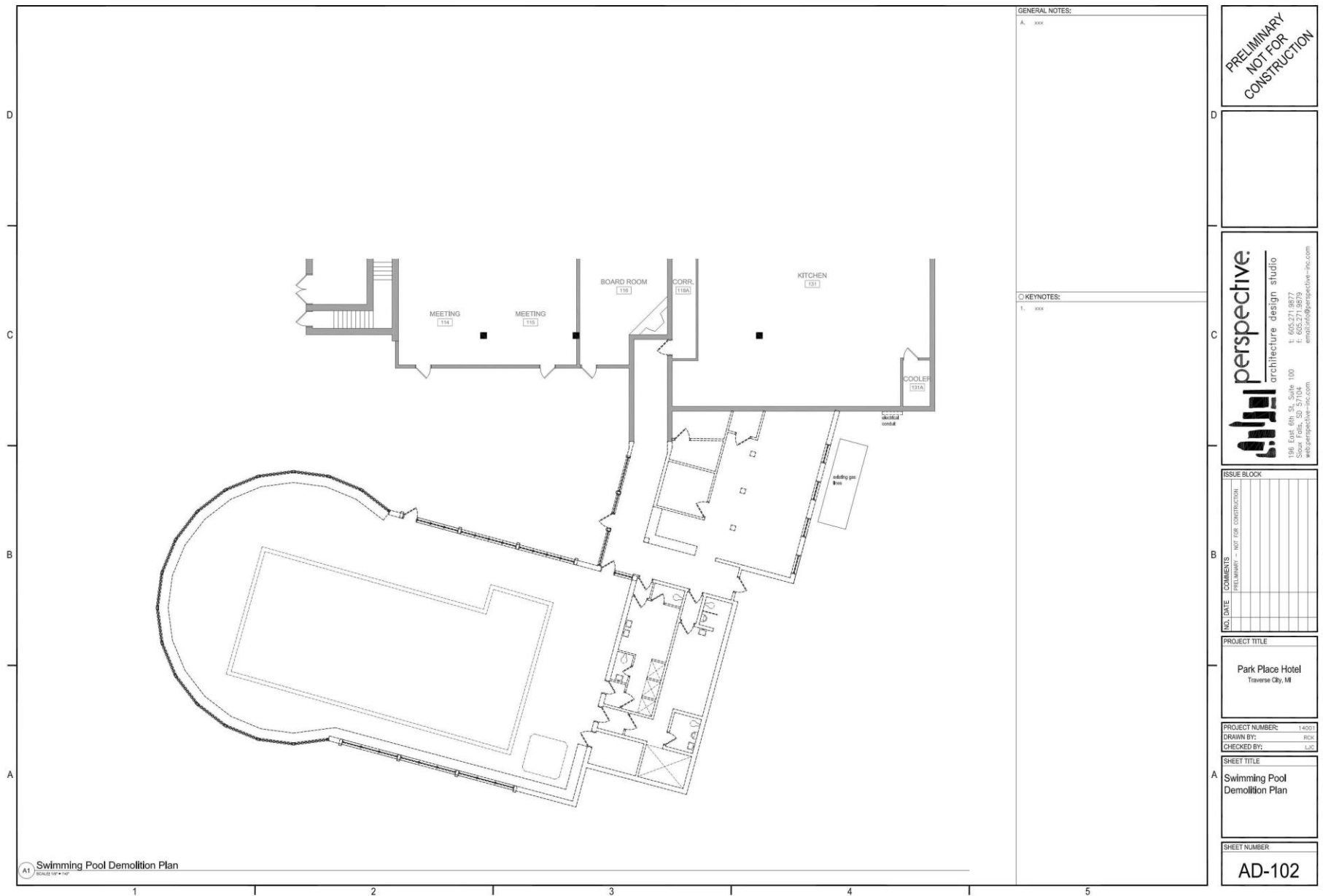


FIGURE 4C – Draft Demolition Plan (Swimming Pool Demolition Plan)

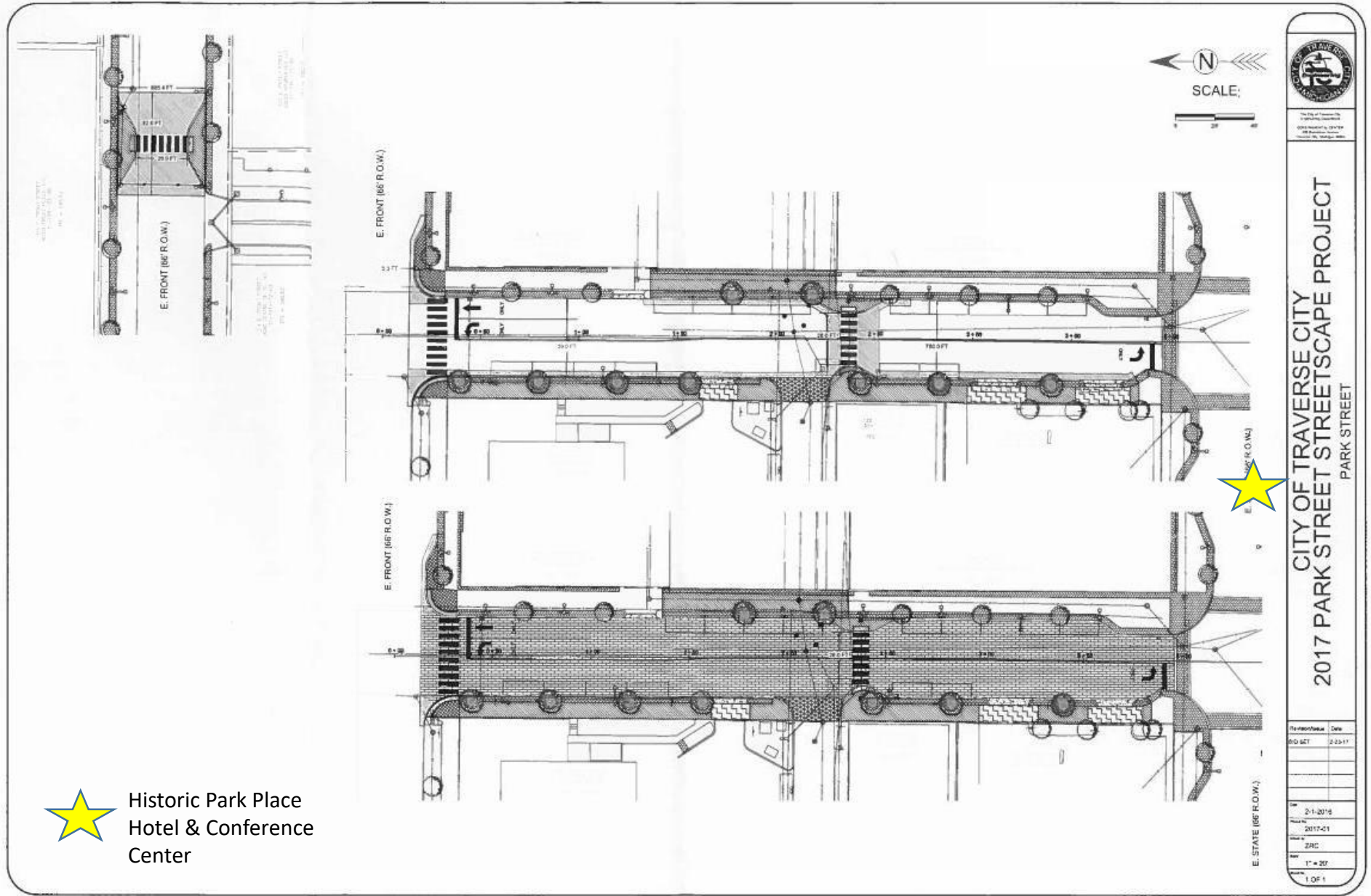


FIGURE 5 – Infrastructure Improvements Map - Streetscapes

★ Historic Park Place
Hotel & Conference
Center

Watermain
Locations

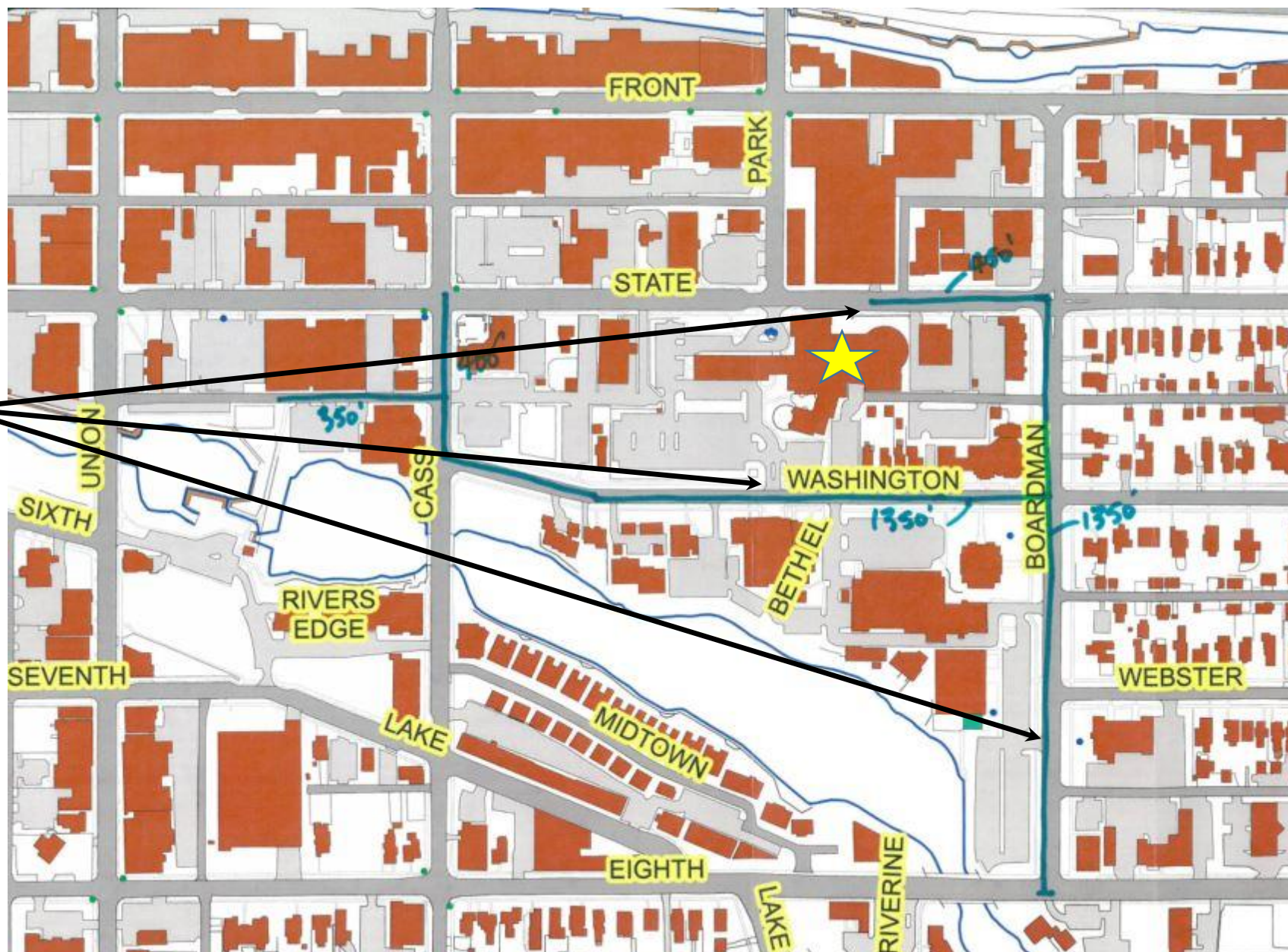


FIGURE 6 – Infrastructure Improvements Map - Watermain - 12"

★ Historic Park Place
Hotel & Conference
Center

Storm Sewer
Water Quality

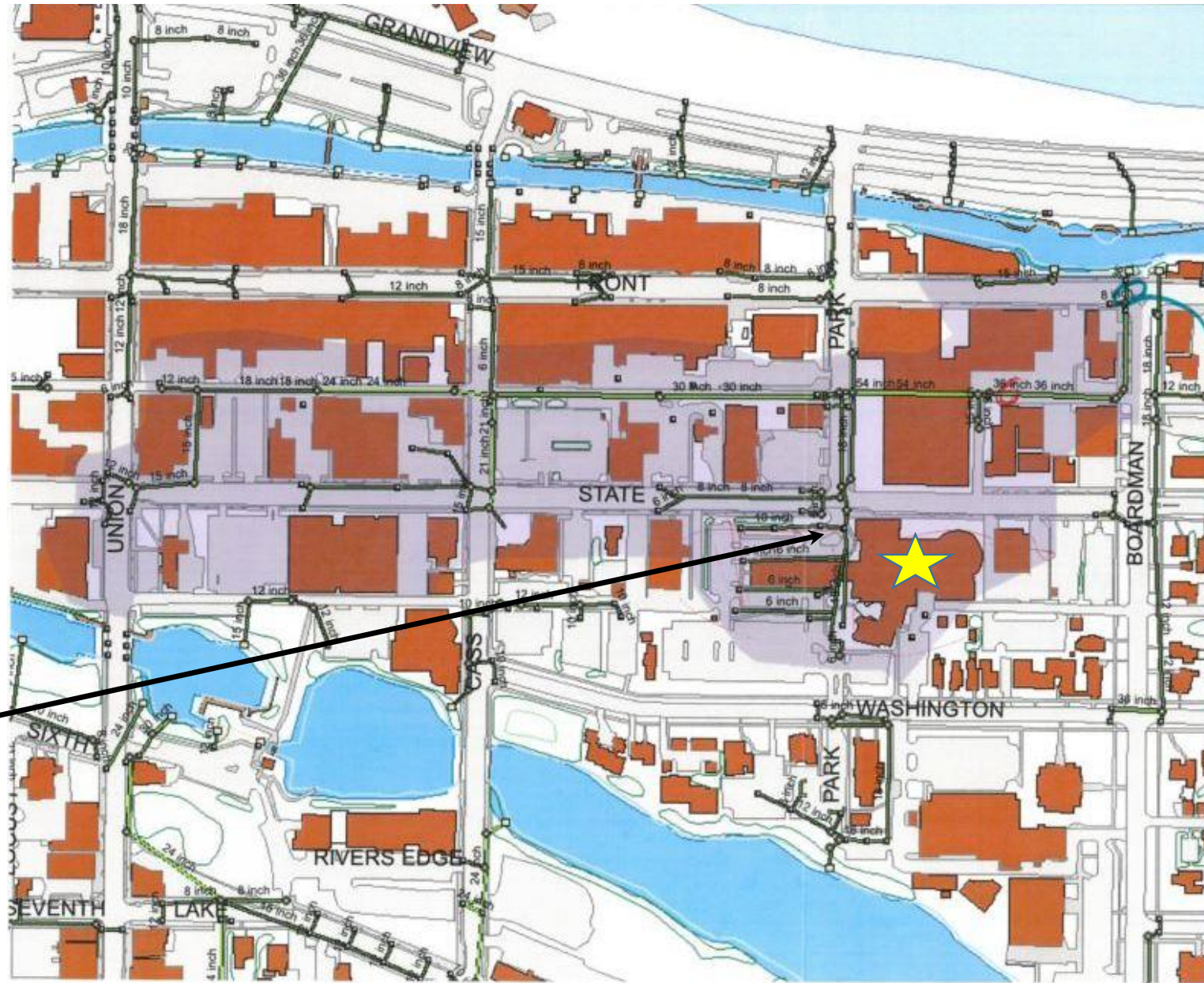


FIGURE 7 – Infrastructure Improvements Map – Storm Sewer Water Quality

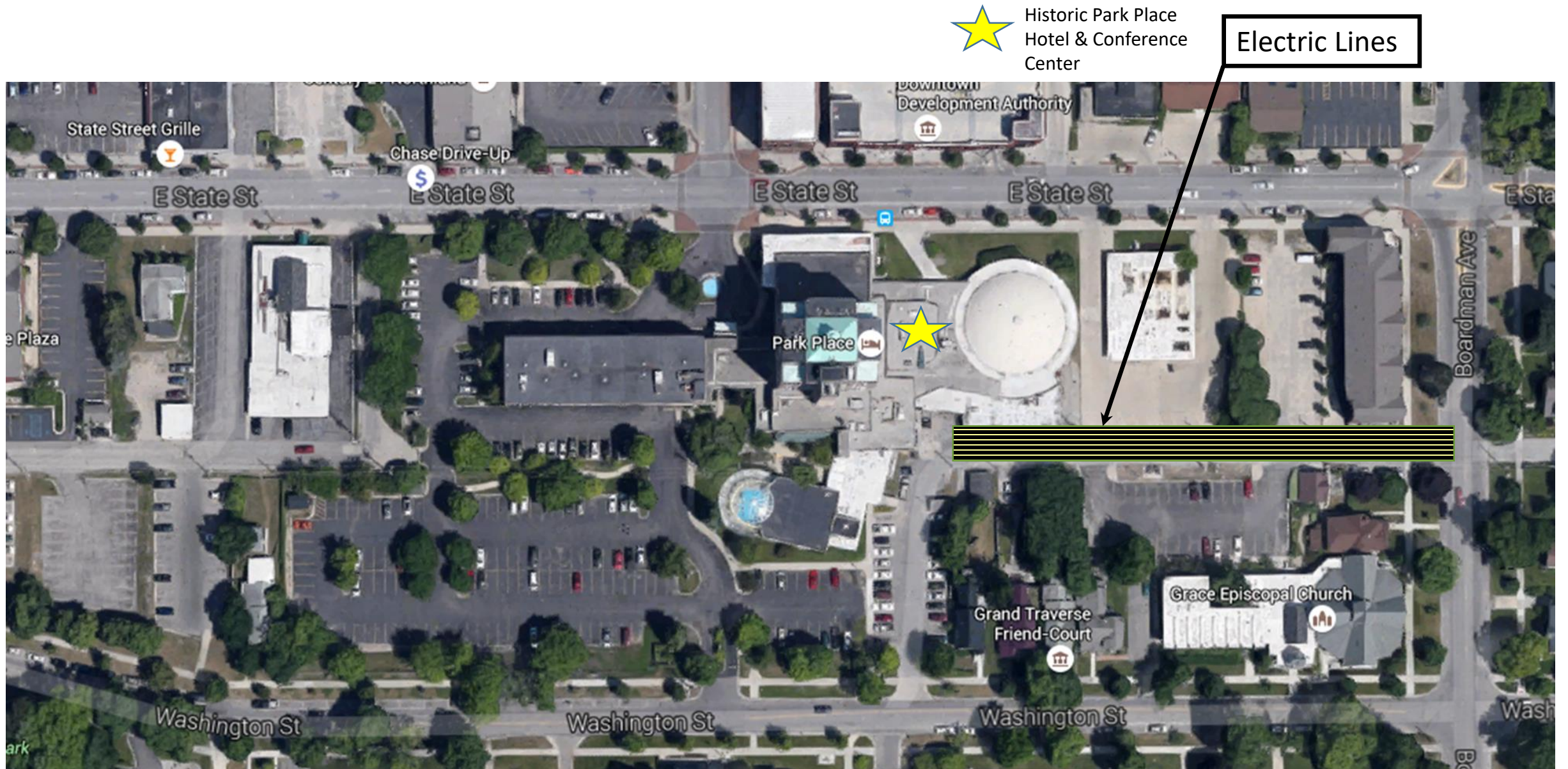


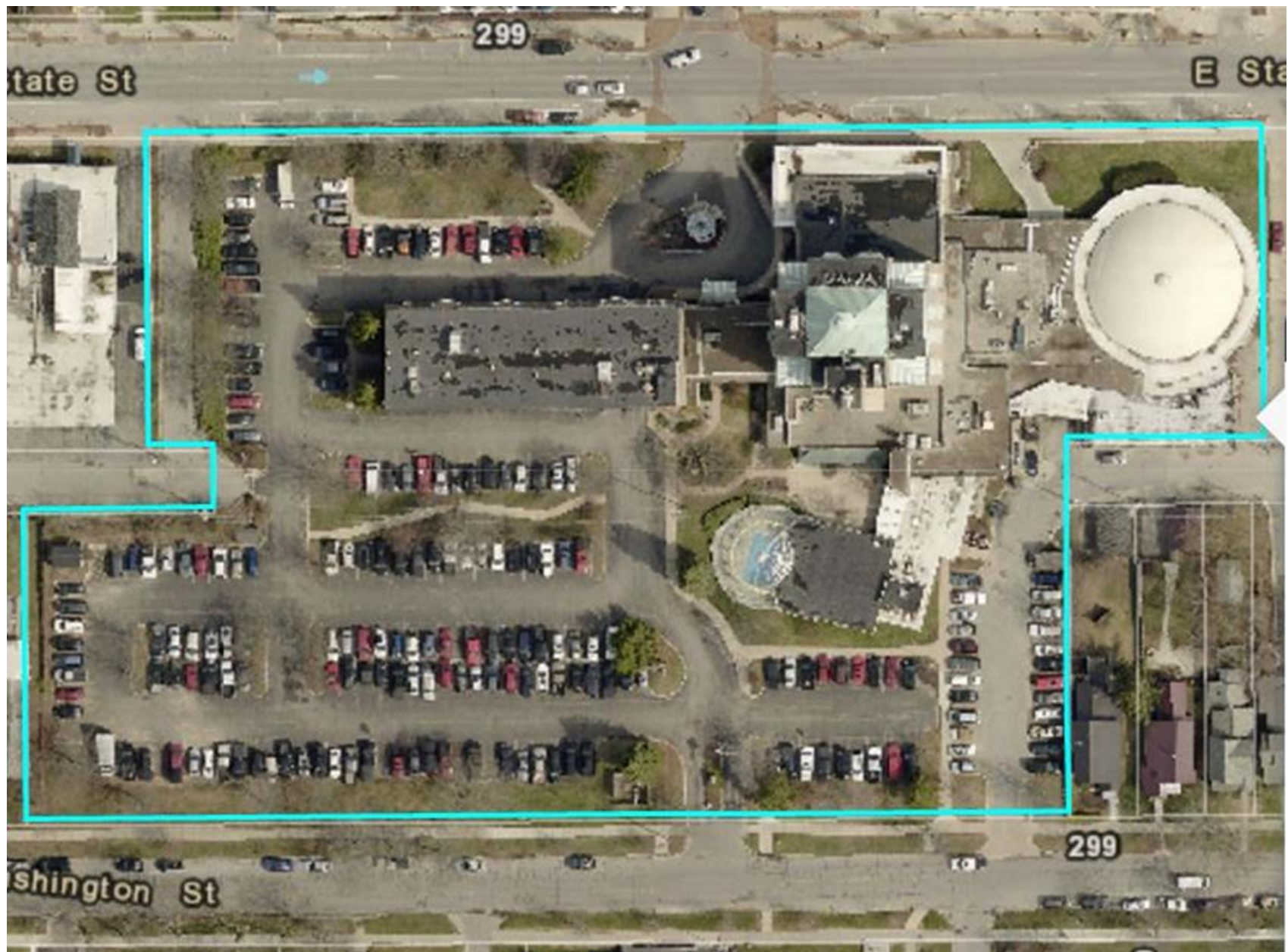
FIGURE 8 – Infrastructure Improvements Map – Electric Lines

PHOTOS

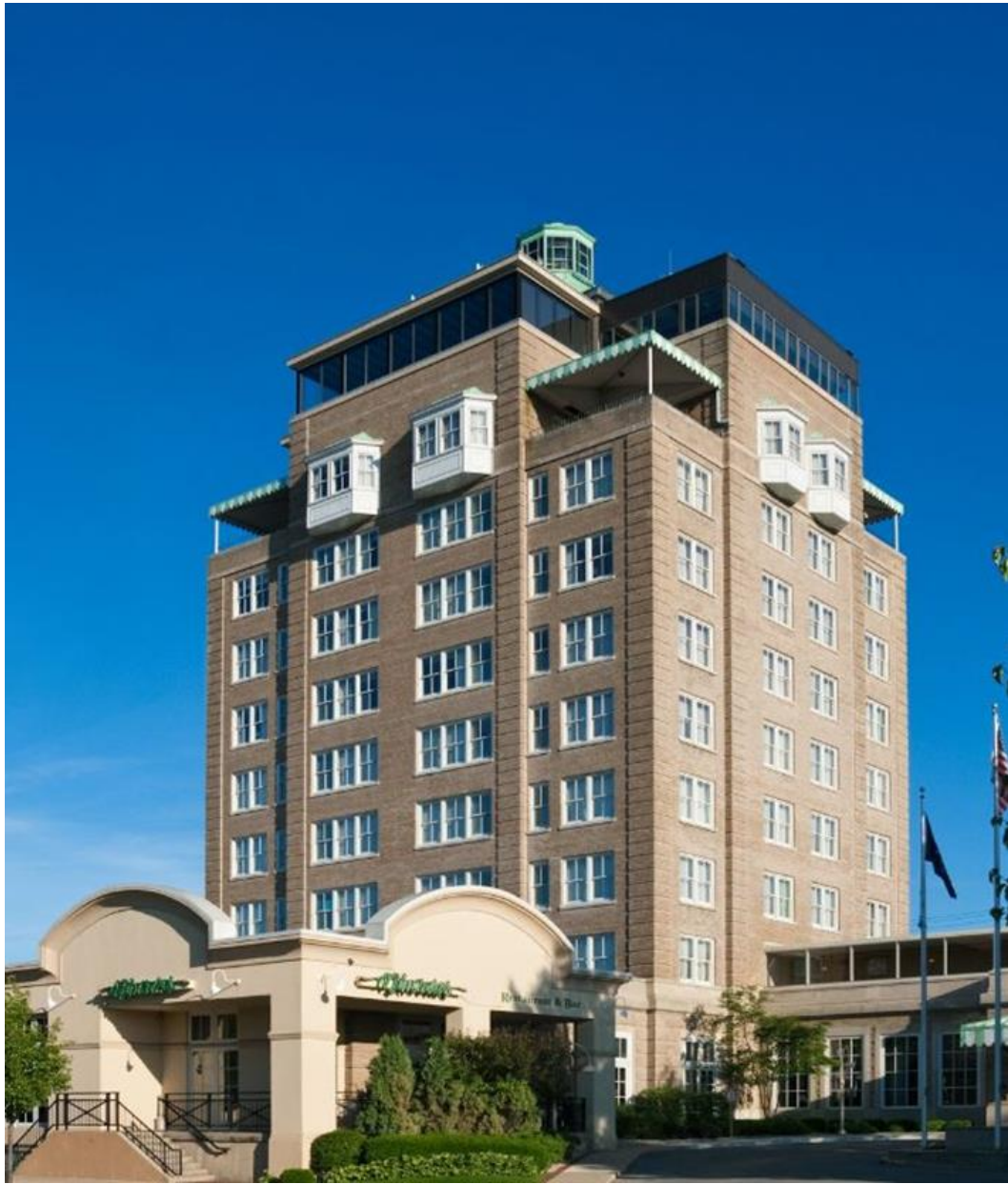
Photos: Current Photos and Surrounding Area



PHOTOS – Current Photos (Historic Park Place Hotel)



PHOTOS – Current Photos (Historic Park Place Hotel)



PHOTOS – Current Photos (Historic Park Place Hotel)



PHOTOS – Conference Center “Dome” Structure

PHOTOS – Pool Building





PHOTOS – Surrounding Area (Washington Street)



PHOTOS – Surrounding Area (Washington Street)



PHOTOS – Surrounding Area (Washington Street)



PHOTOS – Surrounding Area (State Street)



PHOTOS – Surrounding Area (State and Pine Street)



PHOTOS – Surrounding Area (State Street)

TABLES

Table 1: Act 381 Eligible Activity Table, MSF Work Plan

Table 4d: Reimbursement of Eligible Activities & Disbursements (Tax Increment Finance Table)

TABLES

Table 1: Act 381 Eligible Activity Table, MSF Work Plan

Table 4d: Reimbursement of Eligible Activities & Disbursements (Tax Increment Finance Table)

MEDC Table: Reimbursement Tax Increment Revenue Reimbursement Allocation Table

MEDC Table: Tax Increment Revenue Capture Estimates

TABLE 1: ACT 381 ELIGIBLE ACTIVITY TABLE
MSF Work Plan, revised March 16, 2017 (MEDC Revisions August 22, 2017)
Park Place Redevelopment Area, Traverse City, Grand Traverse County, Michigan

NON-ENVIRONMENTAL ACTIVITIES: MICHIGAN STRATEGIC FUND (MSF) ELIGIBLE ACTIVITIES				FUNDING SOURCE		TOTAL
ACTIVITY	No. of Units	Type of Unit (YD, LS, LF, CY, SF, TN, DY, MO, GAL, EA)	Unit Cost	Developer	DDA	
Demolition Activities						
Building Demolition (Conference Center and Pool Building)	12900	SF	\$ 25.00	\$ 322,500.00		\$ 322,500.00
Local Historic Commission and SHPO Applications & Materials	1	LS	\$ 32,000.00	\$ 32,000.00		\$ 32,000.00
Pre-Demolition Building Survey	1	LS	\$ 8,000.00	\$ 8,000.00		\$ 8,000.00
Site Demolition	1	LS	\$ 12,000.00	\$ 12,000.00		\$ 12,000.00
Health and Safety Plan for Demolition	1	LS	\$ 4,000.00	\$ 4,000.00		\$ 4,000.00
Soft Costs for Demolition	1	LS	\$ 13,500.00	\$ 13,500.00		\$ 13,500.00
On-Site Demolition Oversight	1	LS	\$ 10,320.00	\$ 10,320.00		\$ 10,320.00
Demolition - Bid Specifications Compliance	1	LS	\$ 9,600.00	\$ 9,600.00		\$ 9,600.00
Planning, Evaluation & Supervision for Demolition	1	LS	\$ 5,160.00	\$ 5,160.00		\$ 5,160.00
Project Management of Demolition	1	LS	\$ 14,000.00	\$ 14,000.00		\$ 14,000.00
Demolition Activities Subtotal				\$ 431,080.00	\$ -	\$ 431,080.00
Lead and Asbestos Abatement Activities						
Lead & Asbestos Pre-Demolition Survey	1	LS	\$ 14,000.00	\$ 14,000.00		\$ 14,000.00
Health and Safety Plan for Asbestos Abatement	1	LS	\$ 4,000.00	\$ 4,000.00		\$ 4,000.00
Lead & Asbestos Abatement	1	LS	\$ 294,100.00	\$ 294,100.00		\$ 294,100.00
Soft Costs for Asbestos Abatement	1	LS	\$ 6,000.00	\$ 6,000.00		\$ 6,000.00
On-Site Asbestos Abatement Third-party Oversight	1	LS	\$ 41,000.00	\$ 41,000.00		\$ 41,000.00
Lead & Asbestos - Bid Specifications Compliance	1	LS	\$ 7,500.00	\$ 7,500.00		\$ 7,500.00
Planning, Evaluation & Supervision During Asbestos Abatement	1	LS	\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
Project Management of Asbestos Abatement	1	LS	\$ 5,000.00	\$ 5,000.00		\$ 5,000.00
Lead and Asbestos Abatement Activities Subtotal				\$ 376,600.00	\$ -	\$ 376,600.00
Infrastructure Improvements Activities (Public) - In Public ROW/Easements						
Infrastructure Improvements - DDA						
Streetscapes	1	LS	\$ 515,000.00		\$ 515,000.00	\$ 515,000.00
Watermain - 12"	3900	LF	\$ 250.00		\$ 975,000.00	\$ 975,000.00
Electric	1	LS	\$ 200,000.00		\$ 200,000.00	\$ 200,000.00
Storm Sewer Water Quality	1	LS	\$ 273,500.00		\$ 250,000.00	\$ 250,000.00
Infrastructure Improvements Activities (Public) Subtotal				\$ -	\$ 1,940,000.00	\$ 1,940,000.00
Non-Environmental Eligible Activities Subtotal				\$ 807,680.00	\$ 1,940,000.00	\$ 2,747,680.00

TABLE 1: ACT 381 ELIGIBLE ACTIVITY TABLE
MSF Work Plan, revised March 16, 2017 (MEDC Revisions August 22, 2017)
Park Place Redevelopment Area, Traverse City, Grand Traverse County, Michigan

NON-ENVIRONMENTAL ACTIVITIES: MICHIGAN STRATEGIC FUND (MSF) ELIGIBLE ACTIVITIES				FUNDING SOURCE		TOTAL
ACTIVITY	No. of Units	Type of Unit (YD, LS, LF, CY, SF, TN, DY, MO, GAL, EA)	Unit Cost	Developer	DDA	
Contingency Percentage	0%	%		\$ -	\$ -	-
Contingency Amount				\$ -	\$ -	\$ -
Non-Environmental Eligible Activities Total				\$ 807,680.00	\$ 1,940,000.00	\$ 2,747,680.00
Interest (Simple Interest): From Interest Tabs				\$ -		\$ -
NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES GRAND TOTAL				\$ 807,680.00	\$ 1,940,000.00	\$ 2,747,680.00
ADMINISTRATIVE ACTIVITIES						
A. Brownfield Plan						
1. Local & State Portion						
a. DEQ Eligible Activities	0	LS	\$ -	\$ -		\$ -
b. MSF Eligible Activities	1	LS	\$ 18,000.00	\$ 18,000.00		\$ 18,000.00
B. Act 381 Work Plan				\$ -		
1. Local & State Portion				\$ -		
a. DEQ Eligible Activities	0	LS	\$ -	\$ -		\$ -
b. MSF Eligible Activities	1	LS	\$ 12,000.00	\$ 12,000.00		\$ 12,000.00
Subtotal				\$ 30,000.00	\$ -	\$ 30,000.00
2. <u>Local Only</u> Portion	1	LS	\$ 8,000.00	\$ 8,000.00		\$ 8,000.00
Total				\$ 38,000.00	\$ -	\$ 38,000.00
Total: Brownfield & Work Plan Preparation				\$ 38,000.00	\$ -	\$ 38,000.00
Local Application Fees - <u>Local Only Portion</u>						
a. Part 1 Application	1	LS	\$ 500.00	\$ 500.00		\$ 500.00
b. Part 2 Application (1% of EA Amount, capped at \$20,000 on project EAs over \$2MM)	1	LS	1%	\$ 8,537.00		\$ 8,537.00
Total				\$ 9,037.00	\$ -	\$ 9,037.00
Administrative Activities Total				\$ 47,037.00	\$ -	\$ 47,037.00
NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES TOTAL (without Administrative)				\$ 807,680.00	\$ 1,940,000.00	\$ 2,747,680.00
NON-ENVIRONMENTAL ELIGIBLE ACTIVITY TOTAL (including Administrative)				\$ 854,717.00	\$ 1,940,000.00	\$ 2,794,717.00
NON-ENVIRONMENTAL ELIGIBLE ACTIVITY TOTAL (including Administrative, excludes local-only eligible activity costs)				\$ 837,680.00	\$ 1,940,000.00	\$ 2,777,680.00

**PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN**
Table 4d - Reimbursement of Eligible Activities & Disbursements¹

Notes	DISBURSEMENTS TO BROWNFIELD REDEVELOPMENT AUTHORITY & MBRF			Totals
-	State of Michigan Brownfield Redevelopment Fund (MBRF): Funded from the capture of the State Education Tax (SET) millages (if applicable) - Estimated State Education Tax (SET) Captured			\$ 100,069
-	Reimbursement of Local Brownfield Redevelopment Authority Administrative & Operating Expenses	\$ -	of Local Tax Capture per year during Brownfield Plan.	\$ 0
-		0.00%	of Local Tax Capture thereafter.	
-	Local Brownfield Redevelopment Authority Site Remediation Revolving Fund (LSRRF)	0.00%	of Local Tax Capture during Brownfield Plan.	\$ 0
-		0.00%	of Local Tax Capture thereafter.	
-	Note: The LSRRF may capture for not more than 5 years after the time that capture is required to reimburse all Eligible Activities.	LSRRF is allowed to capture an amount of Local Tax Increment up to: \$ -		
-	Local Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement			
-	State & Local School Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement			
-	Total of Local Tax Increment and State & Local School Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement			
Notes	REIMBURSEMENT OF ELIGIBLE ACTIVITIES	Year that Expenses Identified in the Eligible Activities Table Will Be Recognized ²		Totals
		2017	2018	
-	<u>Environmental Activities: Michigan Department of Environmental Quality (MDEQ)</u>			
-	Local Tax Increment Reimbursement	\$ -	\$ 23,785	\$ 23,785
-	State & Local School Tax Increment Reimbursement (LSO & SET)	\$ -	\$ 22,280	\$ 22,280
-	TOTAL MDEQ REIMBURSEMENT (Eligible Costs)	\$ 0	\$ 46,065	\$ 46,065
-	Cumulative Reimbursement: MDEQ			
-	Remaining Environmental Activities to be Reimbursed: with Local Taxes			
-	Remaining Environmental Activities to be Reimbursed: with Non- Local Taxes, e.g., LSO & SET			
-	<u>Non-Environmental Activities: Brownfield Redevelopment Authority (BRA) & Michigan Strategic Fund (MSF)</u>			
-	Local Tax Increment Reimbursement	\$ 1	\$ 1,451,242	\$ 1,451,243
-	State & Local School Tax Increment Reimbursement (LSO & SET)	\$ 0	\$ 1,343,475	\$ 1,343,476
-	TOTAL BRA & MSF REIMBURSEMENT (Eligible Costs)	\$ 1	\$ 2,794,717	\$ 2,794,718
-	Cumulative Reimbursement: BRDA & MSF			
-	Remaining Non-Environmental Activities to be Reimbursed: with Local Taxes			
-	Remaining Non-Environmental Activities to be Reimbursed: with Non-Local Taxes, e.g., LSO & SET			
-	TOTAL ANNUAL REIMBURSEMENT: BRA, MDEQ & MSF (Eligible Costs)	\$ 1	\$ 2,840,782	\$ 2,840,783
-	TOTAL CUMULATIVE REIMBURSEMENT: BRA, MDEQ & MSF (Eligible Costs)			
-	<i>Remaining Unreimbursed Balance</i>			
-	<i>Surplus Revenue from Local Tax Increment =</i>			
-	<i>Surplus Revenue from State and Local School Tax Increment =</i>			

Notes:

¹ Unless amended by the local unit of government, the Plan is anticipated to remain in effect until all approved activities in the Plan are reimbursed.

² The "Year of Tax Capture" indicates the year that any allowed tax increment will be captured by the Brownfield Plan, but not necessarily distributed as reimbursement payments; generally, reimbursement payments for Eligible Activities, bonds, etc, will be distributed in the following year, but the specific terms and conditions of reimbursement will be subject to a Development Reimbursement Agreement with the local unit of government.

Calendar Year BP Year Number	2017 0	2018 1	2019 2	2020 3	2021 4	2022 5	2023 6	2024 7	2025 8	2026 9	2027 10	2028 11
	\$ -	\$ 3,853	\$ 3,704	\$ 3,556	\$ 3,463	\$ 3,371	\$ 3,317	\$ 3,281	\$ 3,246	\$ 4,299	\$ 4,154	\$ 4,011
Annual:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Annual:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 32,903	\$ 31,632	\$ 30,365	\$ 29,576	\$ 28,791	\$ 28,325	\$ 28,022	\$ 27,723	\$ 36,712	\$ 35,479	\$ 34,251
	\$ 0	\$ 23,132	\$ 22,901	\$ 22,673	\$ 22,616	\$ 22,562	\$ 22,622	\$ 22,742	\$ 22,866	\$ 26,254	\$ 26,054	\$ 25,858
	\$ 0	\$ 56,035	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
Year of Tax Capture ²	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$ 0	\$ 23,785	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 22,280	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 46,065	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 9,118	\$ 31,632	\$ 30,365	\$ 29,576	\$ 28,791	\$ 28,325	\$ 28,022	\$ 27,723	\$ 36,712	\$ 35,479	\$ 34,251
	\$ 0	\$ 852	\$ 22,901	\$ 22,673	\$ 22,616	\$ 22,562	\$ 22,622	\$ 22,742	\$ 22,866	\$ 26,254	\$ 26,054	\$ 25,858
	\$ 0	\$ 9,970	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
	\$ 0	\$ 9,970	\$ 64,502	\$ 117,541	\$ 169,732	\$ 221,085	\$ 272,032	\$ 322,796	\$ 373,384	\$ 436,350	\$ 497,884	\$ 557,993
	\$ 1	\$ 1,442,125	\$ 1,410,493	\$ 1,380,127	\$ 1,350,552	\$ 1,321,761	\$ 1,293,436	\$ 1,265,414	\$ 1,237,691	\$ 1,200,979	\$ 1,165,500	\$ 1,131,249
	\$ 0	\$ 1,342,624	\$ 1,319,723	\$ 1,297,050	\$ 1,274,434	\$ 1,251,873	\$ 1,229,250	\$ 1,206,508	\$ 1,183,643	\$ 1,157,389	\$ 1,131,335	\$ 1,105,476
	\$ 0	\$ 56,035	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
	\$ 0	\$ 56,035	\$ 110,567	\$ 163,606	\$ 215,797	\$ 267,150	\$ 318,097	\$ 368,861	\$ 419,449	\$ 482,415	\$ 543,949	\$ 604,058
	\$ 1	\$ 2,784,749	\$ 2,730,216	\$ 2,677,177	\$ 2,624,986	\$ 2,573,634	\$ 2,522,686	\$ 2,471,923	\$ 2,421,334	\$ 2,358,368	\$ 2,296,835	\$ 2,236,725
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
12	13	14	15	16	17	18	19	20	21	22	23	24
\$ 3,923	\$ 3,835	\$ 3,785	\$ 3,755	\$ 3,724	\$ 4,782	\$ 4,642	\$ 4,503	\$ 4,420	\$ 4,338	\$ 4,293	\$ 4,267	\$ 4,242
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 33,500	\$ 32,755	\$ 32,329	\$ 32,065	\$ 31,807	\$ 40,837	\$ 39,645	\$ 38,459	\$ 37,750	\$ 37,047	\$ 36,664	\$ 36,444	\$ 36,229
\$ 25,832	\$ 25,811	\$ 25,904	\$ 26,056	\$ 26,213	\$ 29,635	\$ 29,469	\$ 29,307	\$ 29,316	\$ 29,329	\$ 29,457	\$ 29,645	\$ 29,838
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 33,500	\$ 32,755	\$ 32,329	\$ 32,065	\$ 31,807	\$ 40,837	\$ 39,645	\$ 38,459	\$ 37,750	\$ 37,047	\$ 36,664	\$ 36,444	\$ 36,229
\$ 25,832	\$ 25,811	\$ 25,904	\$ 26,056	\$ 26,213	\$ 29,635	\$ 29,469	\$ 29,307	\$ 29,316	\$ 29,329	\$ 29,457	\$ 29,645	\$ 29,838
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
\$ 617,326	\$ 675,892	\$ 734,124	\$ 792,245	\$ 850,265	\$ 920,737	\$ 989,852	\$ 1,057,618	\$ 1,124,684	\$ 1,191,060	\$ 1,257,181	\$ 1,323,270	\$ 1,389,337
\$ 1,097,749	\$ 1,064,994	\$ 1,032,665	\$ 1,000,600	\$ 968,793	\$ 927,956	\$ 888,311	\$ 849,852	\$ 812,102	\$ 775,055	\$ 738,391	\$ 701,947	\$ 665,717
\$ 1,079,644	\$ 1,053,833	\$ 1,027,929	\$ 1,001,873	\$ 975,660	\$ 946,025	\$ 916,556	\$ 887,249	\$ 857,933	\$ 828,604	\$ 799,147	\$ 769,501	\$ 739,663
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
\$ 663,391	\$ 721,957	\$ 780,189	\$ 838,310	\$ 896,330	\$ 966,802	\$ 1,035,917	\$ 1,103,683	\$ 1,170,749	\$ 1,237,125	\$ 1,303,246	\$ 1,369,335	\$ 1,435,402
\$ 2,177,392	\$ 2,118,827	\$ 2,060,595	\$ 2,002,473	\$ 1,944,453	\$ 1,873,981	\$ 1,804,867	\$ 1,737,100	\$ 1,670,034	\$ 1,603,658	\$ 1,537,537	\$ 1,471,448	\$ 1,405,381
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Capture Period Ends for
Developer/DDA
Reimbursement.

2042	2043	2044	2045	2046	2047	Totals
25	26	27	28	29	30	-
\$ 5,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,069
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 45,304	\$ 44,157	\$ 43,015	\$ 42,352	\$ 41,695	\$ 41,358	\$ 1,067,191
\$ 33,296	\$ 38,337	\$ 38,079	\$ 38,047	\$ 38,021	\$ 38,148	\$ 850,020
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,917,211
2042	2043	2044	2045	2046	2047	Totals
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,785
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,280
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,065
\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 45,304	\$ 44,157	\$ 43,015	\$ 42,352	\$ 41,695	\$ 41,358	\$ 1,043,407
\$ 33,296	\$ 38,337	\$ 38,079	\$ 38,047	\$ 38,021	\$ 38,148	\$ 827,740
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,871,146
\$ 1,467,937	\$ 1,550,431	\$ 1,631,525	\$ 1,711,924	\$ 1,791,640	\$ 1,871,146	-
\$ 620,414	\$ 576,257	\$ 533,242	\$ 490,889	\$ 449,194	\$ 407,836	-
\$ 706,367	\$ 668,030	\$ 629,952	\$ 591,905	\$ 553,884	\$ 515,736	-
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,917,211
\$ 1,514,002	\$ 1,596,496	\$ 1,677,590	\$ 1,757,989	\$ 1,837,705	\$ 1,917,211	-
\$ 1,326,781	\$ 1,244,288	\$ 1,163,193	\$ 1,082,794	\$ 1,003,078	\$ 923,572	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-

Capture Period Ends for
Developer/DDA
Reimbursement.

300 E. State Street
Traverse City, Michigan
June 21, 2017

Estimated Total Years of Plan:	30
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Local Brownfield Revolving Fund	\$	-
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* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from DEQ & Local TIR only.

Tax Increment Revenue Capture Estimates
Park Place Redevelopment Area Brownfield Plan
300 E. State Street
Traverse City, Michigan
June 21, 2017

Estimated Annual Taxable Value (TV) Increase Rate - for Buildings & Improvements to Land:		0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00
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ATTACHMENTS

Attachment A: Brownfield Plan revised March 6, 2017

- Eligible Property Location Map – Page 9
- Eligible Property Boundaries – Page 9
- Legal Descriptions and Eligible Property Boundary Map – Exhibit A

Attachment B: Executed Interlocal Agreement

Attachment C: Executed Reimbursement Agreement

Attachment A

Brownfield Plan revised March 6, 2017

- Eligible Property Location Map – Page 9
- Eligible Property Boundaries – Page 9
- Legal Descriptions and Eligible Property Boundary Map – Exhibit A

PARK PLACE REDEVELOPMENT AREA

300 East State Street, Tax Parcel No. 28-51-794-090-00
Traverse City, Michigan 49684



Brownfield Plan

Revised March 6, 2017



Prepared with assistance from:
ADVANCED REDEVELOPMENT SOLUTIONS
101 N. Madison
Traverse City, Michigan 49684
Contact: Eric P. Helzer, EDFP
Phone: (517) 648-2434

Grand Traverse County Brownfield Redevelopment Authority

400 Boardman Avenue
Traverse City, Michigan 49684
Contact: Jean Derenzy
Phone: (231) 922-4676

Approved by the Grand Traverse County Brownfield Redevelopment Authority –
01/25/2017

Approved by the City of Traverse City City Commission –
02/21/2017

Approved by the Grand Traverse County Board of Commissioners –
03/15/2017

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Exhibits

- A. Legal Descriptions (per City of Traverse City Assessing Records) and Eligible Property Boundary Map
- B. Basis of Eligibility – Supportive Environmental and Non-Environmental Information
- C. Table 4 – Tax Increment Financing Estimates

**PROJECT SUMMARY SHEET: BROWNFIELD PLAN –
PARK PLACE REDEVELOPMENT AREA**

Project Name: Park Place Redevelopment Area

Applicant/Developer: Entity Name: Regency Midwest Ventures LP
Contact: Kyle Scholten, Chief Financial Officer
Mailing Address: 300 East State Street, Traverse City, MI 49684
Phone: (605) 334-2371
Email: kscholten@ramkota.com

Eligible Property Location: The eligible property (“Property”) consists of one (1) parcel located at:
300 East State Street, Tax Parcel No 28-51-794-090-00
Traverse City, MI 49684

Property Size: Approximately 4.77 acres

Type of Eligible Property: Historic Resource and Facility (Contaminated)

Project Description: **Park Place Redevelopment Area –
New Conference Center and Pool/Health Club**

This Brownfield Plan (the “Plan”) anticipates approximately \$4.73 million in future investments (inclusive of Brownfield eligible activity costs) by Regency Midwest Ventures LP and approximately \$1.96 million by the Traverse City Downtown Development Authority (TC DDA) for a total investment of approximately \$6.69 million. This Plan contemplates redevelopment upon one (1) Eligible Property, 300 East State Street (Tax Parcel No 28-51-794-090-00) which is a recognized historic resource and is identified as a “facility”.

Regency Midwest Ventures LP (“Regency”), the Historic Park Place Hotel owners plan to raze the existing pool building and dome meeting structure, so that construction can begin on a meeting space and functioning swimming pool and exercise room in their place. Demolition of the dome and construction of a new state-of-the-art conference center with modern technology and functionality will add greatly to the sustainability of the attached historic hotel.

The Park Place Hotel continues to play a significant role as an historic icon to the Traverse City area. The applicant feels that in order to continue to offer that hotel to the public in the manner with which they have become accustomed, they need to be able to compete for group business in the area, something that their current meeting space does not allow them to do effectively. The current dome meeting space, while arguably interesting, is not only undersized but also not at all conducive to the wishes of today’s meeting consumer. The acoustics are extremely unacceptable to their guests and they’ve been unable to find a workable solution to this. In addition, the circular design, isn’t at all what an attendee expects to see in a modern facility. In much the same way that homes with this design are nearly impossible to decorate; there simply isn’t a good way to set this room to accommodate meetings and events. As such, if the applicant is unable

to accomplish this, it's likely that the Park Place Hotel will see its revenue stream erode to a point where eventually they will be forced to make some much more impactful and difficult decisions.

A new state-of-the-art facility will allow the Park Place to increase their current capacity by approximately 60% to 70% (from 300 to 500 attendees per event). According to the Traverse City Convention & Visitors Bureau (TC CVB) figures from 2015/2016, the increased capacity and modern conference center will add to the economic vitality of downtown Traverse City by generating additional revenue. The TC CVB receives over 360 inquiries annually for group events averaging roughly 350 attendees. The economic impact to the area from event attendees averages roughly \$127/day/attendee (a.k.a "average spend per day"). Understanding that the opportunity to bring more conferences to Traverse City allows growth and economic vitality to our downtown. With the recognition of bringing an additional 70 to 75 new conferences to downtown, that can equate to a financial impact of \$3 million per annum to our community. The new conference center will add to the success of the city's broader downtown development strategy.

The applicant's plan is to abate the asbestos containing materials, demolish both structures (existing pool building and dome meeting structure) and begin construction on a new meeting space by spring 2017. The construction time line is currently at about 12 months, which they hope to compress some so that they can be into their new space and pool by early 2018. During this phase of construction, the applicant will also be renovating the interior of the Park Place Hotel rooms which began in 2016, bring them back to their previous glory with very period specific décor. The applicant will also renovate the "Top of the Park" lounge to enable them to capitalize on the incredible views that area offers.

In short, a new conference center will be a major improvement to downtown that will substantially benefit the community and the applicant's investment will bode well for the city. Additionally, for the Historic Park Place Hotel to remain a vibrant, competitive and a viable fixture in downtown Traverse City, Brownfield Plan approval to allow for eligible activity costs proposed is critical. The project is seeking tax increment financing through the Brownfield Redevelopment Financing Act (Public Act 381 of 1996), which is the subject of this Brownfield Plan, to allow for a successful redevelopment of this Property.

Estimated Job Creation:

Once complete, approximately 15-20 immediate new full time jobs will be created. It is anticipated that additional jobs will be created upon project maturation. The Park Place currently retains approximately 120 full time jobs.

Gain in Taxes Estimate:
(after Project completion)

	Base Year / Current Taxable Value (Estimate)	Future Taxable Value (Estimate)	Increased Taxable Value (Increment)
	(2017)	(2018)	(2018)
	\$2,917,780	\$4,202,001	\$1,284,221
Annual Taxes Paid	\$160,968	\$229,242	\$68,274

Duration of Plan: 30 years (2018-2047)

Duration of Plan Capture: 30 years (2018-2047), total estimated Plan capture duration for reimbursement of Eligible Activities, Brownfield Plan/Act 381 Work Plan Preparation and GTCBRA Application Fees.

Base Year of Plan: 2017

First Year of Plan Capture: 2018

New/Incremental Tax Gain (not captured) Breakdown Estimate:
(Total Plan Duration)

New/Incremental Tax Gain (not captured) Breakdown			
Total New/Incremental Tax Revenue Received by each Taxing Unit/ Entity (taxes not captured)	Percentage of Pass-Through/ Sharing	Total/ Cumulative	Annual Average
CITY OF TRAVERSE CITY			
City Operating - Charter: Permanent	0%	\$ -	\$ -
Act 345 - Police & Fire Pension System: Permanent	100%	\$ 96,636	\$ 3,221
Downtown Development Authority (DDA): Permanent (per Treasury Form L-4029)	0%	\$ -	\$ -
Recreational Authority - Traverse City & Garfield Township - Operating: through 2023	0%	\$ -	\$ -
Recreational Authority - Traverse City & Garfield Township - Debt: through 2023	100%	\$ 12,913	\$ 430
Subtotal	-	\$ 109,548	\$ 3,652
GRAND TRAVERSE COUNTY			
County - Operating	0.00%	\$ -	\$ -
Senior Center - Operating: 7 Years (2016-2022)	0.00%	\$ -	\$ -
Grand Traverse County Road Commission: 4 Years (2016-2019)	0.00%	\$ -	\$ -
Grand Traverse County Veterans Affair: 6 Years (2017-2022)	0.00%	\$ -	\$ -
Subtotal	-	\$ -	\$ -
BAY AREA TRANSPORTATION AUTHORITY (BATA) - Operating: through 2017	0.00%	\$ -	\$ -
LIBRARY			
Traverse Area District Library (TADL) - Operating: 10 Years (2016-2025)	0.00%	\$ -	\$ -
Traverse Area District Library - Debt: Permanent	100.00%	\$ 6,065	\$ 202
INTERMEDIATE SCHOOL DISTRICT (ISD)			
Traverse Bay Area Intermediate School District (TBA ISD) - Operating: Permanent (unless revoked)	0.00%	\$ -	\$ -
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	0.00%	\$ -	\$ -
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	0.00%	\$ -	\$ -
COMMUNITY COLLEGE			
Northwestern Michigan College (NMC) - Operating: Permanent	0.00%	\$ -	\$ -
Northwestern Michigan College (NMC) - Bond Debt: through 2019	100.00%	\$ 27,283	\$ 909
Subtotal	-	\$ 33,348	\$ 1,112
LOCAL SCHOOL MILLAGES: excludes State School millages			
Traverse City Area Public Schools (TCAPS) - Debt: Permanent	100.00%	\$ 129,125	\$ 4,304
Subtotal	-	\$ 129,125	\$ 4,304
Subtotal of All of the Above	-	\$ 272,021	\$ -
STATE SCHOOL MILLAGES: excludes Local School millages			
State Education Tax - SET	0.00%	\$ -	\$ -
Local School Operating - LSO: 18.0 mills for Non-Homestead/Non-PRE Real Property; 0 mills for Homestead/PRE Real Property; 6 mills for Personal Property.	0.00%	\$ -	\$ -
Subtotal	-	\$ -	\$ -
GRAND TOTAL OF NEW TAX REVENUE TO THE ABOVE	-	\$ 272,021	-

Total Taxes Captured Estimate:
(Total Plan Duration)

Total Estimated Taxes Captured During Brownfield Plan Tax Capture Period	Total/ Cumulative	Annual Average
Brownfield Redevelopment Authority (BRA) Administration	\$ -	\$ -
BRA Local Site Remediation Revolving Fund (LSRRF)	\$ -	\$ -
State of Michigan Brownfield Redevelopment Fund (MBRF)	\$ 100,069	\$ 3,336
Local Taxes To Developer/Downtown Development Authority (DDA) - Reimburse Eligible Activities	\$ 1,067,191	\$ 35,573
State School Taxes To Developer/DDA - Reimburse Eligible Activities	\$ 850,020	\$ 28,334
Total New Tax Capture* (See Table 1a)	\$ 2,017,280	\$ 67,243

* Based upon current estimates of projected Taxable Value, the identified Eligible Activities totaling \$2,940,851 in Table 1a may not be fully reimbursed if Taxable Value assumptions don't increase over the 30-year capture period, because the Plan only estimates \$2,017,280 in potential tax capture.

Distribution of Total New Taxes Paid Estimate:
(Total Plan Duration)

Total New Taxes Received by Taxing Units	\$ 272,021
Total New Taxes Captured	\$ 2,017,280
Total New Taxes	\$ 2,289,301

Eligible Activities and Eligible Costs:

Eligible activities are estimated at approximately \$2,940,851 related to Due Care, Additional Response, Lead & Asbestos Abatement, Demolition, Infrastructure Improvements, and Brownfield Plan/Act 381 Work Plan Preparation activities. However, based upon current estimates of projected Taxable Value, the identified Eligible Activities totaling \$2,940,851 in Table 1a may not be fully reimbursed if Taxable Value assumptions don't increase over the 30-year capture period, because the Plan only estimates \$2,017,280 in potential tax capture.

By way of adoption of this Plan, the Brownfield Plan will cap eligible activity costs at \$2,940,851 (inclusive of GTCBRA Application Fees) of which the projected costs of developer eligible activities are \$900,782, public eligible activities are estimated at \$1,940,000 and an estimated \$100,069 for the State of Michigan Brownfield Redevelopment Fund (MBRF) capture. However, if the actual costs of eligible activities are lower than the above estimates, developer reimbursement, public reimbursement and MBRF capture may be lower.

Eligible Activities and Eligible Costs			
Eligible Activities	Developer Eligible Costs	TC DDA Eligible Costs	Total Eligible Costs
Baseline Environmental Assessment (BEA) Activities	\$ -	\$ -	\$ -
Due Care Activities	\$ 19,365	\$ -	\$ 19,365
Additional Response Activities	\$ 26,700	\$ -	\$ 26,700
Demolition Activities	\$ 431,080	\$ -	\$ 431,080
Lead and Asbestos Abatement Activities	\$ 376,600	\$ -	\$ 376,600
Infrastructure Improvements Activities (Private)	\$ -	\$ -	\$ -
Infrastructure Improvements Activities (Public) - In Public ROW/ Easements			
Streetscapes		\$ 515,000	\$ 515,000
Watermain - 12"		\$ 975,000	\$ 975,000
Storm Sewer Water Quality		\$ 250,000	\$ 250,000
Electric		\$ 200,000	\$ 200,000
Site Preparation Activities	\$ -	\$ -	\$ -
Contingency (0%)	\$ -	\$ -	\$ -
Interest (0%)	\$ -	\$ -	\$ -
<i>Subtotal</i>	\$ 853,745	\$ 1,940,000	\$ 2,793,745
Brownfield Plan & Work Plan Preparation (and application fees, if any)	\$ 47,037		\$ 47,037
<i>Subtotal (to Developer/DDA)</i>	\$ 900,782	\$ 1,940,000	\$ 2,840,782
BRA Administration	\$ -	\$ -	\$ -
BRA LSRRF	\$ -	\$ -	\$ -
State of Michigan Brownfield Redevelopment Fund	\$ -	\$ -	\$ 100,069
<i>Subtotal (to Others)</i>	\$ -	\$ -	\$ 100,069
GRAND TOTAL*	\$ 900,782	\$ 1,940,000	\$ 2,940,851

*No BRA Local Site Remediation Revolving Fund ("LSRRF") deposits or BRA Administration deposits will be made with this Plan. Based upon current estimates of projected Taxable Value, the identified Eligible Activities totaling \$2,940,851 in Table 1a may not be fully reimbursed if Taxable Value assumptions don't increase over the 30-year capture period because the Plan only identifies \$2,017,280 in tax capture.

INTRODUCTION

Grand Traverse County, Michigan (the “County”), established the Grand Traverse County Brownfield Redevelopment Authority (the “Authority”) on October 29, 1997, pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible activities.

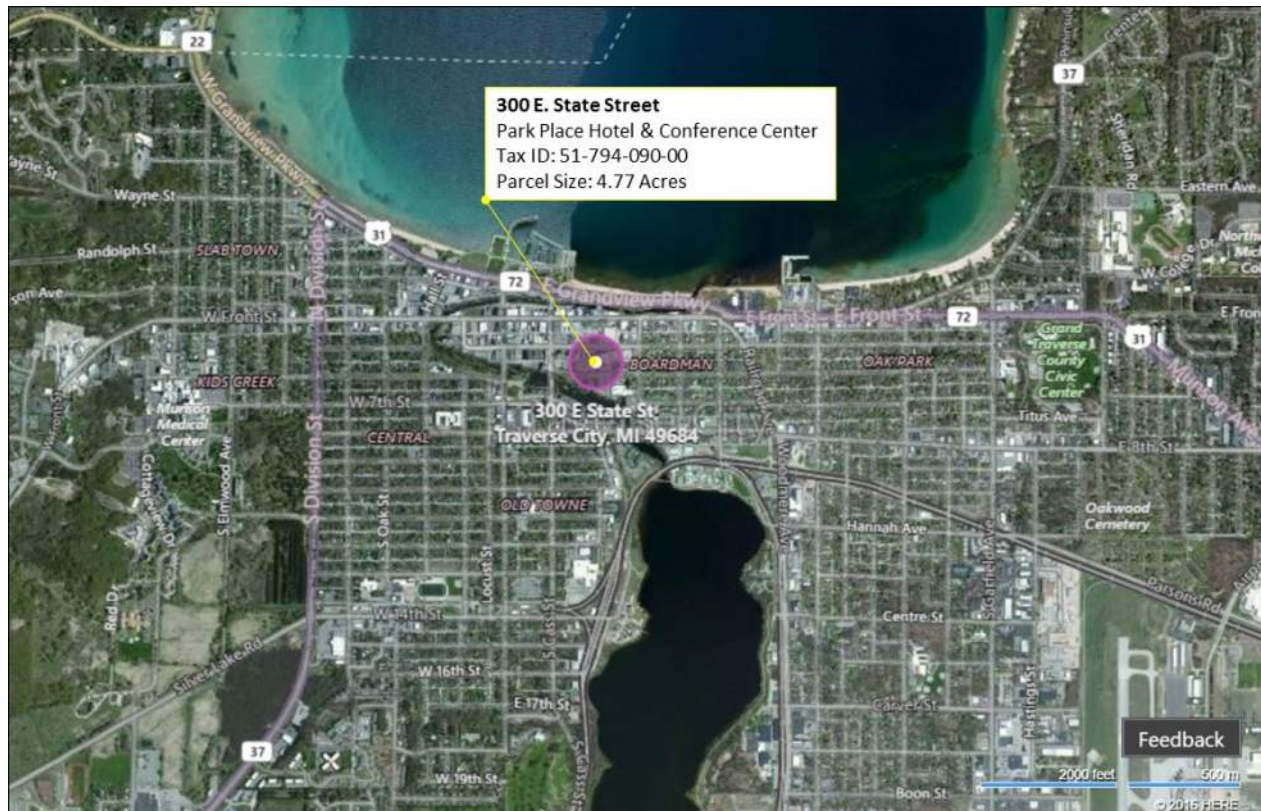
The purpose of this Brownfield Plan (the “Plan”) is to promote the redevelopment of and investment in certain “Brownfield” properties within the County. Inclusion of Property within this Plan will facilitate financing of eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “Brownfields” that are either environmentally contaminated (a “facility”), blighted property, historic resource or deemed functionally obsolete property. By facilitating redevelopment of Brownfield properties, this Plan, is intended to promote economic growth for the benefit of the residents of the County and all taxing units located within and benefited by the Authority.

The identification or designation of a developer or proposed use for the eligible property that is the subject of this Plan, shall not be integral to the effectiveness or validity of this Plan. This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues. Any change in the proposed developer or proposed use of the eligible property shall not necessitate an amendment to the Plan, affect the application of the Plan to the eligible property, or impair the rights available to the GTCBRA under this Plan.

The 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.

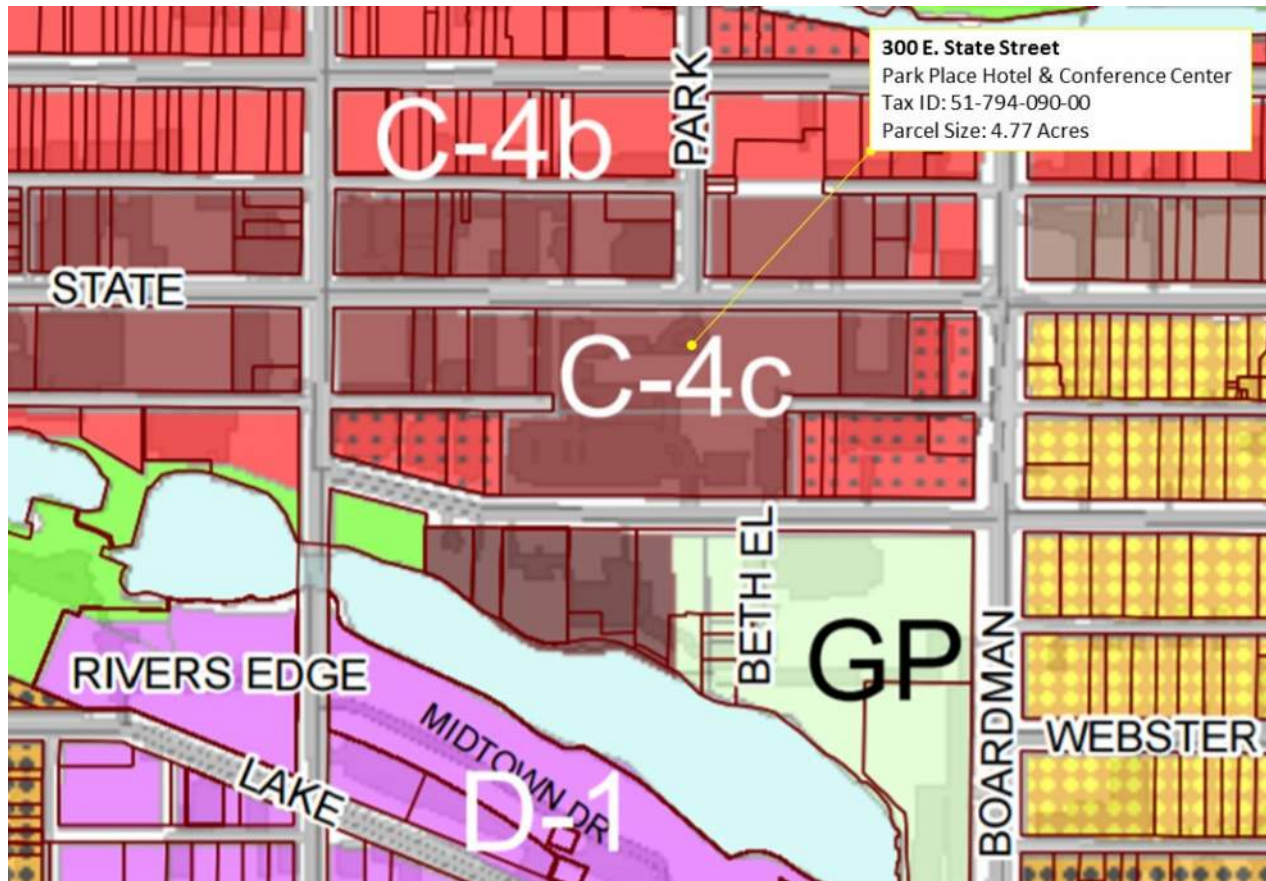
This Plan contains information required by Section 13(1) of Act 381.

1. DESCRIPTION OF THE ELIGIBLE PROPERTY (SECTION 13(1)(H))



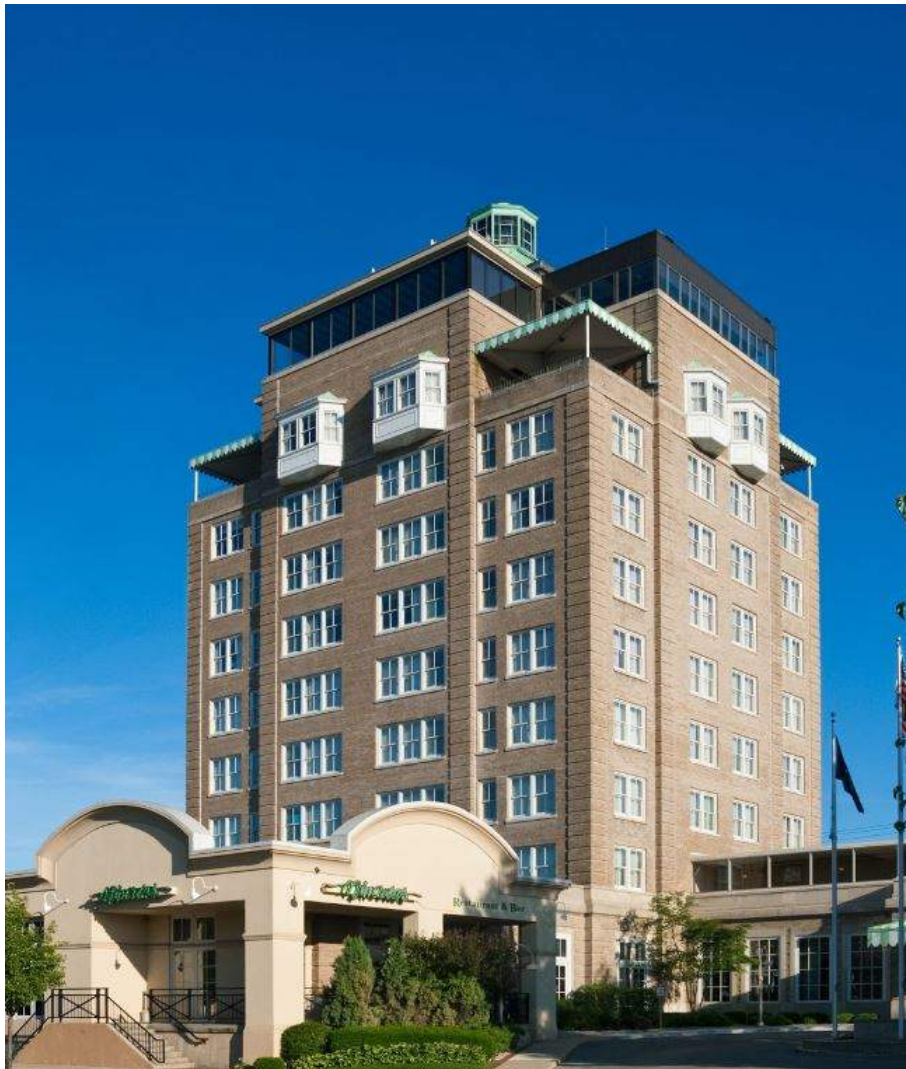
The Eligible Property (“Property”) consists of one parcel and is located at 300 East State Street (Tax ID No. 28-51-794-090-00), Traverse City, Grand Traverse County, Michigan. The Property is situated to the south of East State Street, north of Washington Street, east of South Cass Street and west of Boardman Avenue. The Property contains approximately 4.77 acres in the City of Traverse City (“City”).

Near this Property is in the immediate downtown and surrounded by similar uses from office, restaurants, funeral home, mixed use buildings, government offices/service, church, parking structure and residential. Zoning ranges from C-4c and C-4a (Regional Center District), R-29 (Multiple Family Dwelling District) to GP (Government/ Public District).



The Property is abutted by surface roadways, municipal water, sanitary and storm sewer services, and electrical and gas utilities.

The Property consists of the Historic Park Place Hotel, a 140-room full service hotel with a pool, restaurant, conference facilities and associated amenities. There are two main sections of the hotel, a 10-story tower that was originally constructed in about 1930, and the 3-story West Wing constructed in 1964.



See Exhibit A, Legal Descriptions (per City of Traverse City Assessing Records) and Eligible Property Boundary Map.

Eligible Property				
Address (Parcel Reference #)	Tax ID	Basis of Eligibility	Current Zoning	Approximate Acreage
300 East State Street	28-51-794-090-00	Historic Resource and Facility	C-4c	4.77

The Property consists of one parcel of land that has been deemed a “historic resource” and a “facility” in accordance with Act 381 forming the parcel’s basis of eligibility. The parcel is located within the boundaries of the City of Traverse City, Michigan.

The Property consists of one parcel as identified in the above table. Parcel is zoned Regional Center District (C-4c) and the proposed redevelopment fits well within the existing zoning. No rezoning is needed to accommodate the planned redevelopment. The C-4c, Regional Center District is intend for the purpose of accommodating a broad variety of retail, office and residential uses integrated with hotels, convention centers, and integrated common parking facilities. Internal linkage between stores is encouraged. It is extremely important that new development be integrated with historically significant buildings. The first floors of buildings are primarily for retail, financial services and restaurants. Dominant and striking visual features of the central area of the City should be maintained and enhanced. The upper stories of buildings are generally to be occupied by offices, services and residences. High density housing is also appropriate. It is the intent of these districts to create streets which encourage pedestrian activity.

The Property has been inefficiently utilized for many years and the Project proposes to redevelop said Property into a new state-of-the-art conference center with modern technology and functionality will add greatly to the sustainability of the attached historic hotel. The redevelopment integrates design elements, environmental activities, and economic development to further goals of the City, the Michigan Department of Environmental Quality (“MDEQ”) and the Michigan Economic Development Corporation (“MEDC”). It will result in: (1) the community and municipal benefits of increased property taxes on the Property; (2) lead & asbestos abatement followed by demolition to eliminate the existing inefficiently utilized Dome and Pool building structures that will allow the historic resource (historic hotel) to remain a vibrant, competitive and a viable fixture in downtown Traverse City on the Property; and (3) a substantial improvement to the appearance and aesthetics of the Property which will assist in increasing the property values of the neighboring community. The overall redevelopment of this site will include lead and asbestos abatement, demolition, infrastructure improvements and redevelopment into a commercial development project. The applicant has a strong desire to put this property into a more productive use and drastically improve the aesthetics of the Property.

The parcel and all tangible real property located thereon will comprise the Eligible Property and is referred to herein as the “Property.” Any such funds will be used to reimburse the public Downtown Development Authority (DDA) and private Developer for eligible activities, to the extent authorized by this Plan, and an executed development reimbursement agreement between the Developer and the Authority.





2. BASIS OF ELIGIBILITY (SECTION 13 (1)(H), SECTION 2 (M)), SECTION 2(R)

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized or is currently utilized for commercial purpose; (b) the hotel building comprised by the Property is a historic resource; (c) the Property has been determined to be a “facility”; and, (d) the Property is located within the City of Traverse City, a qualified local governmental unit, or “Core Community” under Act 381.

Eligible Property			
Address (Parcel Reference #)	Tax ID	Basis of Eligibility	Approximate Acreage
300 East State Street	28-51-794-090-00	Historic Resource and Facility	4.77

Exhibit B includes a history of the property and an overview of the conditions on the Property as it is related to its basis of eligibility and inclusion in the Plan. As Eligible Property, the Property is eligible for Brownfield redevelopment incentives from the Authority.

3. SUMMARY OF ELIGIBLE ACTIVITIES AND DESCRIPTION OF COSTS (SECTION 13 (1)(A),(B))

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include due care, additional response, lead & asbestos survey and abatement, demolition, infrastructure improvements, preparation of a Brownfield Plan/Act 381 Work Plan, and application fees.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the following tables (Tables 1a and 1b).

The Eligible Activities projected in this Plan may switch categories if onsite, offsite or building conditions change. If conditions change, an eligible activity may fall under a different category so long as the Plan adjustments stay within the Environmental activity category and the Non-Environmental activity category because this Plan contemplates capture of state revenues.

For Environmental Activities, the line item costs for any eligible activity may be adjusted after the date the Plan is approved by the Brownfield Redevelopment Authority and/or Governing Body, so long as the costs do not exceed the total combined costs of said activities plus a pro-rata contingency amount, to the extent that the adjustments do not violate the terms of any approved documents, such as a Development Reimbursement Agreement or Work Plan (if applicable), or Public Act 381 of 1996, as amended.

For Non-Environmental Activities, the line item costs for any eligible activity may be adjusted after the date the Plan is approved by the Brownfield Redevelopment Authority and/or Governing Body, so long as the costs do not exceed the total Non-Environmental costs plus a pro-rata contingency amount, to the extent that the adjustments do not violate the terms of any approved documents, such as a Development Reimbursement Agreement or Work Plan (if applicable), or Public Act 381 of 1996, as amended.

The Developer and DDA desire to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the Authority and used to reimburse the cost of the eligible activities completed on the Property. Amendments to Act 381 that were signed in to law on December 28, 2012 allow local units of government to approve reimbursement of eligible activities with tax increment revenues attributable to local taxes on any eligible activities conducted on eligible property or prospective eligible properties prior to approval of the Plan, if those costs and the eligible property are subsequently included in an approved Plan. In the event that eligible activities are performed prior to Plan approval, approved eligible activity costs will be reimbursable in accordance with Act 381. Furthermore, costs in this Plan are subject to approval by the MDEQ and MSF (through the MEDC) for the use of state tax increment revenues. The MDEQ and MSF/MEDC may adjust specific eligible activities amongst environmental and non-environmental eligible activities in accordance with state policy and guidance. Changes made between environmental and non-environmental eligible activities will be reflected in the Act 381 Work

Plan. These adjustments made by the state agencies are allowed and do not change the validity of this Plan, so long as the Grand Total of eligible activity costs identified (\$2,940,851) are not exceed. Any costs not authorized by the MDEQ or MSF/MEDC will become reimbursable costs with captured local-only tax increment revenues from locally levied millages, if available.

In accordance with this Plan and the associated Development Reimbursement Agreement (the "Agreement") with the Authority, the amount advanced by the Developer and DDA will be repaid by the Authority solely from the tax increment revenues realized from the eligible property.

Tax increment revenues will first be used to pay or reimburse State Brownfield Revolving Fund costs described in the tables. Local and state school tax capture was assumed to reimburse eligible activity costs in this Plan.

The costs listed in the tables are estimated costs and may increase or decrease depending on the nature and extent of the actual conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the Authority from the Property shall be governed by the terms of the 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 Agreement.

By way of adoption of this Plan, the Brownfield Plan will cap eligible activity costs at \$2,940,851 (inclusive of GTCBRA Application Fees) of which the projected costs of developer eligible activities are \$900,782, public eligible activities are estimated at \$1,940,000 and an estimated \$100,069 for the State of Michigan Brownfield Redevelopment Fund (MBRF) capture. However, if the actual costs of eligible activities are lower than the above estimates, developer reimbursement, public reimbursement and MBRF capture may be lower.

Table 1a - Itemized Eligible Activities	Eligible Activity Amount Supported in Brownfield Plan	Local Tax Capture	State School Tax Capture	Local Tax Capture Only	State Tax Capture Only
		51.63%	48.37%	100.00%	100.00%
Baseline Environmental Assessment (BEA) Activities	\$ -	\$ -	\$ -	\$ -	\$ -
Due Care Activities	\$ 19,365	\$ 9,999	\$ 9,366	\$ -	\$ -
Additional Response Activities	\$ 26,700	\$ 13,786	\$ 12,914	\$ -	\$ -
Total Environmental	\$ 46,065	\$ 23,785	\$ 22,280	\$ -	\$ -
Demolition Activities	\$ 431,080	\$ 222,580	\$ 208,500	\$ -	\$ -
Lead and Asbestos Abatement Activities	\$ 376,600	\$ 194,451	\$ 182,149	\$ -	\$ -
Infrastructure Improvements Activities (Private)	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure Improvements Activities (Public) - In Public ROW/Easements	\$ 1,940,001	\$ 1,001,684	\$ 938,317	\$ -	\$ -
Site Preparation Activities	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non Environmental	\$ 2,747,681	\$ 1,418,715	\$ 1,328,966	\$ -	\$ -
Contingency Environmental (0%)	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency Non-Environmental (0%)	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (0%)	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total: EAs + Contingencies + Interest	\$ 2,793,746	\$ 1,442,500	\$ 1,351,246	\$ -	\$ -
Brownfield Plan & Work Plan Preparation	\$ 38,000	\$ 15,490	\$ 14,510	\$ 8,000	\$ -
Local Application Fees	\$ 9,037	\$ -	\$ -	\$ 9,037	\$ -
Total Administrative: Brownfield Plan + Work Plan + Application Fees	\$ 47,037	\$ 15,490	\$ 14,510	\$ 17,037	\$ -
Sub Total: EAs + Contingencies + Interest + Administrative	\$ 2,840,783	\$ 1,457,990	\$ 1,365,756	\$ 17,037	\$ -
Brownfield Redevelopment Authority (BRA) Administration	\$ -			\$ -	
BRA Local Site Remediation Revolving Fund (LSRRF)	\$ -			\$ -	
Total BRA: BRA Administration + LSRRF	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total: EAs + Contingencies + Interest + Administrative + BRA	\$ 2,840,783	\$ 1,457,990	\$ 1,365,756	\$ 17,037	\$ -
State of Michigan Brownfield Redevelopment Fund (MBRF)	\$ 100,069	\$ -	\$ -	\$ -	\$ 100,069
GRAND TOTAL*: EAs + Contingencies + Interest + Administrative + BRA + MBRF	\$ 2,940,852	\$ 1,457,990	\$ 1,365,756	\$ 17,037	\$ 100,069

* Based upon current estimates of projected Taxable Value, the identified Eligible Activities may not be fully reimbursed if Taxable Value assumptions do not rise over the 30-year capture period. If there are available revenues due to increased Taxable Values during the capture period then this Brownfield Plan may allow for full reimbursement of the identified Eligible Activities.

Table 1b - Summary of Eligible Activities	Eligible Activity Amount Supported in Brownfield Plan
Total Local Taxes to Developer/DDA for Eligible Activities, Contingency and Interest	\$ 1,475,027
Total Local Taxes to BRA Eligible Activities, Contingency and Interest	\$ -
Total Local Tax Capture Eligible Activities, Contingency and Interest	\$ 1,475,027
Total Local Taxes to BRA Administration	\$ -
Total Local Taxes to Local Site Remediation Revolving Fund (LSRRF)	\$ -
Total Local Taxes to BRA	\$ -
Total School Taxes to Developer/DDA for Eligible Activities, Contingency and Interest	\$ 1,365,756
Total School Taxes to BRA Eligible Activities, Contingency and Interest	\$ -
Total School Taxes to State of Michigan Brownfield Redevelopment Fund (MBRF)	\$ 100,069
Total School Tax Capture Eligible Activities	\$ 1,465,825
Total Capture by Brownfield Redevelopment Authority (BRA)	\$ -
Total Capture by State of Michigan Brownfield Redevelopment Fund (MBRF)	\$ 100,069
Total Capture for Developer/Downtown Development Authority (DDA)	\$ 2,840,783
GRAND TOTAL	\$ 2,940,852

4. CAPTURED TAXABLE VALUE AND TAX INCREMENT REVENUES (SECTION 13(1)(C))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer and DDA for the costs of eligible activities under this Plan in accordance with the Agreement. The initial taxable value of the Property shall be determined by the use of tax year 2017 tax values. Tax increment revenue capture will begin when tax increment is generated by redevelopment on the Property; this is expected to begin in 2018. Estimates project that the Authority is expected to capture the tax increment revenues from 2018 through 2047 which will be generated by the increase in taxable value. The following table provides a summary of the captured incremental taxable values and tax increment revenues captured which it will provide after completion of the redevelopment projects. In addition, detailed tables of estimated tax increment revenues to be captured is attached to this Plan as Exhibit C, Table 4 - Tax Increment Financing Estimates. Prior to commencement of reimbursement to the Developer and DDA, payment of State Brownfield Revolving Fund will occur.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the Property set through the property assessment process by the local unit of government and equalized by the County. The actual increased taxable value of the land and all future taxable improvements on the Property may vary. Furthermore, the amount of tax increment revenue available under this Plan will be based on the actual millage levied annually by each taxing jurisdiction on the increase in tax value resulting from the redevelopment project that is eligible and approved for capture.

Table 2 - Captured Incremental Taxable Values & Tax Increment Revenues Captured

Tax Year	Captured Incremental Taxable Values	Tax Increment Revenues Captured
2017 - Base Year	\$ -	\$ -
2018 - Start of Tax Capture	\$ 1,284,221	\$ 59,887
2019	\$ 1,234,615	\$ 58,236
2020	\$ 1,185,187	\$ 56,594
2021	\$ 1,154,364	\$ 55,654
2022	\$ 1,123,723	\$ 54,724
2023	\$ 1,105,550	\$ 54,264
2024	\$ 1,093,704	\$ 54,045
2025	\$ 1,082,047	\$ 53,835
2026	\$ 1,432,900	\$ 67,265
2027	\$ 1,384,780	\$ 65,688
2028	\$ 1,336,854	\$ 64,120
2029	\$ 1,307,547	\$ 63,256
2030	\$ 1,278,439	\$ 62,401
2031	\$ 1,261,813	\$ 62,018
2032	\$ 1,251,530	\$ 61,876
2033	\$ 1,241,451	\$ 61,744
2034	\$ 1,593,897	\$ 75,254
2035	\$ 1,547,387	\$ 73,756
2036	\$ 1,501,087	\$ 72,270
2037	\$ 1,473,423	\$ 71,486
2038	\$ 1,445,973	\$ 70,714
2039	\$ 1,431,022	\$ 70,414
2040	\$ 1,422,431	\$ 70,356
2041	\$ 1,414,062	\$ 70,309
2042	\$ 1,768,234	\$ 83,904
2043	\$ 1,723,467	\$ 82,494
2044	\$ 1,678,928	\$ 81,094
2045	\$ 1,653,043	\$ 80,399
2046	\$ 1,627,389	\$ 79,716
2047	\$ 1,614,252	\$ 79,506
Total Tax Increment Revenues Captured*	\$	2,017,280

* Based upon current estimates of projected Taxable Value, the identified Eligible Activities may not be fully reimbursed if Taxable Value assumptions do not rise over the 30-year capture period. If there are available revenues due to increased Taxable Values during the capture period then this Brownfield Plan may allow for full reimbursement of the identified Eligible Activities up to \$2,940,851.

5. METHOD OF BROWNFIELD PLAN FINANCING (SECTION 13(1)(D))

Eligible activities are to be financed by the Developer and DDA. The Developer and DDA will be reimbursed for eligible costs as listed in Tables 1a and 1b above. The current estimated amount of capture used to reimburse the Developer and DDA for costs in this Plan is \$2,840,783 so long as there are available revenues. As estimated, Taxable Value projections during the capture period of this Brownfield Plan do not project full reimbursement of the identified Eligible Activities, however, if Taxable Values increase full reimbursement may occur and will be allowed.

All reimbursements authorized under this Plan shall be governed by the Agreement. The Authority shall not incur any note or bonded indebtedness to finance the purposes of this Plan. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the Authority to fund such reimbursements and does not obligate the Authority, City or County to fund any reimbursement or to enter into the 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 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 Agreement contemplated by this Plan.

The Authority anticipates collecting \$100,069 under this Plan for State Brownfield Revolving Fund (State of Michigan Brownfield Redevelopment Fund {MBRF}). MBRF capture is reflective of the redevelopment project being completed.

6. AMOUNT OF NOTE OR BONDED INDEBTEDNESS INCURRED (SECTION 13(1)(E))

The Authority will not incur a note or bonded indebtedness for this Brownfield project under this Plan.

7. DURATION OF THE BROWNFIELD PLAN AND EFFECTIVE DATE (SECTION 13(1)(F))

In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. The date of tax capture shall commence during the year construction begins but no earlier than 2018 or the immediate following year—as increment revenue becomes available, but the beginning date of tax increment revenues capture shall not exceed five years beyond the date of the governing body resolution approving the Plan.

8. ESTIMATED IMPACT ON TAXING JURISDICTIONS (SECTION 13(1)(G), SECTION 2(E))

The following table presents a summary of the impact to taxing jurisdictions (if the redevelopment project is completed).

Table 3 - Impact to Taxing Jurisdictions			
Taxing Unit	Incremental Taxes Paid	Taxes Returned to Taxing Unit	Impact to Taxing Jurisdiction
CITY OF TRAVERSE CITY	-	-	-
City Operating - Charter: Permanent	\$ 463,047	\$ -	\$ 463,047
Act 345 - Police & Fire Pension System: Permanent	\$ 96,636	\$ 96,636	\$ -
Downtown Development Authority (DDA): Permanent (per Treasury Form L-4029)	\$ 75,134	\$ -	\$ 75,134
Recreational Authority - Traverse City & Garfield Township - Operating: through 2023	\$ 4,140	\$ -	\$ 4,140
Recreational Authority - Traverse City & Garfield Township - Debt: through 2023	\$ 12,913	\$ 12,913	\$ -
GRAND TRAVERSE COUNTY	-	-	-
County - Operating	\$ 207,529	\$ -	\$ 207,529
Senior Center - Operating: 7 Years (2016-2022)	\$ 4,165	\$ -	\$ 4,165
Grand Traverse County Road Commission: 4 Years (2016-2019)	\$ 41,641	\$ -	\$ 41,641
Grand Traverse County Veterans Affair: 6 Years (2017-2022)	\$ 4,998	\$ -	\$ 4,998
BAY AREA TRANSPORTATION AUTHORITY (BATA) - Operating: through 2017	\$ 14,358	\$ -	\$ 14,358
LIBRARY	-	-	-
Traverse Area District Library (TADL) - Operating: 10 Years (2016-2025)	\$ 39,771	\$ -	\$ 39,771
Traverse Area District Library - Debt: Permanent	\$ 6,065	\$ 6,065	\$ -
INTERMEDIATE SCHOOL DISTRICT (ISD)	-	-	-
Traverse Bay Area Intermediate School District (TBA ISD) - Operating: Permanent (unless revoked)	\$ 8,231	\$ -	\$ 8,231
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	\$ 83,307	\$ -	\$ 83,307
Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	\$ 30,503	\$ -	\$ 30,503
COMMUNITY COLLEGE	-	-	-
Northwestern Michigan College (NMC) - Operating: Permanent	\$ 90,367	\$ -	\$ 90,367
Northwestern Michigan College (NMC) - Bond Debt: through 2019	\$ 27,283	\$ 27,283	\$ -
LOCAL SCHOOL MILLAGES: excludes State School millages	-	-	-
Traverse City Area Public Schools (TCAPS) - Debt: Permanent	\$ 129,125	\$ 129,125	\$ -
STATE SCHOOL MILLAGES: excludes Local School millages	-	-	-
State Education Tax - SET	\$ 249,920	\$ -	\$ 249,920
Local School Operating - LSO: 18.0 mills for Non-Homestead/Non-PRE Real Property; 0 mills for Homestead/PRE Real Property; 6 mills for Personal Property.	\$ 700,169	\$ -	\$ 700,169
Totals	\$ 2,289,301	\$ 272,021	\$ 2,017,280
Total Tax Increment Revenues Captured*			\$ 2,017,280

* Based upon current estimates of projected Taxable Value, the identified Eligible Activities may not be fully reimbursed if Taxable Value assumptions do not rise over the 30-year capture period. If there are available revenues due to increased Taxable Values during the capture period then this Brownfield Plan may allow for full reimbursement of the identified Eligible Activities up to \$2,940,851.

The impact to each individual taxing jurisdiction may be as much as their proportionate share of \$2,940,851. Table 1a identifies the total amount required for the project's eligible activities so long as there are sufficient revenues available to capture. Additional information related to the impact of tax increment financing on the various taxing jurisdictions is presented Exhibit C, Table 4.

9. DISPLACEMENT OF PERSONS (SECTION 13(1)(I-L))

The Property is active and operational but only by the Developer and its business operations; the Developer is the only one who currently occupying the Property. The Developer will reoccupy the Property upon redevelopment. Additionally, there are no residences that will be acquired to be cleared; therefore, there will be no displacement or relocation of persons or businesses under this Plan.

10. AUTHORITY REVOLVING FUND (SECTION 8; SECTION 13(1)(M))

The Authority has established a Local Site Remediation Revolving Fund (LSRRF). The Authority will not capture incremental local and state school taxes to fund the LSRRF during the tax capture period of this Plan.

11. OTHER INFORMATION (SECTION 8; SECTION 13(1)(N))

The Authority and the County, in accordance with the Act, may amend this Plan in the future in order to fund additional eligible activities associated with the Project described herein.

There are 49.6208 non-homestead mills available for capture, with school millage equaling 24.0000 mills (48.37%) and local millage equaling 25.6208 mills (51.63%). None of the project will include homestead residential property, with those properties including the State Education Tax and local ISD taxes. The requested tax capture for MSF and MDEQ eligible activities breaks down as follows:

<u>State to Local Tax Capture</u>	<u>Eligible Costs</u>
MSF/MDEQ School Tax Capture (48.37%)	\$ 1,457,990
MSF/MDEQ Local Tax Capture (51.63%)	\$ 1,365,756
Local-Only Tax Capture*	\$ 17,036
State-Only Tax Capture**	\$ 100,069
TOTAL***	\$ 2,940,851

* Includes capture for Local-Only Administrative Activities (Brownfield Plan added costs, Application Fees).

** Includes capture for State-Only Michigan Brownfield Revolving Fund.

*** Includes capture for all eligible activities so long as there are sufficient incremental revenues available for capture. Based upon current estimates of projected Taxable Value, the identified Eligible Activities may not be fully reimbursed if Taxable Value assumptions do not rise over the 30-year capture period. If there are available revenues due to increased Taxable Values during the capture period, then this Brownfield Plan may allow for full reimbursement of the identified Eligible Activities up to \$2,940,851.

Exhibit A

Legal Descriptions And Eligible Property Boundary Map

Redevelopment of parcel located in Traverse City ("Property") per City of Traverse City Assessing Records, the Property located at 300 East State Street is defined as:

Legal Description

Parcel: 28-51-794-090-00

Legal: PRT OF BLK'S 7 & 21 ORIG PLAT & VACATED ALLEYS & VACATED PARK ST DES AS COM AT THE NW COR LOT 7 TH S 165 FT TH E 35 FT TH S 33 FT TO N LINE OF LOT 12 TH W 98 FT TH S 165 TH E 555 FT TH N 198 FT TO THE S LINE OF LOT 3 TH E'LY 105 FT TO THE SE COR OF LOT 4 TH N 165 FT TO STATE ST TH W'LY ALONG TH S LINE OF STATE ST 594 FT TO POB SUBJECT TO EASEMENTS OF RECORD AS RECORDED IN L248 P302 AND L411 P750

Acres: 4.77

Eligible Property Boundary Map



EXHIBIT B
Basis of Eligibility Supportive Environmental and Non-Environmental Information

A. HISTORY

The subject property (Property) was historically developed with and/or operated with the following:

- Commercial laundry operations
- Automotive service
- Wholesaler candy and tobacco
- Residential buildings
- School buildings
- Motor lodge
- Hotel and Conference Center

The property has been developed as a hotel since at least the 1870s (about 140 years), but also included a variety of other commercial businesses and residential structures throughout most of the 20th century. Usage of petroleum products on the property is documented back the 1880s, in connection with "white gas" USTs, gas lighting, and heating oil. However, based on the time transpired, and the results of a subsurface investigation on the property in 1996, no detrimental impacts from historical petroleum tanks are suspected to remain, if they ever existed. Two commercial laundry operations, an auto service shop, a wholesaler of candy and tobacco and several other uses of a commercial nature operated on the site, mostly in the first half of the 20th century. The current tower was constructed in 1930, and the Dome, pool, and West Wing were added in the 1960s. As the hotel expanded, contiguous lots with the commercial buildings and residential structures were acquired, and the older structures were removed. No obvious indications of environmental problems were found in connection with pre-1990 land use. It is reasonable to assume that past petroleum tanks were removed, not left in place, since the hotel's expansion would likely have required complete removal for foundation support. In 1990 the hotel underwent a major renovation, and included asbestos abatement. One regulated heating oil tank was removed in 1990 and no leak was found. PCB transformers in the hotel were removed. Various reports of upgrades to elevator systems were given.

The Property consists of one parcel identified as follows:

- Address: 300 East State Street, Traverse City, Michigan 49684
- Tax Parcel No: 28-51-794-090-00
- Approximate Acreage: 4.77

Today, the property consists of the Historic Park Place Hotel, a 140-room full service hotel with a pool, restaurant, conference facilities and associated amenities. There are two main sections of the hotel, a 10-story tower that was originally constructed in about 1930, and the 3-story West Wing constructed in 1964.

B. ENVIRONMENTAL FINDINGS

Baseline Environmental Assessment (BEA) – May 22, 1996 by Otwell Mawby, P.C.

A Baseline Environmental Assessment (BEA) was performed on May 22, 1996 by Otwell Mawby, P.C. under the Category “A” and was affirmed by the Michigan Department of Environmental Quality (MDEQ). According to the 1884 to 1893 Sanborn maps, a gasoline underground storage tank (UST) was located on the property, approximately 200 feet west of the subject property eastern property line. Additionally, according to a former Phase I Environmental Site Assessment conducted by Otwell Mawby, P.C. in 1996, Recognized Environmental Conditions (RECs) were identified in connection with a former historical auto station and two (2) underground storage tanks (USTs) formerly located on the property. Subsequent subsurface investigations in the area of the former auto station revealed a fuel oil or diesel fuel release occurred on the southwestern portion of the property (west of the current entrance to the subject property off of Washington Ave). The subsurface investigations revealed concentrations of chemicals of concern (COCs) above the Generic Residential Clean-up Criteria in groundwater. Phenanthrene was detected in one (1) groundwater well at a concentration of 49 micrograms per liter (ug/L), which is above the Generic Residential Clean-up Criteria of 26 ug/L. The investigation was limited but Phenanthrene groundwater contamination appears to be in a small area on the southwestern portion of the property. Potentiometric maps from previous Phase II subsurface investigations performed in the surrounding area reveal the direction of groundwater flow is to the northeast.

Phase I Environmental Site Assessment (ESA) – August 18, 2008 by Vieau Associates, Inc.

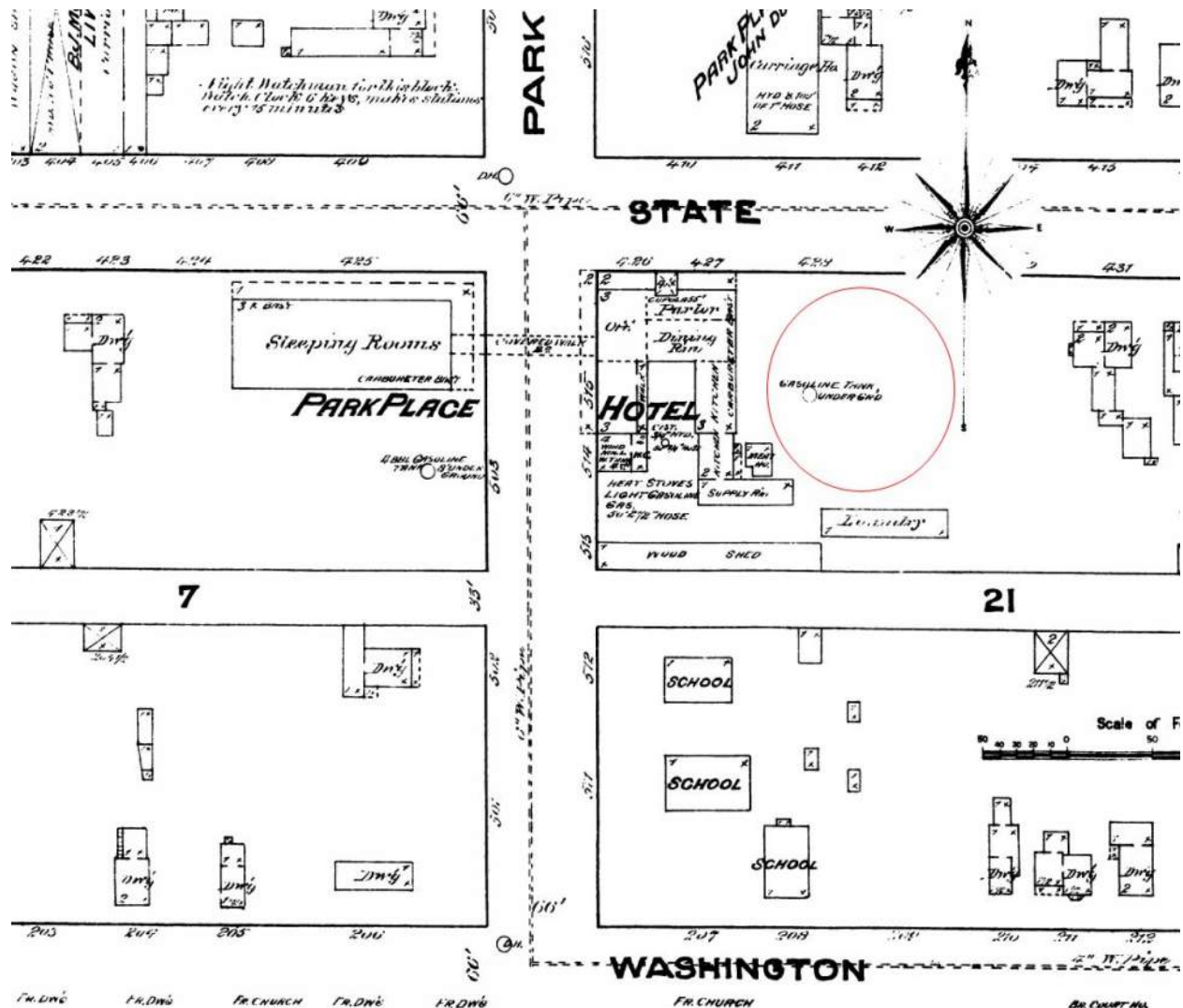
A Phase I Environmental Site Assessment (ESA) was performed on August 18, 2008 by Vieau Associates, Inc. for refinancing purposes. The Phase I ESA identified the following in addition to the Otwell Mawby (May 22, 1996) BEA Report, a dewatering well exists onsite and suspect asbestos containing materials (ACM) in the building. Based on the date of construction and condition of the observed suspect ACM, further assessment for ACM was deemed unwarranted at that time. It was recommended however that if renovation or demolition is planned the EPA requires that a comprehensive, destructive asbestos inspection including sampling and testing of suspect ACM, be completed. Additional recommendation was that an asbestos Operations and Maintenance (O&M) Plan for presumed asbestos containing materials (PACM) would be a useful document to protect the owner and occupants from the inadvertent disturbance of suspect asbestos containing materials.

Environmental Eligible Activities

The principal activities and costs for the environmental eligible activities involve potential due care activities, potential additional response activities, and Brownfield Plan/Act 381 Work Plan preparation.

Otwell Mawby (May 22, 1996) and Vieau Associates (August 18, 2008) completed reports for the Property identified potential areas of concern that may be encountered during demolition and construction of the new conference center and pool/health club. 1884 through 1893 Sanborn Fire Insurance Maps depict a gasoline underground storage tank (UST) on the property, approximately 200-feet west of the subject property's eastern most property line south of State Street. At the time

the August 18, 2008 Phase I ESA Report was prepared, Vieau Associates stated that identified petroleum impacts in soil and groundwater at the property are viewed as a de minimis condition for the current use and ownership. Additionally, Vieau Associates stated that it is reasonable to assume that past petroleum tanks (USTs) were removed, not left in place, since the hotel's expansion would likely have required complete removal for foundation support. However, now with the demolition of the Dome structure to make way for the new conference center, any contamination associated the historic gasoline UST represents a Brownfield redevelopment concern for the proposed project. The 1884 Sanborn Fire Insurance Map excerpt below depicts the location of the historic UST.



The above is a general summary of environmental conditions on the Property based upon the reports identified. Environmental eligible activities may consist of due care activities such as due care plan preparation if required and additional response activities such as removal of contaminated material/soil if encountered. Transportation and disposal of contaminated

material/soil is anticipated to be treated as non-hazardous (contaminated) material and will be disposed of at a licensed Class II landfill as an environmental eligible activity if encountered. If any material is deemed non-contaminated, in an effort to reduce costs, the material will be managed appropriately off-site under the demolition activity category or appropriately repurposed on-site as permitted by state non-environmental eligible activity guidance.

C. OTHER FINDINGS

In addition to the Property being a “facility” (contaminated), the Historic Park Place Hotel has been deemed a Historic Resource. Prior to renovation and demolition of portions of the property, a Suspect Asbestos Containing Building Materials Operations and Maintenance Program, Pre-Demolition Survey of Regulated Materials and Universal Waste and Lead/Cadmium Paint Sampling within the Park Place Hotel was performed.

Suspect Asbestos Containing Building Materials Operations and Maintenance Program – February 6, 2009 by Vieau Associates, Inc.

A Suspect Asbestos Containing Building Materials Operations and Maintenance Program (SACM O&M Program) was prepared on February 6, 2009 by Vieau Associates, Inc. to address activities that may involve or disturb suspect asbestos-containing building materials (ACBM) at the Park Place Hotel property. An O&M Program minimizes the potential for facility employees, tenants, maintenance personnel, contractors/vendors, and the general public to be exposed to asbestos-containing building materials or airborne asbestos fibers. Asbestos is a naturally occurring mineral silicate whose fiber-like particles are known to cause mesothelioma, asbestosis, and lung cancer. Through the development and implementation of a procedural manual for company associates outlining the necessary procedures for emergency situations, associate training, periodic inspections, testing and record keeping, an O&M program can meet the needs of the facility in the management of suspect ACBM. The O&M program, when implemented, provides a level of assurance that the most prudent steps are being taken to minimize, and in some instances, eliminate the potential for asbestos exposure for facility employees, tenants, maintenance personnel, vendors, and the general public. Through this directive, the O&M Program becomes a document that provides evidence of the corporation’s awareness of the liabilities and outlines the necessary steps to minimize exposure potential. It is important to note that this O&M Program was based on the findings of a VISUAL asbestos survey, and not all suspect ACBMs were sampled, tested and or identified at the site. Vieau Associates recommended that all previously untested suspect ACBM be assumed to contain asbestos until appropriate testing dictates otherwise. Further, all surface applied materials and thermal system insulation MUST be considered suspect ACBM, and managed accordingly, until appropriate testing dictates otherwise. The following materials were considered non-suspect building materials by the United States Environmental Protection Agency (USEPA):

- Rubber,
- Metal,

- Glass,
- Fiberglass (excluding the tar adhered paper backing),
- Wood,
- Foam glass, and
- Concrete walls and floors (excluding thermal, fillers, patch and thin-set) and cinder block walls.

All other building materials are considered suspect ACBM and must be sampled and tested for asbestos content prior to renovation or demolition. Because of the limited sampling and testing and because significant portions of the property were being planned for renovation and demolition, the following assessments were completed.

Regulated Materials Survey Report – December 29, 2015, Revised September 2, 2016 and August 30, 2016 by TEK Environmental & Consulting Services, Inc.

A Regulated Materials Survey Report was prepared on December 29, 2015, Revised September 2, 2016 and August 30, 2016 by TEK Environmental & Consulting Services, Inc. for the purpose of identifying asbestos containing materials and universal waste within the property prior to any planned renovation/demolition activities.

TEK Environmental verified Suspect Asbestos Containing Building Materials (ACBM) identified within the Conference Area (Dome) and the following materials tested positive for asbestos content:

- Spray Texture Ceiling Material
- Plaster Skimcoat over Drywall
- Black Exterior Window Caulk
- Mud Fitting on Fiberglass
- Transite Facia (Sampled on August 30, 2016)

TEK Environmental verified Suspect Asbestos Containing Building Materials (ACBM) identified within the Pool/Workout Wing and the following materials tested positive for asbestos content:

- Interior Window Frame Caulking (Grey)
- Exterior Window Frame Caulking (Brown Frame)

The following materials were assumed positive for asbestos content in the Conference Dome and Pool Area:

- Tagged Fire Doors and Frames

TEK Environmental concluded that all ACBM's that will be impacted by any future renovation/demolition activities shall be removed by a State of Michigan licensed Asbestos Abatement Contractor prior to any selective and or full building demolition. Furthermore, abatement activities must be conducted in compliance with all applicable State and Federal Regulations, standards and generally accepted environmental and safety practices. A State of

Michigan Certified Asbestos Project Designer will provide the necessary asbestos abatement project scope of work for required abatement protocols to be followed for a project of this magnitude.

Asbestos Project Design Documentation will be provided for abatement services to commence by a qualified asbestos abatement contractor. Proper handling and disposal are required in accordance with applicable regulations and standards.

Additionally, TEK verified EPA registered universal regulated waste materials that will require proper removal and manifesting prior to Demolition of the Pool/ Workout Wing and the Conference Area/ Dome. These are materials including but not limited to, fluorescent light fixtures (Bulbs and Ballasts), Exit Signs, fire strobe, fire extinguishers, mercury light bulbs, pool chemicals and acids. Universal wastes shall be properly handled and recycled where required and disposed of properly with proper waste categorization standards.

Limited Sampling to Determine Lead and Cadmium content in Paint Sampling and Verification Report – September 8, 2016 by TEK Environmental & Consulting Services, Inc.

A Limited Sampling to Determine Lead and Cadmium content in Paint Sampling and Verification Report was prepared on September 8, 2016 by TEK Environmental & Consulting Services, Inc. to determine lead and cadmium content in paint located at the Park Place Hotel planned renovation and demolition areas (Conference Area/ Dome & Pool/ Workout Wing). This sampling event was not intended to be a compliance lead or cadmium inspection for the entire structure.

Based upon the sample results, the sampled painted components at the above referenced property tested between <0.01 to 0.11% for lead content and <0.01% for cadmium content. According to MIOSHA, a coating material is considered positive when lead or cadmium, is present in an amount greater than 0.01 percent by weight. Please see attachments for the Laboratory Analytical Data and Table 1 – Lead and Cadmium Paint Components.

However, according to EPA Renovation Repair and Painting Rules, the RRP Rule applies unless you have determined that all the components affected by the renovation are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams per square centimeter (mg/cm²) or one half of one percent (0.5% by weight). TEK's Certified Lead Inspector/Risk Assessor, has determined that OSHA regulatory requirements apply for lead personal exposure monitoring during demolition and/or renovation activities. Based on the recent paint chip sampling. However, OSHA states that the employer must protect all workers according to OSHA Lead in Construction Standard by providing the necessary training and proper personal protective equipment.

Non-Environmental Eligible Activities

The principal activities and costs for the non-environmental eligible activities involve lead and asbestos abatement activities, demolition (building and site demolition) activities, infrastructure improvements and Brownfield Plan/Act 381 Work Plan preparation. All work will be managed appropriately under each eligible activity category as permitted by state non-environmental eligible activity guidance.

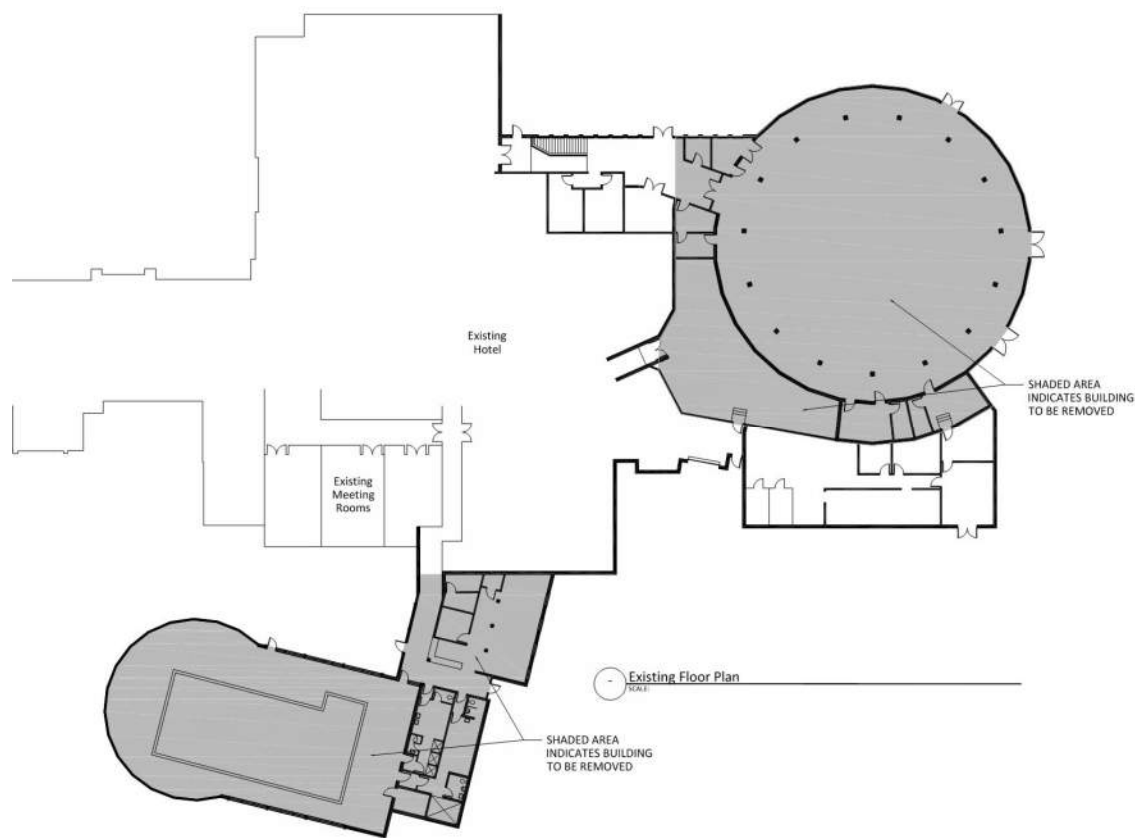
Lead & Asbestos Abatement and Demolition –

Lead (including Cadmium, if present) & Asbestos Abatement and Demolition will consist of planning, evaluation & supervision, bid specification compliance, pre-demolition survey of regulated materials and universal waste, engineering, oversight, and project management.

Abatement of Lead and Cadmium paint-containing materials will occur prior to demolition and renovation activities associated with the Conference Area/ Dome (including entry transition area) & Pool/ Workout Wing. All removal will be performed in accordance to OSHA regulatory requirements. In addition, air monitoring will be performed to comply with OSHA requirements.

Abatement of asbestos-containing materials will occur prior to demolition and renovation activities of the Conference Area/ Dome (including entry transition area) & Pool/ Workout Wing. All removal will be performed in accordance to OSHA Class I asbestos removal requirements as found in 29 CFR 1926.1101 and other federal regulations governing the asbestos inspection and abatement industry. In addition, air monitoring will be performed to comply with OSHA requirements. A State of Michigan Certified Asbestos Project Designer will provide the necessary asbestos abatement project scope of work for required abatement protocols to be followed on a project of this magnitude.

Site demolition, interior partial building demolition of entry transition area and complete building demolition of Conference Area/ Dome & Pool/Workout Wing with engineered backfill/compaction.



Lead & Asbestos Abatement and Demolition Plan Areas

Infrastructure Improvements – As the City of Traverse City is a qualified local governmental unit, infrastructure improvements activities are planned as follows in public right-of-way's (ROWs) and easements:

- *Streetscapes* –

Work will occur on Park Street which provides the entrance to the Park Place. The first impression a tourist, shopper or perspective business person receives of Downtown is the street. Improving that first impression by improving the aesthetics of the street is critical to attracting new users. Equally important, the physical street environment is a critical element in the effort to keep people coming back to Downtown. To maintain a successful downtown business and entertainment district, it is critical that we build an attractive place where people like and want to visit. The proposed streetscape improvements include replacing the historic brick pavers for the street, replace the sidewalks for heated sidewalks to add to the ability to enjoy sidewalks year-around, planting street trees, and providing benches, bike racks, trash cans, planters, and street lights.

- *Watermain - 12" –*

An upgraded 12" watermain will be installed from Boardman to Cass down State street which is the area impacted by the Park Place. This will provide the City an improved water system reliability including fire protection to support redevelopment and existing structures. The improvement will upgrade the City's water distribution system to current standards for fire protection.

- *Storm Sewer Water Quality* –

Traverse City will implement best practices for storm water management that positively impacts the area of the DDA TIF 97Plan area. The Park Place Brownfield Plan will begin the process of implementing an area-wide plan. Managing stormwater runoff from frequent storm events (generally less than one inch of rain) has a profoundly positive impact on stormwater quality. This can be accomplished through infiltration, filtration, or a combination of the two. Infiltration helps to remove stormwater runoff volume at or near the source; infiltrated runoff is naturally filtered through soil media and does not discharge the Boardman River, or Grand Traverse Bay. Filtration is often implemented as an end-of-pipe treatment; although this does not reduce runoff volume, it removes many of the pollutants prior to discharge. Both techniques are effective. The plan includes a combination of infiltration and filtration to improve water quality for a significant portion of the downtown area.

- *Electric Lines* –

Traverse City plans on undergrounding existing overhead facilities including lines, boxes for switches and other equipment. In some cases, undergrounding the existing lines may require the utility to acquire new easements when the existing overhead route is inappropriate for an underground line. In addition, building the underground lines in this urban area may require the use of directional boring rather than trenching, which is less expensive, to minimize disruptions to streets, alley and driveways. The exact construction methodology, route and course have not been determined but the plan is to eliminate the overhead system that is immediately behind the Park Place Conference Center along the alleyway to the east. The improvement will upgrade the City's electrical system to current standards, reduce long-term operation and maintenance and provide aesthetic benefits by reducing visual clutter.

Exhibit C

Table 4 - Tax Increment Financing Estimates

Table 4a1 - Base Year/Initial Taxable Value (ITV) Information

PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN
Table 4a1 - Base Year/ Initial Taxable Value (ITV) Information

Notes	Property Identification		Base Year/ Initial Taxable Value (ITV) of All Eligible Property in the Brownfield Plan by Property Classification						Total Taxes Paid on Base Year/ ITV		Notes
			Land	Land Improve-ments	Building	Real Property Subtotal	Personal Property	Total	Real Property	Personal Property	
	Address	Tax Parcel Number									BASE YEAR = 2017
	300 E. STATE ST	28-51-794-090-00	\$ 1,848,766	\$ 30,709	\$ 799,205	\$ 2,678,680	\$239,100	\$ 2,917,780	\$ 150,412	\$ 10,557	For <u>Real Property</u> , the estimated values for 2017 were used, based on Actual Taxable Value for 2016 (as of 12/31/2015) plus the 2017 inflationary increase of 0.9%. For <u>Personal Property</u> , the Actual Taxable Value for 2016 (as of 12/31/2015) was used.
Totals			\$ 1,848,766	\$ 30,709	\$ 799,205	\$ 2,678,680	\$ 239,100	\$ 2,917,780	\$ 150,412	\$ 10,557	-

Notes:

Actual Taxable Values for 2017 for Real & Personal Property won't be available from the Assessing Office until approximately March 1, 2017.

Data Source: Real Property - Traverse City Web site - AccessMyGov.com; Personal Property - Traverse City Treasurer's Office

**Table 4a2 - Taxes Paid to All Taxing Jurisdictions on the Base Year
Taxable Value/Initial Taxable Value (ITV)**

**PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN**

Table 4a2 - Total Estimated Taxes Paid to All Taxing Jurisdictions on the Base Year Taxable Value/ Initial Taxable Value (ITV)

	AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS (TJs) & DURATION OF MILLAGE LEVY (IF KNOWN)	Millage Rate Paid on Real Property	Millage Rate Paid on Personal Property	Base Year	2017
		Annual	Annual	BP Year Number	0
-	CITY OF TRAVERSE CITY	-	-	-	-
-	City Operating - Charter: Permanent	11.1167	11.1167		\$ 32,436
-	Act 345 - Police & Fire Pension System: Permanent	2.3200	2.3200		\$ 6,769
-	Downtown Development Authority (DDA): Permanent (per Treasury Form L-4029)	1.8038	1.8038		\$ 5,263
-	Recreational Authority - Traverse City & Garfield Township - Operating: through 2023	0.0994	0.0994		\$ 290
-	Recreational Authority - Traverse City & Garfield Township - Debt: through 2023	0.3100	0.3100		\$ 905
-	<i>Subtotal of Local Government Unit (LGU): Annual</i>	<i>15.6499</i>	<i>15.6499</i>		<i>\$ 45,663</i>
-	GRAND TRAVERSE COUNTY	-	-	-	-
-	County - Operating	4.9823	4.9823		\$ 14,537
-	Senior Center - Operating: 7 Years (2016-2022)	0.1000	0.1000		\$ 292
-	Grand Traverse County Road Commission: 4 Years (2016-2019)	0.9997	0.9997		\$ 2,917
-	Grand Traverse County Veterans Affair: 6 Years (2017-2022)	0.1200	0.1200		\$ 350
-	BAY AREA TRANSPORTATION AUTHORITY (BATA) - Operating: through 2017	0.3447	0.3447		\$ 1,006
-	LIBRARY	-	-	-	-
-	Traverse Area District Library (TADL) - Operating: 10 Years (2016-2025)	0.9548	0.9548		\$ 2,786
-	Traverse Area District Library - Debt: Permanent	0.1456	0.1456		\$ 425
-	INTERMEDIATE SCHOOL DISTRICT (ISD)	-	-	-	-
-	Traverse Bay Area Intermediate School District (TBA ISD) - Operating: Permanent (unless revoked)	0.1976	0.1976		\$ 577
-	Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	2.0000	2.0000		\$ 5,836
-	Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	0.7323	0.7323		\$ 2,137
-	COMMUNITY COLLEGE	-	-	-	-
-	Northwestern Michigan College (NMC) - Operating: Permanent	2.1695	2.1695		\$ 6,330
-	Northwestern Michigan College (NMC) - Bond Debt: through 2019	0.6550	0.6550		\$ 1,911
-	LOCAL SCHOOL MILLAGES: excludes State School millages	-	-	-	-
-	Traverse City Area Public Schools (TCAPS) - Debt: Permanent	3.1000	3.1000		\$ 9,045
-	<i>Subtotal of Non-Local Government Unit (LGU) Local: Annual</i>	<i>16.5015</i>	<i>16.5015</i>		<i>\$ 48,148</i>
-	Total Local: Annual	32.1514	32.1514		\$ 93,811
-	STATE SCHOOL MILLAGES: excludes Local School millages	-	-	-	-
-	State Education Tax - SET	6.0000	6.0000		\$ 17,507
-	Local School Operating - LSO: 18.0 mills for Non-Homestead/Non-PRE Real Property; 0 mills for Homestead/PRE Real Property; 6 mills for Personal Property.	18.0000	6.0000		\$ 49,651
-	Total State & Local School: Annual	24.0000	12.0000		\$ 67,158
-	TOTAL LOCAL AND STATE & LOCAL SCHOOL: ANNUAL	56.1514	44.1514		\$ 160,968

Table 4b - Estimated Future Taxable Value (FTV) Information

**PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN
Table 4b - Estimated Future Taxable Value (FTV) Information**

	Estimated Percentage (%) Change In Future Taxable Values (TV) of Building(s) & Land Improvements shown below					
	Estimated Percentage (%) Change In Future Taxable Values (TV) of Raw Land shown below					
Notes	Future Taxable Value (FTV) of Building(s) & Land Improvements Upon Completion	Estimated FTV Upon Completion	Estimated True Cash Value (TCV) Upon Completion	FTV Assumptions	Assumes \$ Invested In:	% Completed by 12/31/17
	<i>Conference Center with New Pool and Health Club</i>	\$ 1,147,500	\$ 2,295,000	30% of Estimated Hard Construction Costs of \$3,825,000	2017	100%
	<i>Historic Park Place Hotel & Restaurant</i>	\$ 616,195	\$ 1,232,390	Base Year TV of \$792,076 for all buildings minus estimated TV of \$175,881 for the buildings to be demolished = FTV.		100%
	<i>Land Improvements</i>	\$ 30,709	\$ 61,417	Same as Base Year TV		100%
	TOTAL	\$ 1,794,404	\$ 3,588,807	-		-
	Subtotal	\$ 1,794,404	\$ 3,588,807			
	Future Taxable Value (FTV) of Any Pre-Existing Personal Property included in the Base Year/ITV					
	Subtotal Future Taxable Value (FTV) of Building(s), Land Improvements, and Any Pre-Existing Personal Property					
Notes	Future Taxable Value (FTV) of Raw Land	Estimated FTV		Notes		
	Address	-		-		
	300 E. STATE ST	\$ 1,848,766	Assumes Land Value doesn't "Uncap"	Assumes annual increase noted above for Raw Land, if any.		
	Subtotal Future Taxable Value (FTV) of Raw Land	\$ 1,848,766				
	Total Future Taxable Value (FTV) of Building(s) and Land Improvements, Raw Land, & Any Pre-Existing Personal Property					
	Total Captured Taxable Value (= to Total FTV minus Base Year/ ITV)					
Notes	Future Assessed Value (FAV) of New Personal Property	Estimated FAV	-	Notes		
-	Personal Property Value	-	-	Assumes replacement at the end of each 8-year period at the same value, starting in BP Year 9		
-	Furniture and Fixtures for Hotel, New Conference Center & New Pool and Health Club	\$375,000	-	Rough estimate only		
-	Total Estimated Future Taxable Value (FTV) of New Personal Property					
-	Total Future Taxable Value (FTV) of Building(s) and Land Improvements, & Raw Land					
-	Total Captured Taxable Value (= to Total FTV of Building(s) and Land Improvements & Raw Land minus Base Year/ ITV)					

Notes:

All Future Taxable Values (FTV)/Future Assessed Values (FAV) are estimates only; the actual FTV/FAV may be higher or lower than estimated, and must be determined upon project completion by the governing body's Assessing personnel. FTV/FAV per square foot and/or per room/unit for both new construction and renovations may vary widely depending on the quality, quantity, type of improvements, and the property's location. Additionally, for any renovations (if applicable), the FTV/FAV depends on whether improvements are assessed as "new improvements" or just "replacement/repair," as determined by Assessing personnel. Until improvements are completed and assessed, it is only possible to estimate the FTV/FAV based on various assumptions.

The Brownfield Plan will also capture all Personal Property taxes allowed for tax capture. The estimates of the Future Assessed Value (FAV) of Personal Property, and any associated Tax Increment Revenues, are estimates only, and the actual values of Personal Property and any associated property taxes generated are difficult to estimate due to the following: (a) uncertainty regarding the amount, value and type of Personal Property to be included in the project; (b) different depreciation rates applying to the various categories of Personal Property, such as Furniture and Fixtures, Office and Electronic Equipment, Machinery and Equipment, and Computer Equipment; and (c) Personal Property being exempt from taxes if its True Cash Value (after depreciation) is less than \$80,000 and the proper forms are submitted to the local unit of government (pursuant to Michigan Public Act 153 of 2013, as amended). The estimated Assessed/Taxable Value of any existing Personal Property is included in the Plan's Base Year/Initial Taxable Value.

It's anticipated that the existing conference center and pool/health club buildings will be demolished in 2017 and replaced with a new conference center & pool and health club in 2017.

Calendar Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
BP Year Number	0	1	2	3	4	5	6	7	8	9	10
	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ 1,147,500	1,158,975	1,170,565	1,182,270	1,194,093	1,206,034	1,218,094	1,230,275	1,242,578	1,255,004
	\$ -	\$ 616,195	622,357	628,581	634,866	641,215	647,627	654,103	660,644	667,251	673,923
	\$ -	\$ 30,709	31,016	31,326	31,639	31,955	32,275	32,598	32,924	33,253	33,586
	\$ -	\$ 1,794,404	\$ 1,812,348	\$ 1,830,471	\$ 1,848,776	\$ 1,867,264	\$ 1,885,936	\$ 1,904,796	\$ 1,923,844	\$ 1,943,082	\$ 1,962,513
	\$ -	\$ 1,794,404	\$ 1,812,348	\$ 1,830,471	\$ 1,848,776	\$ 1,867,264	\$ 1,885,936	\$ 1,904,796	\$ 1,923,844	\$ 1,943,082	\$ 1,962,513
	\$ -	\$ 217,581	\$ 191,280	\$ 164,979	\$ 145,851	\$ 126,723	\$ 112,377	\$ 100,422	\$ 88,467	\$ 217,581	\$ 191,280
	-	2,011,985	2,003,628	1,995,450	1,994,627	1,993,987	1,998,313	2,005,218	2,012,311	2,160,663	2,153,793
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
	\$ -	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
	\$ -	\$ 3,860,751	\$ 3,852,394	\$ 3,844,217	\$ 3,843,393	\$ 3,842,753	\$ 3,847,080	\$ 3,853,984	\$ 3,861,077	\$ 4,009,429	\$ 4,002,559
	\$ -	\$ 942,971	\$ 934,615	\$ 926,437	\$ 925,614	\$ 924,973	\$ 929,300	\$ 936,204	\$ 943,297	\$ 1,091,650	\$ 1,084,780
Depreciation Factor = DF	DF	DF	DF	DF	DF	DF	DF	DF	DF	DF	DF
	0	0.91	0.80	0.69	0.61	0.53	0.47	0.42	0.37	0.91	0.80
	\$ -	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250	\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000
	\$ -	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250	\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000
	\$ -	\$ 4,202,001	\$ 4,152,394	\$ 4,102,967	\$ 4,072,143	\$ 4,041,503	\$ 4,023,330	\$ 4,011,484	\$ 3,999,827	\$ 4,350,679	\$ 4,302,559
	\$ -	\$ 1,284,221	\$ 1,234,615	\$ 1,185,187	\$ 1,154,364	\$ 1,123,723	\$ 1,105,550	\$ 1,093,704	\$ 1,082,047	\$ 1,432,900	\$ 1,384,780

2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
11	12	13	14	15	16	17	18	19	20	21	22
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	-	-	-	-	-	-	-
1,267,554	1,280,229	1,293,032	1,305,962	1,319,022	1,332,212	1,345,534	1,358,989	1,372,579	1,386,305	1,400,168	1,414,170
680,663	687,469	694,344	701,287	708,300	715,383	722,537	729,762	737,060	744,431	751,875	759,394
33,921	34,261	34,603	34,949	35,299	35,652	36,008	36,368	36,732	37,099	37,470	37,845
\$ 1,982,138	\$ 2,001,959	\$ 2,021,979	\$ 2,042,199	\$ 2,062,621	\$ 2,083,247	\$ 2,104,079	\$ 2,125,120	\$ 2,146,371	\$ 2,167,835	\$ 2,189,513	\$ 2,211,409
\$ 1,982,138	\$ 2,001,959	\$ 2,021,979	\$ 2,042,199	\$ 2,062,621	\$ 2,083,247	\$ 2,104,079	\$ 2,125,120	\$ 2,146,371	\$ 2,167,835	\$ 2,189,513	\$ 2,211,409
\$ 164,979	\$ 145,851	\$ 126,723	\$ 112,377	\$ 100,422	\$ 88,467	\$ 217,581	\$ 191,280	\$ 164,979	\$ 145,851	\$ 126,723	\$ 112,377
2,147,117	2,147,810	2,148,702	2,154,576	2,163,043	2,171,714	2,321,660	2,316,400	2,311,350	2,313,686	2,316,236	2,323,786
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
\$ 3,995,883	\$ 3,996,577	\$ 3,997,468	\$ 4,003,342	\$ 4,011,809	\$ 4,020,480	\$ 4,170,427	\$ 4,165,167	\$ 4,160,117	\$ 4,162,453	\$ 4,165,003	\$ 4,172,552
\$ 1,078,104	\$ 1,078,797	\$ 1,079,689	\$ 1,085,563	\$ 1,094,030	\$ 1,102,701	\$ 1,252,647	\$ 1,247,387	\$ 1,242,337	\$ 1,244,673	\$ 1,247,223	\$ 1,254,772
<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>
<i>0.69</i>	<i>0.61</i>	<i>0.53</i>	<i>0.47</i>	<i>0.42</i>	<i>0.37</i>	<i>0.91</i>	<i>0.80</i>	<i>0.69</i>	<i>0.61</i>	<i>0.53</i>	<i>0.47</i>
\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250	\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250
\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250	\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250
\$ 4,254,633	\$ 4,225,327	\$ 4,196,218	\$ 4,179,592	\$ 4,169,309	\$ 4,159,230	\$ 4,511,677	\$ 4,465,167	\$ 4,418,867	\$ 4,391,203	\$ 4,363,753	\$ 4,348,802
\$ 1,336,854	\$ 1,307,547	\$ 1,278,439	\$ 1,261,813	\$ 1,251,530	\$ 1,241,451	\$ 1,593,897	\$ 1,547,387	\$ 1,501,087	\$ 1,473,423	\$ 1,445,973	\$ 1,431,022

2040	2041	2042	2043	2044	2045	2046	2047
23	24	25	26	27	28	29	30
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	-	-	-
1,428,311	1,442,595	1,457,021	1,471,591	1,486,307	1,501,170	1,516,181	1,531,343
766,988	774,658	782,404	790,228	798,130	806,112	814,173	822,315
38,223	38,606	38,992	39,382	39,775	40,173	40,575	40,981
\$ 2,233,523	\$ 2,255,858	\$ 2,278,416	\$ 2,301,201	\$ 2,324,213	\$ 2,347,455	\$ 2,370,929	\$ 2,394,639
\$ 2,233,523	\$ 2,255,858	\$ 2,278,416	\$ 2,301,201	\$ 2,324,213	\$ 2,347,455	\$ 2,370,929	\$ 2,394,639
\$ 100,422	\$ 88,467	\$ 217,581	\$ 191,280	\$ 164,979	\$ 145,851	\$ 126,723	\$ 112,377
2,333,945	2,344,325	2,495,997	2,492,481	2,489,192	2,493,306	2,497,652	2,507,016
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766	\$ 1,848,766
\$ 4,182,711	\$ 4,193,091	\$ 4,344,764	\$ 4,341,247	\$ 4,337,958	\$ 4,342,072	\$ 4,346,419	\$ 4,355,782
\$ 1,264,931	\$ 1,275,312	\$ 1,426,984	\$ 1,423,467	\$ 1,420,178	\$ 1,424,293	\$ 1,428,639	\$ 1,438,002
<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>	<i>DF</i>
0.42	0.37	0.91	0.80	0.69	0.61	0.53	0.47
\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250
\$ 157,500	\$ 138,750	\$ 341,250	\$ 300,000	\$ 258,750	\$ 228,750	\$ 198,750	\$ 176,250
\$ 4,340,211	\$ 4,331,841	\$ 4,686,014	\$ 4,641,247	\$ 4,596,708	\$ 4,570,822	\$ 4,545,169	\$ 4,532,032
\$ 1,422,431	\$ 1,414,062	\$ 1,768,234	\$ 1,723,467	\$ 1,678,928	\$ 1,653,043	\$ 1,627,389	\$ 1,614,252

Table 4c - Impact of Tax Capture on Taxing Jurisdictions

**PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN**

Table 4c - Impact of Tax Capture on Taxing Jurisdictions

	AD VALOREM TAXING AUTHORITIES/ TAXING JURISDICTIONS (TJs) & DURATION OF MILLAGE LEVY (IF KNOWN)	Millage Summary: Millage Rate Paid on Non-Homestead/ Non-PRE Real Property			Millage Rate Allowed for Capture on Commercial Personal Property	Percent (%) of Millage Rate Captured	Calendar Year	2017
		Annual	Not Allowed for Capture	Allowed for Capture (Net)			BP Year Number	0
					BP Years: All Years	BP Years: All Years		
-	CITY OF TRAVERSE CITY	-	-	-	-	-	-	-
-	City Operating - Charter: Permanent	11.1167	0.0000	11.1167	11.1167	100.00%		\$ 0
-	Act 345 - Police & Fire Pension System: Permanent	2.3200	2.3200	0.0000	0.0000	0.00%		\$ 0
-	Downtown Development Authority (DDA): Permanent (per Treasury Form L-4029)	1.8038	0.0000	1.8038	1.8038	100.00%		\$ 0
-	Recreational Authority - Traverse City & Garfield Township - Operating: through 2023	0.0994	0.0000	0.0994	0.0994	100.00%		\$ 0
-	Recreational Authority - Traverse City & Garfield Township - Debt: through 2023	0.3100	0.3100	0.0000	0.0000	0.00%		\$ 0
-	Subtotal of Local Government Unit (LGU) Millages and Tax Capture: Annual	15.6499	2.6300	13.0199	13.0199			\$ 0
-	Local Government Unit (LGU) Tax Capture: Cumulative							\$ 0
-	GRAND TRAVERSE COUNTY	-	-	-	-	-	-	-
-	County - Operating	4.9823	0.0000	4.9823	4.9823	100.00%		\$ 0
-	Senior Center - Operating: 7 Years (2016-2022)	0.1000	0.0000	0.1000	0.1000	100.00%		\$ 0
-	Grand Traverse County Road Commission: 4 Years (2016-2019)	0.9997	0.0000	0.9997	0.9997	100.00%		\$ 0
-	Grand Traverse County Veterans Affairs: 6 Years (2017-2022)	0.1200	0.0000	0.1200	0.1200	100.00%		\$ 0
-	BAY AREA TRANSPORTATION AUTHORITY (BATA) - Operating: through 2017	0.3447	0.0000	0.3447	0.3447	100.00%		\$ 0
-	LIBRARY	-	-	-	-	-	-	-
-	Traverse Area District Library (TADL) - Operating: 10 Years (2016-2025)	0.9548	0.0000	0.9548	0.9548	100.00%		\$ 0
-	Traverse Area District Library - Debt: Permanent	0.1456	0.1456	0.0000	0.0000	0.00%		\$ 0
-	INTERMEDIATE SCHOOL DISTRICT (ISD)	-	-	-	-	-	-	-
-	Traverse Bay Area Intermediate School District (TBA ISD) - Operating: Permanent (unless revoked)	0.1976	0.0000	0.1976	0.1976	100.00%		\$ 0
-	Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	2.0000	0.0000	2.0000	2.0000	100.00%		\$ 0
-	Traverse Bay Area Intermediate School District (TBA ISD) - Special Education: Permanent	0.7323	0.0000	0.7323	0.7323	100.00%		\$ 0
-	COMMUNITY COLLEGE	-	-	-	-	-	-	-
-	Northwestern Michigan College (NMC) - Operating: Permanent	2.1695	0.0000	2.1695	2.1695	100.00%		\$ 0
-	Northwestern Michigan College (NMC) - Bond Debt: through 2019	0.6550	0.6550	0.0000	0.0000	0.00%		\$ 0
-	LOCAL SCHOOL MILLAGES: excludes State School millages	-	-	-	-	-	-	-
-	Traverse City Area Public Schools (TCAPS) - Debt: Permanent	3.1000	3.1000	0.0000	0.0000	0.00%		\$ 0
-	Subtotal of Non-LGU Local Millages and Tax Capture: Annual	16.5015	3.9006	12.6009	12.6009			\$ 0
-	Non-LGU Local Tax Capture: Cumulative							\$ 0
-	Total Local Tax Capture: Annual	32.1514	6.5306	25.6208	25.6208			\$ 0
-	Total Local Tax Capture: Cumulative							\$ 0
-	STATE SCHOOL MILLAGES: excludes Local School millages	-	-	-	-	-	-	-
-	State Education Tax - SET	6.0000	0.0000	6.0000	6.0000	100.00%		\$ 0
-	Local School Operating - LSO: 18.0 mills for Non-Homestead/Non-PRE Real Property; 0 mills for Homestead/PRE Real Property; 6 mills for Personal Property.	18.0000	0.0000	18.0000	6.0000	100.00%		\$ 0
-	Total State & Local School Tax Capture: Annual	24.0000	0.0000	24.0000	12.0000			\$ 0
-	Total State & Local School Tax Capture: Cumulative							\$ 0
-	ANNUAL ²	56.1514	6.5306	49.6208	37.6208			\$ 0
-	TOTAL LOCAL TAX AND STATE & LOCAL SCHOOL TAX CAPTURE: CUMULATIVE ²							\$ 0
-	Percentage of Local Millages/Taxes Available & Captured	57.26%	-	51.63%	-			-
-	Percentage of State & Local School Millages/Taxes Available & Captured	42.74%	-	48.37%	-			-

Notes:

- The most current available millage rates are utilized and are assumed to be in effect for the duration of the Plan. Actual rates are subject to change and may be higher or lower, and may include the elimination of existing millages and/or the addition of new millages.
- The impact to each individual Taxing Jurisdiction may be as much as their proportionate share of \$2,940,851 which is approximately 31% more than identified in the table above. Table 1a identifies the total amount required for the project's Eligible Activities so long as there are sufficient revenues available to capture.

2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1	2	3	4	5	6	7	8	9	10	11	12

-	-	-	-	-	-	-	-	-	-	-	-
\$ 14,276	\$ 13,725	\$ 13,175	\$ 12,833	\$ 12,492	\$ 12,290	\$ 12,158	\$ 12,029	\$ 15,929	\$ 15,394	\$ 14,861	\$ 14,536
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 2,316	\$ 2,227	\$ 2,138	\$ 2,082	\$ 2,027	\$ 1,994	\$ 1,973	\$ 1,952	\$ 2,585	\$ 2,498	\$ 2,411	\$ 2,359
\$ 128	\$ 123	\$ 118	\$ 115	\$ 112	\$ 110	\$ 109	\$ 108	\$ 142	\$ 138	\$ 133	\$ 130
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 16,720	\$ 16,075	\$ 15,431	\$ 15,030	\$ 14,631	\$ 14,394	\$ 14,240	\$ 14,088	\$ 18,656	\$ 18,030	\$ 17,406	\$ 17,024
\$ 16,720	\$ 32,795	\$ 48,226	\$ 63,256	\$ 77,886	\$ 92,281	\$ 106,521	\$ 120,609	\$ 139,265	\$ 157,295	\$ 174,700	\$ 191,724
-	-	-	-	-	-	-	-	-	-	-	-
\$ 6,398	\$ 6,151	\$ 5,905	\$ 5,751	\$ 5,599	\$ 5,508	\$ 5,449	\$ 5,391	\$ 7,139	\$ 6,899	\$ 6,661	\$ 6,515
\$ 128	\$ 123	\$ 119	\$ 115	\$ 112	\$ 111	\$ 109	\$ 108	\$ 143	\$ 138	\$ 134	\$ 131
\$ 1,284	\$ 1,234	\$ 1,185	\$ 1,154	\$ 1,123	\$ 1,105	\$ 1,093	\$ 1,082	\$ 1,432	\$ 1,384	\$ 1,336	\$ 1,307
\$ 154	\$ 148	\$ 142	\$ 139	\$ 135	\$ 133	\$ 131	\$ 130	\$ 172	\$ 166	\$ 160	\$ 157
\$ 443	\$ 426	\$ 409	\$ 398	\$ 387	\$ 381	\$ 377	\$ 373	\$ 494	\$ 477	\$ 461	\$ 451
-	-	-	-	-	-	-	-	-	-	-	-
\$ 1,226	\$ 1,179	\$ 1,132	\$ 1,102	\$ 1,073	\$ 1,056	\$ 1,044	\$ 1,033	\$ 1,368	\$ 1,322	\$ 1,276	\$ 1,248
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-	-	-	-	-
\$ 254	\$ 244	\$ 234	\$ 228	\$ 222	\$ 218	\$ 216	\$ 214	\$ 283	\$ 274	\$ 264	\$ 258
\$ 2,568	\$ 2,469	\$ 2,370	\$ 2,309	\$ 2,247	\$ 2,211	\$ 2,187	\$ 2,164	\$ 2,866	\$ 2,770	\$ 2,674	\$ 2,615
\$ 940	\$ 904	\$ 868	\$ 845	\$ 823	\$ 810	\$ 801	\$ 792	\$ 1,049	\$ 1,014	\$ 979	\$ 958
-	-	-	-	-	-	-	-	-	-	-	-
\$ 2,786	\$ 2,678	\$ 2,571	\$ 2,504	\$ 2,438	\$ 2,398	\$ 2,373	\$ 2,348	\$ 3,109	\$ 3,004	\$ 2,900	\$ 2,837
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-	-	-	-	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 16,182	\$ 15,557	\$ 14,934	\$ 14,546	\$ 14,160	\$ 13,931	\$ 13,782	\$ 13,635	\$ 18,056	\$ 17,449	\$ 16,846	\$ 16,476
\$ 16,182	\$ 31,740	\$ 46,674	\$ 61,220	\$ 75,380	\$ 89,311	\$ 103,093	\$ 116,727	\$ 134,783	\$ 152,233	\$ 169,078	\$ 185,554
\$ 32,903	\$ 31,632	\$ 30,365	\$ 29,576	\$ 28,791	\$ 28,325	\$ 28,022	\$ 27,723	\$ 36,712	\$ 35,479	\$ 34,251	\$ 33,500
\$ 32,903	\$ 64,535	\$ 94,900	\$ 124,476	\$ 153,266	\$ 181,592	\$ 209,613	\$ 237,336	\$ 274,048	\$ 309,527	\$ 343,778	\$ 377,279
-	-	-	-	-	-	-	-	-	-	-	-
\$ 7,705	\$ 7,408	\$ 7,111	\$ 6,926	\$ 6,742	\$ 6,633	\$ 6,562	\$ 6,492	\$ 8,597	\$ 8,309	\$ 8,021	\$ 7,845
\$ 19,279	\$ 19,197	\$ 19,118	\$ 19,153	\$ 19,191	\$ 19,306	\$ 19,461	\$ 19,619	\$ 21,955	\$ 21,900	\$ 21,848	\$ 21,910
\$ 26,985	\$ 26,605	\$ 26,229	\$ 26,079	\$ 25,933	\$ 25,939	\$ 26,023	\$ 26,112	\$ 30,553	\$ 30,209	\$ 29,869	\$ 29,755
\$ 26,985	\$ 53,589	\$ 79,818	\$ 105,897	\$ 131,830	\$ 157,769	\$ 183,792	\$ 209,903	\$ 240,456	\$ 270,665	\$ 300,534	\$ 330,289
\$ 59,887	\$ 58,236	\$ 56,594	\$ 55,654	\$ 54,724	\$ 54,264	\$ 54,045	\$ 53,835	\$ 67,265	\$ 65,688	\$ 64,120	\$ 63,256
\$ 59,887	\$ 118,124	\$ 174,718	\$ 230,373	\$ 285,096	\$ 339,360	\$ 393,405	\$ 447,239	\$ 514,504	\$ 580,192	\$ 644,312	\$ 707,568
55%	54%	54%	53%	53%	52%	52%	51%	55%	54%	53%	53%
45%	46%	46%	47%	47%	48%	48%	49%	45%	46%	47%	47%

2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
13	14	15	16	17	18	19	20	21	22	23

-	-	-	-	-	-	-	-	-	-	-
\$ 14,212	\$ 14,027	\$ 13,913	\$ 13,801	\$ 17,719	\$ 17,202	\$ 16,687	\$ 16,380	\$ 16,074	\$ 15,908	\$ 15,813
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 2,306	\$ 2,276	\$ 2,258	\$ 2,239	\$ 2,875	\$ 2,791	\$ 2,708	\$ 2,658	\$ 2,608	\$ 2,581	\$ 2,566
\$ 127	\$ 125	\$ 124	\$ 123	\$ 158	\$ 154	\$ 149	\$ 146	\$ 144	\$ 142	\$ 141
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 16,645	\$ 16,429	\$ 16,295	\$ 16,164	\$ 20,752	\$ 20,147	\$ 19,544	\$ 19,184	\$ 18,826	\$ 18,632	\$ 18,520
\$ 208,370	\$ 224,798	\$ 241,093	\$ 257,257	\$ 278,009	\$ 298,156	\$ 317,700	\$ 336,884	\$ 355,710	\$ 374,342	\$ 392,862
-	-	-	-	-	-	-	-	-	-	-
\$ 6,370	\$ 6,287	\$ 6,235	\$ 6,185	\$ 7,941	\$ 7,710	\$ 7,479	\$ 7,341	\$ 7,204	\$ 7,130	\$ 7,087
\$ 128	\$ 126	\$ 125	\$ 124	\$ 159	\$ 155	\$ 150	\$ 147	\$ 145	\$ 143	\$ 142
\$ 1,278	\$ 1,261	\$ 1,251	\$ 1,241	\$ 1,593	\$ 1,547	\$ 1,501	\$ 1,473	\$ 1,446	\$ 1,431	\$ 1,422
\$ 153	\$ 151	\$ 150	\$ 149	\$ 191	\$ 186	\$ 180	\$ 177	\$ 174	\$ 172	\$ 171
\$ 441	\$ 435	\$ 431	\$ 428	\$ 549	\$ 533	\$ 517	\$ 508	\$ 498	\$ 493	\$ 490
-	-	-	-	-	-	-	-	-	-	-
\$ 1,221	\$ 1,205	\$ 1,195	\$ 1,185	\$ 1,522	\$ 1,477	\$ 1,433	\$ 1,407	\$ 1,381	\$ 1,366	\$ 1,358
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-	-	-	-
\$ 253	\$ 249	\$ 247	\$ 245	\$ 315	\$ 306	\$ 297	\$ 291	\$ 286	\$ 283	\$ 281
\$ 2,557	\$ 2,524	\$ 2,503	\$ 2,483	\$ 3,188	\$ 3,095	\$ 3,002	\$ 2,947	\$ 2,892	\$ 2,862	\$ 2,845
\$ 936	\$ 924	\$ 916	\$ 909	\$ 1,167	\$ 1,133	\$ 1,099	\$ 1,079	\$ 1,059	\$ 1,048	\$ 1,042
-	-	-	-	-	-	-	-	-	-	-
\$ 2,774	\$ 2,738	\$ 2,715	\$ 2,693	\$ 3,458	\$ 3,357	\$ 3,257	\$ 3,197	\$ 3,137	\$ 3,105	\$ 3,086
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-	-	-	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 16,109	\$ 15,900	\$ 15,770	\$ 15,643	\$ 20,085	\$ 19,498	\$ 18,915	\$ 18,566	\$ 18,221	\$ 18,032	\$ 17,924
\$ 201,664	\$ 217,564	\$ 233,334	\$ 248,978	\$ 269,062	\$ 288,561	\$ 307,476	\$ 326,042	\$ 344,263	\$ 362,295	\$ 380,219
\$ 32,755	\$ 32,329	\$ 32,065	\$ 31,807	\$ 40,837	\$ 39,645	\$ 38,459	\$ 37,750	\$ 37,047	\$ 36,664	\$ 36,444
\$ 410,034	\$ 442,362	\$ 474,427	\$ 506,234	\$ 547,071	\$ 586,717	\$ 625,176	\$ 662,926	\$ 699,973	\$ 736,637	\$ 773,081
-	-	-	-	-	-	-	-	-	-	-
\$ 7,671	\$ 7,571	\$ 7,509	\$ 7,449	\$ 9,563	\$ 9,284	\$ 9,007	\$ 8,841	\$ 8,676	\$ 8,586	\$ 8,535
\$ 21,975	\$ 22,118	\$ 22,302	\$ 22,489	\$ 24,853	\$ 24,827	\$ 24,804	\$ 24,896	\$ 24,991	\$ 25,164	\$ 25,378
\$ 29,646	\$ 29,689	\$ 29,811	\$ 29,937	\$ 34,417	\$ 34,111	\$ 33,811	\$ 33,736	\$ 33,667	\$ 33,750	\$ 33,912
\$ 359,935	\$ 389,624	\$ 419,435	\$ 449,372	\$ 483,789	\$ 517,900	\$ 551,711	\$ 585,447	\$ 619,114	\$ 652,864	\$ 686,776
\$ 62,401	\$ 62,018	\$ 61,876	\$ 61,744	\$ 75,254	\$ 73,756	\$ 72,270	\$ 71,486	\$ 70,714	\$ 70,414	\$ 70,356
\$ 769,968	\$ 831,986	\$ 893,862	\$ 955,607	\$ 1,030,860	\$ 1,104,617	\$ 1,176,886	\$ 1,248,373	\$ 1,319,087	\$ 1,389,501	\$ 1,459,857
52%	52%	52%	52%	54%	54%	53%	53%	52%	52%	52%
48%	48%	48%	48%	46%	46%	47%	47%	48%	48%	48%

2041	2042	2043	2044	2045	2046	2047	Total Tax Capture During Brownfield Plan Tax Capture Period
24	25	26	27	28	29	30	
-	-	-	-	-	-	-	-
\$ 15,720	\$ 19,657	\$ 19,159	\$ 18,664	\$ 18,376	\$ 18,091	\$ 17,945	\$ 463,047
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 2,551	\$ 3,190	\$ 3,109	\$ 3,028	\$ 2,982	\$ 2,935	\$ 2,912	\$ 75,134
\$ 141	\$ 176	\$ 171	\$ 167	\$ 164	\$ 162	\$ 160	\$ 4,140
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 18,411	\$ 23,022	\$ 22,439	\$ 21,859	\$ 21,522	\$ 21,188	\$ 21,017	\$ 542,322
\$ 411,273	\$ 434,295	\$ 456,734	\$ 478,594	\$ 500,116	\$ 521,305	\$ 542,322	-
-	-	-	-	-	-	-	-
\$ 7,045	\$ 8,810	\$ 8,587	\$ 8,365	\$ 8,236	\$ 8,108	\$ 8,043	\$ 207,529
\$ 141	\$ 177	\$ 172	\$ 168	\$ 165	\$ 163	\$ 161	\$ 4,165
\$ 1,414	\$ 1,768	\$ 1,723	\$ 1,678	\$ 1,653	\$ 1,627	\$ 1,614	\$ 41,641
\$ 170	\$ 212	\$ 207	\$ 201	\$ 198	\$ 195	\$ 194	\$ 4,998
\$ 487	\$ 610	\$ 594	\$ 579	\$ 570	\$ 561	\$ 556	\$ 14,358
-	-	-	-	-	-	-	-
\$ 1,350	\$ 1,688	\$ 1,646	\$ 1,603	\$ 1,578	\$ 1,554	\$ 1,541	\$ 39,771
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-
\$ 279	\$ 349	\$ 341	\$ 332	\$ 327	\$ 322	\$ 319	\$ 8,231
\$ 2,828	\$ 3,536	\$ 3,447	\$ 3,358	\$ 3,306	\$ 3,255	\$ 3,229	\$ 83,307
\$ 1,036	\$ 1,295	\$ 1,262	\$ 1,229	\$ 1,211	\$ 1,192	\$ 1,182	\$ 30,503
-	-	-	-	-	-	-	-
\$ 3,068	\$ 3,836	\$ 3,739	\$ 3,642	\$ 3,586	\$ 3,531	\$ 3,502	\$ 90,367
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
-	-	-	-	-	-	-	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 17,818	\$ 22,281	\$ 21,717	\$ 21,156	\$ 20,830	\$ 20,507	\$ 20,341	\$ 524,869
\$ 398,037	\$ 420,319	\$ 442,036	\$ 463,192	\$ 484,022	\$ 504,528	\$ 524,869	-
\$ 36,229	\$ 45,304	\$ 44,157	\$ 43,015	\$ 42,352	\$ 41,695	\$ 41,358	\$ 1,067,191
\$ 809,310	\$ 854,614	\$ 898,770	\$ 941,786	\$ 984,138	\$ 1,025,833	\$ 1,067,191	-
-	-	-	-	-	-	-	-
\$ 8,484	\$ 10,609	\$ 10,341	\$ 10,074	\$ 9,918	\$ 9,764	\$ 9,686	\$ 249,920
\$ 25,596	\$ 27,991	\$ 27,996	\$ 28,005	\$ 28,129	\$ 28,257	\$ 28,462	\$ 700,169
\$ 34,080	\$ 38,601	\$ 38,337	\$ 38,079	\$ 38,047	\$ 38,021	\$ 38,148	\$ 950,089
\$ 720,856	\$ 759,457	\$ 797,794	\$ 835,873	\$ 873,920	\$ 911,941	\$ 950,089	-
\$ 70,309	\$ 83,904	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 2,017,280
\$ 1,530,167	\$ 1,614,071	\$ 1,696,565	\$ 1,777,659	\$ 1,858,058	\$ 1,937,774	\$ 2,017,280	-
52%	54%	54%	53%	53%	52%	52%	-
48%	46%	46%	47%	47%	48%	48%	-

Table 4d - Reimbursement of Eligible Activities & Disbursements

**PARK PLACE REDEVELOPMENT AREA BROWNFIELD PLAN
TRAVERSE CITY, MICHIGAN**
Table 4d - Reimbursement of Eligible Activities & Disbursements¹

Notes	DISBURSEMENTS TO BROWNFIELD REDEVELOPMENT AUTHORITY & MBRF				Totals
-	State of Michigan Brownfield Redevelopment Fund (MBRF): Funded from the capture of the State Education Tax (SET) millages (if applicable) - Estimated State Education Tax (SET) Captured				\$ 100,069
-	Reimbursement of Local Brownfield Redevelopment Authority Administrative & Operating Expenses	\$ -	of Local Tax Capture per year during Brownfield Plan.		\$ 0
-		0.00%	of Local Tax Capture thereafter.		
-	Local Brownfield Redevelopment Authority Site Remediation Revolving Fund (LSRRF)	0.00%	of Local Tax Capture during Brownfield Plan.		\$ 0
-		0.00%	of Local Tax Capture thereafter.		
-	Note: The LSRRF may capture for not more than 5 years after the time that capture is required to reimburse all Eligible Activities.	LSRRF is allowed to capture an amount of Local Tax Increment up to: \$ -			
-	Local Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement				
-	State & Local School Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement				
-	Total of Local Tax Increment and State & Local School Tax Increment: <u>Annual</u> Remaining Revenue Available for Reimbursement				
Notes	REIMBURSEMENT OF ELIGIBLE ACTIVITIES	Year that Expenses Identified in the Eligible Activities Table Will Be Recognized ²		Totals	
		2017	2018		
-	Environmental Activities: Michigan Department of Environmental Quality (MDEQ)				
-	Local Tax Increment Reimbursement	\$ -	\$ 23,785	\$ 23,785	
-	State & Local School Tax Increment Reimbursement (LSO & SET)	\$ -	\$ 22,280	\$ 22,280	
-	TOTAL MDEQ REIMBURSEMENT (Eligible Costs)	\$ 0	\$ 46,065	\$ 46,065	
-	Cumulative Reimbursement: MDEQ				
-	Remaining Environmental Activities to be Reimbursed: with Local Taxes				
-	Remaining Environmental Activities to be Reimbursed: with Non- Local Taxes, e.g., LSO & SET				
-	Non-Environmental Activities: Brownfield Redevelopment Authority (BRA) & Michigan Strategic Fund (MSF)				
-	Local Tax Increment Reimbursement	\$ 1	\$ 1,451,242	\$ 1,451,243	
-	State & Local School Tax Increment Reimbursement (LSO & SET)	\$ 0	\$ 1,343,475	\$ 1,343,476	
-	TOTAL BRA & MSF REIMBURSEMENT (Eligible Costs)	\$ 1	\$ 2,794,717	\$ 2,794,718	
-	Cumulative Reimbursement: BRDA & MSF				
-	Remaining Non-Environmental Activities to be Reimbursed: with Local Taxes				
-	Remaining Non-Environmental Activities to be Reimbursed: with Non-Local Taxes, e.g., LSO & SET				
-	TOTAL ANNUAL REIMBURSEMENT: BRA, MDEQ & MSF (Eligible Costs)	\$ 1	\$ 2,840,782	\$ 2,840,783	
-	TOTAL CUMULATIVE REIMBURSEMENT: BRA, MDEQ & MSF (Eligible Costs)				
-	<i>Remaining Unreimbursed Balance</i>				
-	<i>Surplus Revenue from Local Tax Increment =</i>				
-	<i>Surplus Revenue from State and Local School Tax Increment =</i>				

Notes:

¹ Unless amended by the local unit of government, the Plan is anticipated to remain in effect until all approved activities in the Plan are reimbursed.

² The "Year of Tax Capture" indicates the year that any allowed tax increment will be captured by the Brownfield Plan, but not necessarily distributed as reimbursement payments; generally, reimbursement payments for Eligible Activities, bonds, etc, will be distributed in the following year, but the specific terms and conditions of reimbursement will be subject to a Development Reimbursement Agreement with the local unit of government.

Calendar Year BP Year Number	2017 0	2018 1	2019 2	2020 3	2021 4	2022 5	2023 6	2024 7	2025 8	2026 9	2027 10	2028 11
	\$ -	\$ 3,853	\$ 3,704	\$ 3,556	\$ 3,463	\$ 3,371	\$ 3,317	\$ 3,281	\$ 3,246	\$ 4,299	\$ 4,154	\$ 4,011
Annual:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Annual:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 32,903	\$ 31,632	\$ 30,365	\$ 29,576	\$ 28,791	\$ 28,325	\$ 28,022	\$ 27,723	\$ 36,712	\$ 35,479	\$ 34,251
	\$ 0	\$ 23,132	\$ 22,901	\$ 22,673	\$ 22,616	\$ 22,562	\$ 22,622	\$ 22,742	\$ 22,866	\$ 26,254	\$ 26,054	\$ 25,858
	\$ 0	\$ 56,035	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
Year of Tax Capture ²	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$ 0	\$ 23,785	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 22,280	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 46,065	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 9,118	\$ 31,632	\$ 30,365	\$ 29,576	\$ 28,791	\$ 28,325	\$ 28,022	\$ 27,723	\$ 36,712	\$ 35,479	\$ 34,251
	\$ 0	\$ 852	\$ 22,901	\$ 22,673	\$ 22,616	\$ 22,562	\$ 22,622	\$ 22,742	\$ 22,866	\$ 26,254	\$ 26,054	\$ 25,858
	\$ 0	\$ 9,970	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
	\$ 0	\$ 9,970	\$ 64,502	\$ 117,541	\$ 169,732	\$ 221,085	\$ 272,032	\$ 322,796	\$ 373,384	\$ 436,350	\$ 497,884	\$ 557,993
	\$ 1	\$ 1,442,125	\$ 1,410,493	\$ 1,380,127	\$ 1,350,552	\$ 1,321,761	\$ 1,293,436	\$ 1,265,414	\$ 1,237,691	\$ 1,200,979	\$ 1,165,500	\$ 1,131,249
	\$ 0	\$ 1,342,624	\$ 1,319,723	\$ 1,297,050	\$ 1,274,434	\$ 1,251,873	\$ 1,229,250	\$ 1,206,508	\$ 1,183,643	\$ 1,157,389	\$ 1,131,335	\$ 1,105,476
	\$ 0	\$ 56,035	\$ 54,533	\$ 53,039	\$ 52,191	\$ 51,352	\$ 50,947	\$ 50,764	\$ 50,589	\$ 62,966	\$ 61,533	\$ 60,110
	\$ 0	\$ 56,035	\$ 110,567	\$ 163,606	\$ 215,797	\$ 267,150	\$ 318,097	\$ 368,861	\$ 419,449	\$ 482,415	\$ 543,949	\$ 604,058
	\$ 1	\$ 2,784,749	\$ 2,730,216	\$ 2,677,177	\$ 2,624,986	\$ 2,573,634	\$ 2,522,686	\$ 2,471,923	\$ 2,421,334	\$ 2,358,368	\$ 2,296,835	\$ 2,236,725
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
12	13	14	15	16	17	18	19	20	21	22	23	24
\$ 3,923	\$ 3,835	\$ 3,785	\$ 3,755	\$ 3,724	\$ 4,782	\$ 4,642	\$ 4,503	\$ 4,420	\$ 4,338	\$ 4,293	\$ 4,267	\$ 4,242
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 33,500	\$ 32,755	\$ 32,329	\$ 32,065	\$ 31,807	\$ 40,837	\$ 39,645	\$ 38,459	\$ 37,750	\$ 37,047	\$ 36,664	\$ 36,444	\$ 36,229
\$ 25,832	\$ 25,811	\$ 25,904	\$ 26,056	\$ 26,213	\$ 29,635	\$ 29,469	\$ 29,307	\$ 29,316	\$ 29,329	\$ 29,457	\$ 29,645	\$ 29,838
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 33,500	\$ 32,755	\$ 32,329	\$ 32,065	\$ 31,807	\$ 40,837	\$ 39,645	\$ 38,459	\$ 37,750	\$ 37,047	\$ 36,664	\$ 36,444	\$ 36,229
\$ 25,832	\$ 25,811	\$ 25,904	\$ 26,056	\$ 26,213	\$ 29,635	\$ 29,469	\$ 29,307	\$ 29,316	\$ 29,329	\$ 29,457	\$ 29,645	\$ 29,838
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
\$ 617,326	\$ 675,892	\$ 734,124	\$ 792,245	\$ 850,265	\$ 920,737	\$ 989,852	\$ 1,057,618	\$ 1,124,684	\$ 1,191,060	\$ 1,257,181	\$ 1,323,270	\$ 1,389,337
\$ 1,097,749	\$ 1,064,994	\$ 1,032,665	\$ 1,000,600	\$ 968,793	\$ 927,956	\$ 888,311	\$ 849,852	\$ 812,102	\$ 775,055	\$ 738,391	\$ 701,947	\$ 665,717
\$ 1,079,644	\$ 1,053,833	\$ 1,027,929	\$ 1,001,873	\$ 975,660	\$ 946,025	\$ 916,556	\$ 887,249	\$ 857,933	\$ 828,604	\$ 799,147	\$ 769,501	\$ 739,663
\$ 59,333	\$ 58,565	\$ 58,232	\$ 58,121	\$ 58,020	\$ 70,472	\$ 69,114	\$ 67,766	\$ 67,066	\$ 66,376	\$ 66,121	\$ 66,089	\$ 66,067
\$ 663,391	\$ 721,957	\$ 780,189	\$ 838,310	\$ 896,330	\$ 966,802	\$ 1,035,917	\$ 1,103,683	\$ 1,170,749	\$ 1,237,125	\$ 1,303,246	\$ 1,369,335	\$ 1,435,402
\$ 2,177,392	\$ 2,118,827	\$ 2,060,595	\$ 2,002,473	\$ 1,944,453	\$ 1,873,981	\$ 1,804,867	\$ 1,737,100	\$ 1,670,034	\$ 1,603,658	\$ 1,537,537	\$ 1,471,448	\$ 1,405,381
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Capture Period Ends for
Developer/DDA
Reimbursement.

2042	2043	2044	2045	2046	2047	Totals
25	26	27	28	29	30	-
\$ 5,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,069
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 45,304	\$ 44,157	\$ 43,015	\$ 42,352	\$ 41,695	\$ 41,358	\$ 1,067,191
\$ 33,296	\$ 38,337	\$ 38,079	\$ 38,047	\$ 38,021	\$ 38,148	\$ 850,020
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,917,211
2042	2043	2044	2045	2046	2047	Totals
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,785
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,280
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,065
\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	\$ 46,065	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 45,304	\$ 44,157	\$ 43,015	\$ 42,352	\$ 41,695	\$ 41,358	\$ 1,043,407
\$ 33,296	\$ 38,337	\$ 38,079	\$ 38,047	\$ 38,021	\$ 38,148	\$ 827,740
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,871,146
\$ 1,467,937	\$ 1,550,431	\$ 1,631,525	\$ 1,711,924	\$ 1,791,640	\$ 1,871,146	-
\$ 620,414	\$ 576,257	\$ 533,242	\$ 490,889	\$ 449,194	\$ 407,836	-
\$ 706,367	\$ 668,030	\$ 629,952	\$ 591,905	\$ 553,884	\$ 515,736	-
\$ 78,600	\$ 82,494	\$ 81,094	\$ 80,399	\$ 79,716	\$ 79,506	\$ 1,917,211
\$ 1,514,002	\$ 1,596,496	\$ 1,677,590	\$ 1,757,989	\$ 1,837,705	\$ 1,917,211	-
\$ 1,326,781	\$ 1,244,288	\$ 1,163,193	\$ 1,082,794	\$ 1,003,078	\$ 923,572	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	-

Capture Period Ends for
Developer/DDA
Reimbursement.

Attachment B
Executed Interlocal Agreement

**INTERLOCAL AGREEMENT
GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT
AUTHORITY AND TRAVERSE CITY DOWNTOWN DEVELOPMENT
AUTHORITY SPECIFICALLY AND ONLY FOR
300 EAST STATE STREET**

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

WHEREAS, the City of Traverse City Downtown Development Authority (DDA) was duly established pursuant to State of Michigan statute; and

WHEREAS, the Grand Traverse County Brownfield Redevelopment Authority (BRA) was duly established pursuant to PA 381 of 1996, as amended (Act 381); and

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

WHEREAS, the BRA has the authority to pay for eligible activities on eligible properties and capture tax increment revenues generated by the levy of taxes via Brownfield Plans or Act 381 Combined Brownfield Plans (Plan(s)) pursuant to and as described in Act 381; and

WHEREAS, the DDA has the authority to pay for certain eligible activities and capture tax increment revenues generated by the levy of certain taxes on the property pursuant to the Development and Tax Increment Financing Plan for the TIF 97 Development Plan (the DDA Plan), and

WHEREAS, from time-to-time, the BRA may approve a request or decide itself to approve a Plan for eligible property which lies within the boundary of the DDA Plan, and

WHEREAS, the DDA and BRA desire to enter into this Interlocal Agreement to provide for the capture and use of the tax increment revenues of the DDA and BRA to pay the costs of the Act 381 eligible activities related to Plans approved by the BRA on eligible properties which lie within the boundary of the DDA Plan.

THEREFORE, the parties agree as follows:

1. **Transfer and Use of Tax Increment Revenues.** Upon the execution of this agreement and subject to the terms outlined herein, the tax increment revenues captured by the DDA and BRA which are generated by the levy of ad valorem and specific local taxes on parcels which are identified within an approved Plan shall be transferred to the BRA to pay approved eligible activities, including principal and interest (if applicable) on financing obligations, until such time all obligations and terms of the approved Plan have been satisfied.

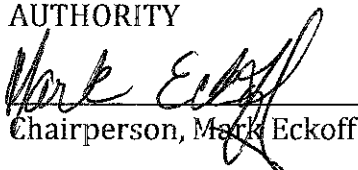
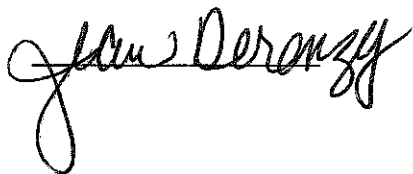
2. **Limitation to Tax Increment Revenues from Property.** The DDA and BRA shall only use tax increment revenues generated by the identified eligible property to pay for approved eligible activity costs and other uses authorized by Act 381 and the approved Plan, and neither party shall be required to use other revenues generated by virtue of other properties or projects other than the identified eligible property. For purposes of this Agreement the eligible property is 300 E. State Street (Tax Parcel ID: 28-51-794-090-00). Upon conclusion or dissolution of the Plan, all tax increment revenues generated by the eligible properties shall be captured by the DDA as stated in the DDA's TIF 97 Plan, hereafter referred to as the "DDA Plan".
3. **DDA Obligation subordinate to Existing Bonds.** This DDA's obligation to transfer tax revenues to the BRA pursuant to this Agreement is subordinate to, and contingent upon the ability of the DDA to capture sufficient tax increment revenues from the captured assessed value of the property in its DDA Plan other than the eligible property to pay its annual debt service obligations on bonds and other obligations issued by the DDA. In the event that the DDA does not have sufficient funds from tax increment revenues from the captured assessed values of the property in its DDA Plan other than the eligible property to pay its annual debt service obligations on such bonds or other obligations, then the DDA shall not be obliged to transfer tax increment revenues from the eligible properties to the BRA in that year and so long as a shortfall exist, so that the DDA may use the tax increment revenues generated from the eligible property to pay its annual debt service obligations on such bonds.
4. **BRA as Agent under This Agreement.** The parties may designate the BRA as the agent for collection and disbursement of all tax increment revenues generated by the eligible properties until such time all obligations and terms of the approved Plan have been satisfied.
5. **BRA as Agent under Development or Reimbursement Agreements.** The parties agree to designate the BRA as agent to enforce the terms of any Development or Reimbursement Agreements executed with outside parties.
6. **Effective Date.** This Agreement shall commence upon its approval by the legislative bodies of the DDA and BRA and duly executed by their authorized representatives and filed with the County Clerk and Secretary of State of the State of Michigan as required by Act 7.
7. **Severability.** To the extent that any provisions contained in this Agreement is deemed unenforceable, to the extent possible, the remaining terms shall remain in effect.

The BRA and DDA, by their authorized representatives, have executed this Agreement as indicated on the attached signature page:

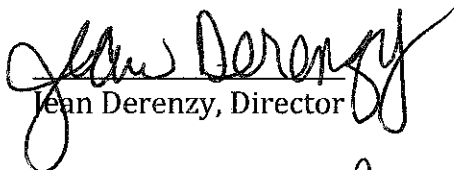
This agreement was approved by the Grand Traverse County Brownfield Redevelopment Authority. The Chairperson and Secretary were authorized to sign this agreement on the 15th day of Aug, 2017 and was signed by the same on the 15th day of Aug 2017.

Witnesses

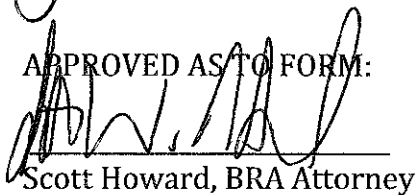
GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT
AUTHORITY


Chairperson, Mark Eckoff

APPROVED AS TO SUBSTANCE:


Jean Derenzy, Director

APPROVED AS TO FORM:


Scott Howard, BRA Attorney

This agreement was approved by the City of Traverse City Downtown Development Authority. The Chairperson and Secretary were authorized to sign this Agreement on the 1st day of Aug, 2017 and was signed by the Chairperson and Secretary on the 1st day of Aug, 2017.

Witnesses

John D'Arany
Julie Dalton

CITY OF TRAVERSE CITY
DOWNTOWN DEVELOPMENT
AUTHORITY

[Signature]
Chairperson
[Signature]
Secretary

APPROVED AS TO SUBSTANCE:

Colleen Paucello for
Rob Bacigalupi, Executive Director

APPROVED AS TO FORM:

Lauren Tribble-Laucht, DDA Attorney

Attachment C
Executed Reimbursement Agreement

GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY

DEVELOPMENT AND REIMBURSEMENT AGREEMENT

This Development Agreement is made on Aug 21, 2017 among **REGENCY MIDWEST VENTURES LIMITED PARTNERSHIP** (the "Owner") the **DOWNTOWN DEVELOPMENT AUTHORITY ("DDA")**, the **CITY OF TRAVERSE CITY** (the "City"), the **TRAVERSE CITY LIGHT AND POWER ("TCL&P")**, and the **GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY** (the "GTCBRA"), a Michigan public body corporate.

PREMISES

A. The Owner is engaged in the redevelopment of 300 East State Street (Tax Parcel No 28-51-794-090-00) commonly known as the New Conference Center and Pool/Health Club (the "Developments"), 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 environmentally distressed areas. The GTCBRA has approved a Brownfield Plan that includes the Development (the "Plan", attached as Exhibit C), and the Eligible Property is part of the Plan as amended.

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

D. Pursuant to the Plan and the Act 381 Work Plan, the GTCBRA will capture and retain 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 Plan approved by the GTCBRA (the "Tax Increments"). Upon satisfaction of the conditions expressed in this Agreement, the GTCBRA will use the Tax Increments 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, 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, City, DDA, TCL&P and the Owner.

(c) "City" means the City of Traverse City.

(d) "TCL&P" means Traverse City Light and Power

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

(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 response activities as defined by Sec. 2(n) of Act 381, Public Acts of 1996, as amended, MCL 125.2652(n), or approved by the Michigan Department of Environmental Quality (MDEQ) or the Michigan Strategic Fund (MSF) as part of the approved Act 381 Work Plan.

(h) "Eligible Property" means the property as defined by Sec. 2(o) of Act 381, MCL 125.2652(o) for purposes of completing the Eligible Activities.

(i) "Environmental Consultant" or "Consultant" means the consulting firm retained or hired by the Owner to fulfill its obligations under this Agreement, including the Eligible Activities set forth in the Act 381 Work 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, City, TCL&P, DDA and their members, officers, agents and employees.

(m) "Owner" means Regency Midwest Ventures Limited Partnership.

(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, amendments to the Plan, approvals of the Development, 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 Plan, the Act 381 Work 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. The maximum obligation shall not exceed the total amounts set forth in the approved Brownfield Plan, as amended or supplemented, and attached as Exhibit C, for Eligible Activities, contingency (if included), interest (if included), plan preparation, and fees. The total amount of this maximum obligation shall be 100% of the amount set forth in the Brownfield Plan, as amended or supplemented, for Eligible Activities, contingency (if included), interest (if included), plan preparation, and fees.

(p) "Plan" means the Brownfield Redevelopment Plan, as defined under Act 381, and adopted March 15, 2017, as amended, and attached as Exhibit C.

(q) "Site" means the real property located in the County of Grand Traverse, State of Michigan, as described in attached Exhibit B, if applicable, 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.

(r) "Tax Increments" means tax increment revenues, as defined by Act 381, from all taxable real and personal property located on the Project Site during the life of the Plan.

(s) "Act 381 Work Plan" means the Work Plan approved by the GTCBRA on March 23, 2017 and attached as Exhibit D, as subsequently amended or supplemented.

(t) "MSF Work Plan" means the Work Plan approved and approved by the GTCBRA on March 23, 2017 and attached as Exhibit D, as subsequently amended or supplemented.

(u) "DDA" means Traverse City Downtown Development Authority.

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 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 OwnerDDA, City and TCL&P shall proceed with the Development and the obligations under this Agreement in its discretion. If it decides to do so, it 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, including debt financing obtained by the Owner, and receive reimbursement for Eligible Activities in accordance with the terms of this Agreement, the Brownfield Plan, and the Act 381 Work Plan from the GTCBRA in accordance with the outline payment schedule on attached Exhibit E. City, DDA and TCL&P shall utilize their own funds and receive reimbursement for Eligible Activities in accordance with the terms of this Agreement, the Brownfield Plan, and the Act 381 Work Plan from the GTCBRA in accordance with the outline payment schedule on attached Exhibit E. The GTCBRA shall first reimburse its Transaction Costs from captured Tax Increments. The GTCBRA shall then reimburse Owner using 50% of the captured Tax Increments (both State and Local taxes) for its Eligible Activities, as illustrated on the attached Exhibit E, Reimbursement of Eligible Activities - Sharing of Revenues Schedule. The remaining 50% of the revenues in each year shall then be distributed to the public developer (City, DDA, or TCL&P depending upon which entity expended the funds for the Eligible Activities in question) for approved eligible expenses as provided in this Agreement and as illustrated on the attached Exhibit E.

It is anticipated that there will be sufficient available Tax Increments to meet the obligations under this Agreement. However, if for any reason the Development does not result in sufficient 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 revenues, and if for any reason the revenues are insufficient or there are none, then Owner assumes full responsibility for any such loss or cost. This provision does not restrict Owner's ability to request an amendment to the Act 381 Work Plan and/or Plan, subject to GTCBRA's review process and full discretion to approve, modify or deny any proposed amendments.

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

- (a) Approval by the MDEQ and/or MSF, and GTCBRA of (1) the Act 381 Work 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 Brownfield 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 of any potentially responsible parties (PRP's), to the best of the Owner's knowledge, for the contamination on the property, 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 the Environmental Consultant, Consultant, any contractor, subcontractor 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 Debt Obligation that has been reviewed and approved by the GTCBRA. Approval of the application and subsequent approvals of Brownfield plans, 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 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 in a timely fashion.

Section 2.3 Indemnification of Indemnified Persons.

- (a) The Owner shall defend, indemnify and hold the Indemnified Persons harmless from any loss, expense (including reasonable counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from injuries to persons or property as a result of the ownership or operation, use or maintenance of the Development or arising out of performance of activities under this Agreement or any related agreement from and after the date hereof. 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.
- (b) 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 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 who performs work or

services under the terms or within the scope of this Agreement, the Environmental Consultant's agreement with the Owner shall be deemed to be a third party beneficiary contract in favor of the GTCBRA or any Indemnified Persons.

- (c) The Owner shall assure that to the extent an Environmental Consultant, Consultant, Contractor or Subcontractor provides services toward completion of any Eligible Activities, at a minimum, the Environmental Consultant, Consultant, Contractor or Subcontractor shall provide to the GTCBRA and the County the indemnity provisions set forth in Section 6.13(a) of this Agreement for the services that the particular Environmental Consultant, Consultant, Contractor or Subcontractor is performing.
- (d) The indemnity provisions shall survive the term of this 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 Brownfield Plan and Work Plan, in the GTCBRA's discretion. The GTCBRA shall give the Owner 24 hours written notice of its intent to access the Site whenever possible. If notice cannot be given due to an emergency or any other unforeseen circumstance, the GTCBRA shall give notice as is reasonable and practicable under the circumstances. All such employees or agents must comply with all Site safety standards.

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 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 any of the parties to this Agreement is a party, or threatened against any party to this Agreement contesting the validity or binding effect of this Agreement or the validity of the 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 Increments revenues to repay its obligations under this Agreement and the Financing 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, the Plan, or the Act 381 Work 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 Plan. The GTCBRA will prepare and submit the Act 381 Work 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, the Plan, and any applicable Act 381 Work 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 Environmental Consultant, Consultant or other contractors or subcontractors 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 the costs exceed the maximum cost of Eligible Activities as set forth in the Plan, the Act 381 Work Plan, or approval of the GTCBRA, the Owner shall bear such 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 to exercise oversight of the Owner and its Environmental Consultant, Consultant, contractors, or subcontractors 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 Plan, the Act 381 Work Plan, and Act 381. The Owner shall provide to the GTCBRA Director and its 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

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 Work 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 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, and the cost of completing such Eligible Activity is consistent with the Act 381 Work Plan or with a budget which has been pre-approved by the GTCBRA, 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 next regular meeting of the GTCBRA. 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 30 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 approval of such invoice, the invoice shall be paid within 14 days of the date of approval or, if the GTCBRA has insufficient Tax Increments with which to pay the invoice at the time of its approval, then within 14 days of GTCBRA's receipt of sufficient Tax Increments. 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 GTCBRA has the obligation to pay such invoice.

- (c) No action, suit, proceeding or investigation shall be pending before any court, public board or body to which any of the parties to this Agreement is a party, or threatened against any party to this Agreement 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 be no uncured 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. The foregoing notwithstanding, if reimbursement of Owner is refused by reason of Owner's action or inaction which with the passage of time would likely become an Event of Default, then if Owner shall cure such threatened default, this precondition shall be deemed fulfilled as of the time of such cure and, provided that all other preconditions to GTCBRA's reimbursement obligation have been met at the time of such cure, then Owner shall then be entitled to reimbursement.
- (e) The Owner shows it is owner of the Site or the Site is under land contract, 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 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 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, contractor, or subcontractor to advise, conduct, or complete the Eligible Activities related to the pay-as-you-go 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 Increments owed to a prior owner of the Site for Eligible Activities undertaken on the Property shall be paid to the prior owner of the Property 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 Increments for any Eligible Activity undertaken on the property prior to its purchase of the property.
- (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) Until the completion of all Owner's Eligible Activities or until the completion of the Development, whichever is later, the Owner shall provide to the GTCBRA an annual report of investment made and jobs created. Report shall be delivered to the GTCBRA Office no later than October 31, of each year.

ARTICLE 6.

OWNER'S ENVIRONMENTAL CONSULTANT, ITS CONSULTANT, ITS CONTRACTOR, OR ITS SUBCONTRACTOR 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) ("Consultant"), Consultant and/or other competent and qualified contractors or subcontractors ("Contractors" or "Subcontractors" respectively) to conduct and complete the Eligible Activities set forth in this Agreement and as set forth in the Act 381 Work Plan, as amended or supplemented, or the 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, Consultant or Contractor hired by Owner shall be responsible for the activities that they perform on the Eligible Property, but the Environmental Consultant, Consultant or Contractor shall not be liable for the actions of any persons performing work on the Eligible Property that are not working directly or indirectly for the Environmental Consultant, Consultant or Contractor.

Section 6.2 Permits. The Environmental Consultant, Consultant or Contractors shall examine all permits and licenses within their respective professional scopes that pertain 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 there are in compliance with the terms and conditions of such permits and licenses, but limited to only those Eligible Activities performed by Owner, Environmental Consultant, Consultant, Contractors, or Subcontractors, and specifically excludes all other activities performed by other Environmental Consultants, Consultants, Contractors, or Subcontractors performing activities retained by another third party.

Section 6.3 ASTM and Industry Standards. The Owner, Environmental Consultant, 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, Consultant 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, Consultant, Contractors, Subcontractors, 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, Consultant or Contractor will provide communication services and attend meetings with the MDEQ and MSF as it relates to those Eligible Activities performed by Owner, Environmental Consultant, Consultant or Contractor. Environmental Consultant, 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 or other such time that is reasonable.
- (b) make known the provisions of this subparagraph to all Contractors and Subcontractors, who shall be bound by the confidentiality provisions of this Agreement.
- (c) submit any such written reports marked "DRAFT FOR DISCUSSION PURPOSES ONLY. CONFIDENTIAL." 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 on request to GTCBRA Director all data, reports and test results generated by the Environmental Consultant, Consultant or Contractor within the scope of this Agreement, the Development 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 Consultant or Contractor that it is not a party to any other existing or previous agreement which would adversely affect the Environmental Consultant's, Consultant's or Contractor's ability to perform the services with respect to the Eligible Activities.

Section 6.7 Acknowledgments of No Agency. If the Owner hires an Environmental Consultant or Consultant, 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. The Owner covenants that the Owner shall not discriminate, and that Owner shall require through its contracts with the Environmental Consultant, Consultant, and with any Contractors or Subcontractors, that they shall not

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, Consultant and any Contractors or Subcontractors 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 the Environmental Consultant, Consultant and any Contractor or Subcontractor shall each have and maintain complete control over all its employees, agents and operators. Facts or knowledge of which the Environmental Consultant, 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, Consultant or any Contractor or Subcontractor 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, Consultant or any Contractor or Subcontractor 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 materials classified as "hazardous waste" under state or federal law, the Owner shall, under a manifest signed by the Owner or its agent, have such samples transported for final disposal to a location selected by the Owner or its Environmental Consultant, 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, Consultant, and any Contractor or Subcontractor 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 Owner's Environmental Consultant, Consultant or any Contractor or Subcontractor.

Section 6.12 Environmental Consultant, Consultant or Contractor Insurance. The Owner shall assure that the Environmental Consultant, Consultant, any Contractors or Subcontractors, or any other 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) Pollution or Environmental Impairment Insurance in the amount of at least \$ 1 million per occurrence.
- (d) As to the Environmental Consultant and 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 within 30 days of the date of the commencement of the Eligible Activities by such Environmental Consultant, Consultant, Contractor or Subcontractor, 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, Consultant's, Contractor's, or Subcontractor'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 Contractor or Subcontractor, the Owner may request in writing a reduction of the amount of coverage in subparagraph (b) to \$500,000; upon the same showing, the Owner may also request as to a specific Contractor or specific Subcontractor a waiver of the Environmental Impairment Insurance required by subparagraph (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.

Section 6.13 Covenants Related to Indemnification and Liability.

- (a) Defend, Indemnify and Hold Harmless. Notwithstanding any other provision of this Agreement, the Owner shall, and Owner shall obtain Environmental Consultant's and Consultant's agreement to defend, indemnify and hold GTCBRA harmless against and from all liabilities, losses, damages, costs, expenses (including attorney fees), causes of action, suits, claims and demands or judgments as it relates to those Eligible Activities performed by Contractors, Owner's Environmental Consultant or Consultant as follows:
 - (1) Which GTCBRA may sustain as a result of the failure of the Environmental Consultant or Consultant to comply with the provisions of this Agreement; and/or
 - (2) Which result from or arise out of any acts or omissions, negligent or otherwise, of the Environmental Consultant's or Consultant's employees, agents, contractors, or subcontractors in the performance of the work specified in this Agreement.

- (3) This indemnity shall only apply to the Environmental Consultant, Consultant or Contractor's actions, and the Owner and Environmental Consultant, 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, Consultants, Contractors, or Subcontractors on the Eligible Property.
- (b) Contribution. The Owner shall obtain written acknowledgment that the Environmental Consultant and Consultant 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 their individual performance of activities under this Agreement are actionable negligence or gross negligence, or constitute intentional misconduct. The Environmental Consultant and Consultant, 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, and for releases aggravated or proximately caused individually by the Environmental Consultant or Consultant. This subparagraph shall not affect any other liabilities or remedies of the GTCBRA.
- (c) Survivorship of Covenants. Any Environmental Consultant's, Consultant's, Contractor's, or Subcontractor's obligation to indemnify, hold harmless and defend shall survive the termination of this Agreement and the Environmental Consultant's and Consultant's agreement with the Owner but is limited to only those Eligible Activities performed by Contractors or Owner's Environmental Consultant or Consultant, and specifically excludes all other activities performed by other Environmental Consultants, Consultants, Contractors, or Subcontractors performing activities.
- (d) Breach. An uncured breach of the foregoing provisions of Section 6.13 at the option of GTCBRA constitutes, or will result in, a breach of the Development Agreement.
- (e) The written agreement in subparagraph (a) of this section and written acknowledgment in subparagraph (b) shall be filed with the GTCBRA before any reimbursement under the terms of this Agreement.

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 South Dakota limited liability limited partnership, authorized to do business in Michigan with power under the laws of such states 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, its Contractors, or Subcontractors 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 in-force insurance:

- (a) If applicable, Worker's Compensation Insurance 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; and
- (c) If applicable, Environmental Impairment Insurance in the amount of at least \$1 million per occurrence.

The Owner shall furnish to GTCBRA a certificates evidencing the existence 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 GTCBRA's Transaction Costs for successful enforcement of the terms of this Agreement or other claims if there has been an 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 non-defaulting 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 cure requires more than 60 days, then if such defaulting party shall commence and diligently proceed to cure the default within such 60 days, and shall diligently then the defaulting party shall have such time as reasonably necessary to cure the default. If the 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 of 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 default. The prevailing party shall be entitled to an award of reasonable costs and attorney fees.

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 Work Plan, attached as Exhibit D. Owner agrees that if there is a tax appeal of the valuation of all or any part of the Eligible Property or Development 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, and if by reason of such appeal the GTCBRA is required to reimburse a taxpayer for any funds which have been paid to Owner, Owner shall be responsible for repaying GTCBRA the amount reimbursed to the taxpayer as a result of any reduction in the assessed value of all or part of the Property or Development. The Owner's obligation to repay the GTCBRA under this Section does not constitute a waiver of Owner's right to be reimbursed again from the tax capture for all Eligible Activities to the extent that sufficient funds are available to pay Owner subsequent to such repayment. 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, City, TCL&P and DDA for Eligible Activities and shall not exceed the 30 year tax capture term of the 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 Plan, or any existing Act 381 Work Plan, as described in this Agreement without amendment to the Plan. This 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; (c) the establishment of another entity which shall operate the premises for the infrastructure purposes.

The Owner waives the right to reimbursement for outstanding pay-as-you-go 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 Act 381 Work 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 property.

- (b) The Owner and the transferee enter into an allocation agreement covering how the Tax Increments collected on the property shall be distributed between the Owner and the prospective purchaser for any outstanding obligations or future obligations for Eligible Activities on the 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 property within 30 days after transfer of the 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 other parties to this Agreement which will not be unreasonably withheld. Any attempt to assign or transfer this Agreement or any of its rights without such written consent shall be null and void and of no force or effect, and a breach of this Agreement.

Section 10.4 Notices. All notices, certificates or communications required 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:

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:

Tom Biegler, President/CEO
Kyle Scholten, CFO
Regency Midwest Ventures Limited Partnership
3211 West Sencore Drive
Sioux Falls, South Dakota 57106

If to the City:

City of Traverse City
Attn:, City Manager
400 Boardman Ave.

Traverse City, Michigan 49684

If to the DDA:

Traverse City Downtown Development Authority
Attn:, DDA Director
PO Box 42, Traverse City, Michigan 49685

If to TCL&P:

Traverse City Light and Power
Attention: Executive Director
1131 Hastings Street
Traverse City, MI 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 Project 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 Consultant, Contractors, Subcontractors, 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.

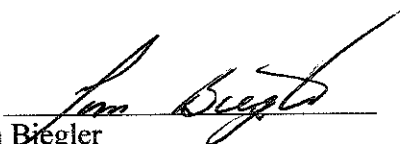
Section 10.15 Disputes. The parties acknowledged the disputes which may arise under this Agreement shall be resolved by the courts of Grand Traverse County, State of Michigan.

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

Owner:

REGENCY MIDWEST VENTURES LIMITED PARTNERSHIP


By: Regency MWG, LLC, Its General Partner

By: 
Tom Biegler
Its: President/CEO

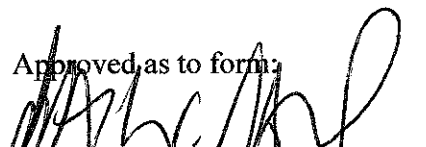
GRAND TRAVERSE COUNTY BROWNFIELD
REDEVELOPMENT AUTHORITY


By: Mark Eckoff
Its: Chairman

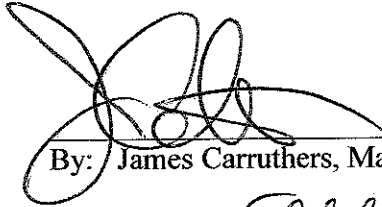
Approved as to Substance:


By: Jean Derenzy
Its: Director

Approved as to form:

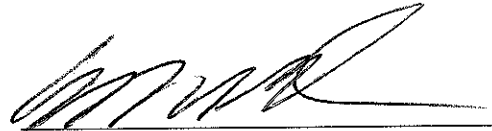

By: Scott Howard
Its: Attorney

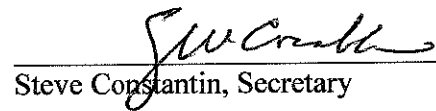
CITY OF TRAVERSE CITY


By: James Carruthers, Mayor

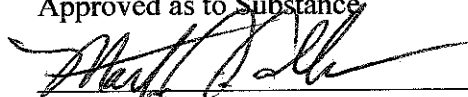

By: Benjamin Marentette, City Clerk

DOWNTOWN DEVELOPMENT
AUTHORITY


By: William Golden, Chair


Steve Constantin, Secretary

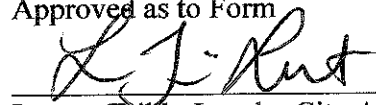
Approved as to Substance


By: Martin A. Colburn, City Manager

Approved as to Substance


Rob Bacigalupi, Director


Approved as to Form


Lauren Tribble-Laucht, City Attorney

Approved as to Form


Lauren Tribble-Laucht, DDA Counsel

TRAVERSE CITY LIGHT AND POWER


Tim Arends, Executive Director