

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY

ACT 381 WORK PLAN

To Conduct MDEQ Environmental Activities and
MSF Non-Environmental Activities

TBA Credit Union Redevelopment Project
626 and 636 East Front Street, Traverse City, Michigan 49686

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MDEQ APPROVAL
MSF APPROVAL

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WORK PLAN TO CONDUCT MDEQ ENVIRONMENTAL ACTIVITIES AND MSF NON-ENVIRONMENTAL ACTIVITIES

TBA Credit Union Redevelopment Project

626 and 636 East Front Street, Traverse City, Michigan 49686

1.0 Introduction

The Grand Traverse County Brownfield Redevelopment Authority (the “Authority”) is submitting this Act 381 Work Plan (“Plan”) for the property located at 626 and 636 East Front Street (the “Property”). The Property is situated southwest of the intersection of East Front Street and Hope Street. The Property comprises two parcels that contain approximately 1.34 acres (Parcel ID Numbers 28-51-102-003-10 and 28-51-102-006-00, respectively). The Brownfield Plan for the TBA Credit Union Redevelopment Project (“the Brownfield Plan”) was approved by the Authority on April 3, 2013. The City of Traverse City Commission approved a resolution concurring with the provisions of the Brownfield Plan on April 15, 2013, and the Grand Traverse County Board of Commissioners approved the Brownfield Plan on April 24, 2013. Refer to Attachment A for a copy of the Brownfield Plan and resolutions approving the plan.

The Project proposes to redevelop an underutilized vacant property into a contemporary multi-story office and financial institution headquarters. The redevelopment integrates design elements, environmental cleanup, and economic development to further goals of the City of Traverse City, Grand Traverse County (GTC), 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) due care activities that will address the contamination on the Property, reducing the threat to human health and the environment; 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 demolition of the existing structures, environmental activities, and redevelopment of a new 21,266 square foot three story headquarters building with a partially finished basement.

TBA Credit Union is a growing financial institution. In order to meet the demands of its members and to have space to hire additional staff, a new location is necessary. TBA Credit Union searched other properties that would have been more affordable, but it decided that it was most important to be located within the City to best serve its members and non-members alike.

TBA Credit Union has a strong desire to put these two vacant properties back to productive use and drastically improve the aesthetics of the neighborhood. TBA Credit Union is a large supporter of the community. It frequently participates in volunteer activities and conducts member and community educational seminars. A new building will allow TBA Credit Union the opportunity to provide expanded meeting and community event space to the neighboring community. TBA Credit Union’s mission is to serve the community by building trusted relationships, providing customized financial products,

advocating financial literacy, and encouraging volunteerism. Redevelopment of this Property will ultimately help TBA Credit Union to meet its goals and those of the community.

The Project is seeking incentives from tax increment financing (TIF), the MDEQ Brownfield Redevelopment Loan (BRL) program, and the MDEQ Revitalization Revolving Loan Funds (RRLF) program. Construction is expected to begin in summer of 2013, starting with site and building demolition, followed by site preparation, environmental activities and construction.

Based on the current site conditions, certain activities are necessary to prepare the Property for redevelopment. The following sections present site background information, current Property conditions, the proposed environmental and non-environmental activities, and the costs associated with the proposed activities. In addition, the following sections summarize the proposed Michigan Strategic Fund (MSF) eligible activities, the proposed MDEQ eligible activities, and the costs associated with these proposed activities.

1.1 Eligible Property Information

1.1.1 Location and Eligibility

The Property is located at 626 and 636 East Front Street in the City of Traverse City, Michigan. It is situated southwest of the intersection of East Front Street and Hope Street. The Property comprises two parcels that contain approximately 1.34 acres (Parcel ID Numbers 28-51-102-003-10 and 28-51-102-006-00, respectively). TBA Credit Union owns the Property.

The Property was zoned Hotel Resort District and underwent a conditional rezoning to C3 – Community Center District. The rezoning was approved on March 18, 2013 by the Traverse City Commission.

Please refer to the Brownfield Plan located in Attachment A for the Property legal description. Refer to Figure 1 for a Scaled Property Location Map and Figure 2 for an Eligible Property Boundary Map/Plat Map.

The Property is considered “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized for commercial property (gasoline station and restaurant); (b) it is located within the City of Traverse City, a qualified local governmental unit, or “Core Community” under Act 381; and (c) the Property (each parcel, independently) is determined to be a “facility.” Please refer to the Brownfield Plan provided in Attachment A for the relevant supporting documentation.

1.1.2 Current Ownership

Ownership information for the Property parcels is summarized in the following table. For ease of distinction, the parcels have been assigned letter identifiers; however, the identifiers have no legal basis and should not be used for any purpose other than as a means of reference herein.

Table 1-A Parcel Information

Parcel Designation	Parcel Address	Tax ID Number
A	626 East Front Street	28-51-102-003-10
B	636 East Front Street	28-51-102-006-00

Both parcels are owned by TBA Credit Union. The contact information for TBA Credit Union is:

Karen Browne
TBA Credit Union
2900 W. South Airport Road
Traverse City, Michigan 49684
Phone: (231) 946-7141

1.1.3 Proposed Future Ownership

TBA Credit Union.

1.1.4 Delinquent Taxes, Interest, and Penalties

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

1.1.5 Existing and Proposed Future Zoning for Each Eligible Property

The Property is zoned C3 – Community Center District. The C3 – Community Center District zoning is appropriate and allows for the redevelopment by TBA Credit Union as proposed.

1.2 Historical Use of Each Eligible Property

The two Property parcels have been used individually for a variety of purposes. These uses have ranged from transportation to commercial. Parcel A contained railroad sidings and an associated platform from the 1910s into the 1970s, warehousing from the late 1920s to the 1970s, and a restaurant from the late 1970s until the late 2000s. Parcel B contained railroad sidings and a fruit warehouse from the 1910s to the late 1960s, a gasoline service station from the late 1960s to the early 2000s, and intermittent temporary produce stands from the mid-2000s to 2012.

1.3 Current Use of Each Eligible Property

The Property currently contains two vacant commercial buildings (a former restaurant building on Parcel A and a former gasoline station building on Parcel B). Exterior portions of the Property include paved parking areas, driveways, and landscaped areas. In addition, a wooden deck patio, a greenbelt area, and concrete dumpster enclosure are located on Parcel A; and a large canopy over two former pump islands, concrete, asphalt, gravel paved areas, and a small walk-in-cooler are located on Parcel B. The Property is not currently used for any significant or obvious purpose.

1.4 Summary of Proposed Redevelopment and Future Use for Each Eligible Property

This Project will involve the demolition of the existing structures, management of construction derived residual materials, and development of a new three-story building. The Project proposes to redevelop underutilized vacant property into a contemporary multi-story office and financial institution headquarters. The redevelopment integrates design elements, environmental due care management, and economic development to further goals of the City of Traverse City, Grand Traverse County (GTC), 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) due care activities that will address the contamination on the Property, reducing the threat to human health and the environment; 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 demolition of the existing structures, environmental activities, and redevelopment of a new 21,266 square foot three story headquarters building with a partially finished basement.

1.5 Information Required by Section 15(15) of the Statute

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 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 from the Property.
- Site Preparation—Completion of site preparation activities is sufficient to complete the eligible activities because they will prepare the site for planned development activities (i.e., new construction).

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 road improvements, transformer pole, and the associated support work tasks are necessary activities for successful redevelopment.
- Lead and Asbestos Survey and Abatement—The current buildings on the 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, parking lots, and buildings, the site demolition and building demolition are necessary activities. Together, the site demolition and building demolition will sufficiently complete demolition on the Property.
- Site Preparation—Due to existing Brownfield conditions on the Property, completion of the site preparation activities—as well as demolition and lead and asbestos abatement—are necessary to prepare the site for planned development activities (i.e., new construction).

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

This development will provide a central downtown locale for one of Traverse City's largest member owned financial institutions. TBA Credit Union's mission is to serve the community by building trusted relationships, providing customized financial products, advocating financial literacy, and encouraging

volunteerism. This development will ultimately allow TBA Credit Union to achieve its mission by serving the public including members and non-members alike.

This new development will serve the public community by providing a venue for meetings and community events. In addition, this venue will provide a space to support community educational seminars and volunteer activities. It will also improve public sidewalks, roadways, and landscaping around the Property.

These underutilized properties containing a vacant restaurant and gasoline service station will be transformed into a contemporary three-story financial institution headquarters. The visual and aesthetic improvements will be a significant and positive public benefit to the neighborhood. Overall, the new development will result in additional tax revenue for all taxing jurisdictions once eligible activities have been reimbursed.

1.5.5 Reuse of Vacant Buildings and Redevelopment of Blighted Property

This Project consists of redevelopment of property which currently contains two dilapidated, vacant buildings. Both could be designated as blighted or functionally obsolete, but since both are facilities, it was unnecessary to do so. Neither structure could serve the commercial markets at generally accepted market rates. Therefore, the existing buildings will be demolished.

The new development will create a three-story financial institution headquarters. In addition, it will remove blight through redevelopment and the removal of existing buildings and/or structures. Ultimately, this new development will positively impact the aesthetic and visual affect of the Property.

1.5.6 Job Creation

An estimate of 36 full-time equivalent (FTE) jobs is anticipated to be retained and a conservative estimate of 17 new jobs is anticipated to be created by this new project. The average annual salary for these positions will be \$38,702. Based on 2,000 hours per year, the average hourly wage will be \$19.35.

1.5.7 Unemployment Status

According to the Michigan Labor Market Information system, the Grand Traverse County unemployment rate was 9.1% in February 2013. Comparatively, the February 2013 unemployment rate was 9.3% in the State of Michigan, and 8.1% in the United States.

1.5.8 Contamination Alleviation

The Property will be prepared to make it suitable for development, and appropriate activities will be performed to prevent unacceptable exposure to hazardous substances in soil and groundwater which may be hazardous to human health, safety, and the environment. Environmental conditions on the Property are discussed in detail in Section 2.2. Remedial activities are discussed in detail in Section 3.1.

1.5.9 Private Sector Contribution

TBA Credit Union is expecting an investment of approximately \$7.285 million for the Project. TBA Credit Union is applying for MDEQ loan funding through the BRL and RRLF programs estimated at \$1,351,987. The balance will be funded directly by TBA Credit Union.

1.5.10 Cost Gap Comparison

Other Greenfield sites were considered that would have been more affordable. However, TBA Credit Union determined a headquarters located within the Traverse City limits would best serve its members

and non-members of the community. Refer to the Brownfield Plan provided in Attachment A for information related to Brownfield costs.

1.5.11 Brownfield Creation

This Project will not create a new Brownfield site.

1.5.12 Project Financial Data

The Project cannot proceed without the incentives contemplated for this redevelopment. The Developer anticipates making an investment of approximately \$7.285 million in real and personal property improvements on the Property. The Developer will finance all Eligible Activities under this Plan related to improvements on the Property with MDEQ BRL and RRLF loans and private funds.

1.5.13 Incentives

The total estimated cost of the eligible activities to be reimbursed through the capture of tax increment revenues is provided in Table 1. The reimbursement to the Developer through the capture of tax increment revenues is estimated to be \$2.7 million, including interest. The Developer anticipates making an investment of approximately \$7.285 million in real property improvements on the Property with MDEQ BRL and RRLF loans and private funds. Redevelopment of the Property is expected to subsequently generate increases in taxable value and result in incremental taxable value in 2015. The Developer will finance all Eligible Activities under this Plan related to improvements on the Property. Refer to Table 1 for additional detail on these activities.

1.5.14 Additional Information

None.

2.0 Current Property Conditions

2.1 Property Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized a commercial purpose; (b) it is located within the City of Traverse City, a qualified local governmental unit, or “Core Community” under Act 381; and (c) it (each parcel, independently) is determined to be a “facility.”

2.2 Summary of Environmental Conditions

Under Part 201, a "Facility" "means any area, place, or property where a hazardous substance in excess of the concentrations that satisfy the cleanup criteria for unrestricted residential use has been released, deposited, disposed of, or otherwise comes to be located." M.C.L. § 324.20101(1) (s). A "Release" "includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of a hazardous substance into the environment, or the abandonment or discarding of barrels, containers, and other closed receptacles containing a hazardous substance." M.C.L. § 324.20101(1) (mm).

2.2.1 Environmental Investigations

The following environmental investigations have been completed on the Property:

- MDEQ File Information, (Various Consultants)
- Phase I ESA, completed on July 27, 2012 by AKT Peerless
- Phase II ESA, conducted on July 23, 2012 by AKT Peerless
- Baseline Environmental Assessment, completed on August 1, 2012 by AKT Peerless
- Supplemental Phase II ESA, completed on March 18, 2013 by AKT Peerless
- Pre-Development Due Care Plan, completed on March 19, 2013 by AKT Peerless

Summaries of the reports and activities relevant to site conditions, since at least 2000, are provided in the following sections.

2.2.1.1 MDEQ File Information

According to the MDEQ file information, in March 2000 benzene and methyl-tert-butyl-ether (MTBE) were detected in off-site monitoring wells located on the northern adjoining property (Sunset Park). These wells were historically installed to monitor a release of trichloroethylene (TCE) migrating from Meach's Cleaners approximately 0.3-miles south of the property. In March 2001, the three underground storage tanks (USTs) located on Parcel B were subjected to tightness testing that identified the USTs were not tight. USTs #1 and #2 were subsequently taken off-line and pumped down. Four temporary monitoring wells were installed downgradient of the USTs that identified petroleum constituents in groundwater above Part 201 Residential Drinking Water Criteria (DW). A confirmed release was reported on August 21, 2001 based on the analytical results.

In October 2004, an Administrative Inspection Warrant was granted to the MDEQ in order to conduct response activities including investigations to characterize soil and groundwater on the Property with regard to the August 2001 confirmed release. In November 2004, the MDEQ advanced twenty soil borings (SB-1 through SB-20) and installed thirteen monitoring wells (RL-1 through RL-13) on the Property and adjoining property to the north. In addition, the MDEQ conducted a geophysical survey across the Property to determine if additional USTs were present. The geophysical survey identified a 1,000-gallon waste oil UST south of the building.

In January 2005, the waste oil UST was removed from the Property. During removal activities, several holes were observed in the eastern end of the UST, although no visual or olfactory evidence of a release was noted during the removal. Laboratory analytical results from soil samples collected from beneath the UST identified the presence of naphthalene, 2-methylnaphthalene, and diesel range organics (DROs) in the eastern end of the excavation. A second confirmed release was reported on January 19, 2005.

In November 2008, USTs #1 through #3 were removed from the area east of the Parcel B building. Soil samples were collected from beneath each UST, along the piping runs connecting the USTs to the dispensers, and beneath the six fuel dispensers. No further information was available. In March 2009, a Consent Judgment was handed down that identified Blarney Castle Oil Company as liable for the petroleum releases on the Property. The judgment also indicated that a Final Assessment Report (FAR) and Corrective Action Plan (CAP) would need to be completed by March 2010.

Between September 2009 and January 2010, Compliance, Inc. advanced nine soil borings, installed ten temporary monitoring wells and two permanent monitoring wells on the Property and the northern adjoining property. A total of forty-five soil samples were collected for gasoline range volatile organic compounds (VOCs), VOCs, lead, and waste oil UST parameters. Soil impact was identified beneath the north ends of former USTs #1 and #2, beneath each of the six fuel dispensers, and beneath the waste oil UST. Groundwater was encountered between 8.0 and 10.0-feet below ground surface (bgs). Subsurface

conditions consisted of medium grain sand from ground surface to 9.0-feet bgs, underlain by medium to coarse grain sand with discontinuous fine to coarse gravel layers to 15.0 feet bgs, the maximum depth explored. The report also noted that the medium to coarse grain sand layer exists to at least 62.0-feet bgs according to previous MDEQ soil borings.

A FAR was submitted in March 2010 that identified the following proposed CAP: continued groundwater monitoring to demonstrate plume stability; and natural attenuation in combination with a restrictive covenant (RC). According to the CAP, semi-annual groundwater sampling would occur until the off-site groundwater was determined to be below Tier I Risk Based Screening Levels (RBSLs) for drinking water and groundwater to surface water interface. The RC would be submitted to the Register of Deeds that would include the following: (1) restriction on any type of groundwater use on the Property (other than monitoring); and (2) a provision that the property must remain in commercial use.

The MDEQ issued a failure to comply with consent judgment document in January 2011 citing that the FAR was submitted with the following deficiencies: (1) the presence or absence of free product on the property was not determined; (2) the extent of Soil Saturation Screening Levels (C_{sat}) soils was not determined; and (3) the CAP did not address all contamination (i.e., soil impact is acting as a groundwater conduit).

Blarney Castle submitted a second FAR on January 3, 2012 which indicated that after several discussions with the MDEQ, it was determined the main concern was that the MDEQ did not believe the CAP provided proper protection to human health and the environment. It was determined the solution would be to implement an on-site and off-site RC (i.e., Sunset Park); as well as implement a Michigan Department of Transportation (MDOT) Institutional Control License to document assumed impact in the MDOT right of way. As such, the MDEQ issued a response to the FAR in March 2012 that included an audit of the FAR stating *"the FAR is approved pending the inclusion of the MDEQ comments into the final version of the restrictions (the on and off-site RCs) and the MDOT form."*

Restrictive Covenant

An RC for 636 East Front Street was submitted to the Register of Deeds by Blarney Castle in July 2012. The RC imposes requirements that users of the Property must adhere to during redevelopment and future use. The RC requirements are summarized below:

- The Property must remain non-residential in perpetuity.
- Users must maintain exposure controls (direct contact barrier), in compliance with the Leaking Underground Storage Tank Final Assessment Report (FAR) dated January 3, 2012, in order to ensure the effectiveness and integrity of the corrective action.
- The redevelopment process must evaluate the vapor intrusion pathway or presumptively remediate it. Additional response activities at the site may include installation of a vapor barrier on the building's foundation systems and possibly a passive or active venting system.
- Users are prohibited from groundwater use (though allows dewatering if fluid is managed correctly and possibly includes installation of a waterproofing membrane to the proposed building foundation).
- The redevelopment process must manage contaminated soils appropriately.
- Users must prevent infiltration of water (i.e., maintain impervious surface across the Property and may include specific engineering controls).

These conditions may also be managed through the implementation of remediation of the site to

remove unacceptable levels of contamination.

2.2.1.2 AKT Peerless' July 2012 Phase I ESA

AKT Peerless completed a Phase I ESA for the Property on July 27, 2012. The Phase I ESA included, but was not limited to: a site walkover; review of government records; assembly and review of data from area maps, as well as historical resources; and interviews with the site owner, others familiar with the Property, and government officials. This assessment has revealed evidence of the following recognized environmental conditions (RECs) associated with the Property:

- REC 1** - Railroad sidings were present along the northern portion of Parcel A from at least 1920 until 1978 and Parcel B from at least 1920 until 1969 when they were removed. Potential concerns typically associated with railroad spurs include the use of fill materials as ballast to support ties and rails of the railroad tracks, and leaks or spills of hazardous materials or petroleum products.
- REC 2** - A large coal pile was historically located on the southern portion of Parcel A in at least 1946. AKT Peerless was unable to determine the length of time that the coal pile was located on the Property.
- REC 3** - Parcel B of the Property is identified on the state registered UST and leaking underground storage tank (LUST) databases. Parcel B of the Property historically operated as a gasoline filling station from at least 1969 through 2001. Operations included the use of three gasoline USTs (removed in November 2008), one 1,000-gallon waste oil UST (removed in 2005), and the use of six fuel dispenser on two pump islands (removed in November 2008). Two confirmed releases have been reported for this Parcel in August 2001 (gasoline) and January 19, 2005 (waste oil), which remain open.
- REC 4** - Previous investigations on Parcel B have identified the property as a "facility" based on petroleum impact in the soil and groundwater on-site. The most recent sampling event in April 2012 identified the presence of benzene, toluene, ethylbenzene, xylenes (BTEX), and trimethylbenzene isomers (TMBs) in groundwater in excess of current Part 201 MDEQ Residential Cleanup Criteria. To date, no petroleum impacted soils have been removed from the Property.
- REC 5** - Parcel B of the Property is also identified on the activity use limitations (AUL) database based on a restrictive covenant filed for Parcel B. The restrictive covenant was submitted to the Register of Deeds that included the following: (1) restrict any type of groundwater use on the Property (other than monitoring); and (2) the property must remain in commercial use.
- REC 6** - Parcel B of the Property also operated as an automobile service station from at least 1969 through 2001. During that time, two in-ground hydraulic hoists were utilized, along with a trench drain inside the building. AKT Peerless observed the concrete floor within the former automobile service building to be stained with oil-based materials during the site reconnaissance. AKT Peerless did not identify any evidence of previous sampling within the building.
- REC 7** - The southern adjoining property contained a railroad right of way from at least 1920 through 1986. Potential concerns typically associated with railroad spurs include the use of fill materials as ballast to support ties and rails of the railroad tracks, and leaks or spills of hazardous materials or petroleum products.

REC 8 - The southern and western adjoining properties were historically associated with the Traverse City Lumber Company from the 1940s through 1986. Subsurface investigations on these properties have identified the presence of benzene, xylenes, TMBs, polynuclear aromatics (PNAs), naphthalene, and lead in soil and groundwater above current Part 201 Residential Cleanup Criteria (RCC).

REC 9 - In addition, assessing department information identified the presence of an oil UST and associated underground piping near a boiler building on the southern adjoining property (Traverse City Lumber Company), less than 100 feet from the Property boundary.

REC 10 - A nearby property identified as Meach's Cleaners and located at 725 8th Street, has been identified as the source of a large tetrachloroethylene (PCE) groundwater plume that extends to Grand Traverse Bay. The Property is located within this PCE plume.

2.2.1.3 AKT Peerless' July 2012 Phase II ESA

On July 23, 2012, AKT Peerless conducted a Phase II ESA at the Property for the following purposes: (1) to evaluate for the presence of contamination on the Property based on the RECs identified within AKT Peerless' July 2012 Phase I ESA; and (2) to obtain current data related to select historical concentrations of contamination to determine if the Property continues to meet the definition of a facility as defined in Part 201 of Natural Resources Environmental Protection Act (NREPA), Michigan Public Act (PA) 451, 1994, as amended.

AKT Peerless conducted the following scope of work: (1) advanced 10 soil borings to a maximum depth of 16.0 feet bgs; (2) installed three temporary monitoring wells in the first encountered groundwater; (3) sampled three permanent monitoring wells present on Parcel B associated with the leaking underground storage tank (LUST) investigation (i.e., RL-6, RL-8, and RL-2); (4) collected ten soil and six groundwater samples; and (5) submitted select samples for laboratory analysis for target parameters including: VOCs, PNAs, polychlorinated biphenyls (PCBs), and Michigan 10 Metals (arsenic, barium, cadmium, total chromium, copper, lead, mercury, selenium, silver, and zinc). In addition, the MDEQ and Compliance, Inc. submitted several soil samples for laboratory analysis of select parameters, including BTEX, TMBs, PNAs, naphthalene, 2-methylnaphthalene, MTBE, and dissolved lead. The results of the Phase II ESA investigation identified the following:

- Benzene, toluene, ethylbenzene, xylenes, 2-methylnaphthalene, naphthalene, 1,2,4 trimethylbenzene, 1,3,5 trimethylbenzene, and total chromium were detected in soil across the Property at concentrations exceeding the MDEQ Part 201 RCC. Various concentrations in soil were detected above the Groundwater-Surface Water Interface Protection (GSIP) criteria and Drinking Water Protection (DWP) criteria
- Toluene, ethylbenzene, xylenes, naphthalene, 1,2,4 trimethylbenzene, and 1,3,5 trimethylbenzene were detected in shallow groundwater at the Property at concentrations exceeding the MDEQ Part 201 RCC. Various concentrations in groundwater were detected above the Groundwater-Surface Water Interface (GSI) criteria and DW criteria.

Based on the laboratory analytical results, the Property meets the definition of a facility, as defined in Part 201 of the NREPA, Michigan Public Act (PA) 451, 1994, as amended.

2.2.1.4 AKT Peerless' August 2012 BEA

Based on laboratory analytical results, both parcels of the Property meet the definition of a facility, as defined in Part 201 of the NREPA, Michigan PA 451, 1994, as amended. AKT Peerless completed a BEA for the Property on behalf of TBA Credit Union on August 1, 2012. The BEA was disclosed to the MDEQ.

2.2.1.5 AKT Peerless' March 2013 Supplemental Phase II ESA

On March 18, 2013, AKT Peerless completed a Supplemental Phase II ESA at the Property to evaluate contamination on the Property for due care considerations and redevelopment purposes. On February 14 and 15, 2013, AKT Peerless conducted the following scope of work: (1) advanced 16 soil borings to depths ranging from 4.0 to 16.0 feet bgs; (2) installed two temporary monitoring wells to 30 feet bgs; (3) installed three soil gas sampling points; (4) collected twenty-two soil, three soil gas, and six groundwater samples; and (5) submitted select samples for laboratory analysis for target parameters, including for VOCs, EDB, PNAs, PCBs, and Michigan 10 Metals. The results of the Phase II ESA investigation identified the following:

- Benzene, toluene, xylenes, 2-methylnaphthalene, naphthalene, isopropyl benzene, n-propylbenzene, 1,2,4 trimethylbenzene, 1,3,5 trimethylbenzene, and total chromium were detected in soil across the Property at concentrations exceeding the MDEQ Part 201 RCC and Non-Residential Cleanup Criteria (NRCC). Various concentrations in soil were detected above the GSIP criteria and DWP criteria.
- Ethylbenzene, isopropyl benzene, n-propylbenzene, xylenes, 2-methylnaphthalene, 1,2,4 trimethylbenzene, 1,3,5 trimethylbenzene, and tetrachloroethylene were detected in groundwater at the Property at concentrations exceeding the MDEQ Part 201 RCC and NRCC. Various concentrations in groundwater were detected above the GSI criteria, DW criteria, and draft Groundwater Sump Concentrations for Vapor Intrusion (GSVI).

2.2.1.6 AKT Peerless March 2013 Pre-Development Due Care Plan

AKT Peerless prepared a Pre-Development Section 7a Compliance Analysis (Due Care Plan) for the Property. The Due Care Plan summarizes environmental contaminants on the Property, and includes an exposure pathway evaluation and an outline of due care obligations based on the current use of the Property (Non-Residential) including:

- Undertaking measures to prevent exacerbation of existing contamination.
- Exercising due care by undertaking response activities to mitigate unacceptable exposure to hazardous substances, mitigate fire and explosion hazards due to hazardous substances, and allow for the intended use of the Property in a manner that protects health and safety.
- Taking reasonable precautions against the reasonably foreseeable acts or omissions of a third party and the consequences that could result from those acts or omissions.
- Providing reasonable cooperation, assistance, and access to the persons that are authorized to conduct response activities at the facility, including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response activity at the facility.
- Complying with any land use or resource use restrictions established or relied on in connection with the response activities at the facility.
- Not impeding the effectiveness or integrity of any land use or resource use restriction employed at the facility in connection with response activities.

According to the Due Care Plan, no exposures or exacerbation are anticipated during the vacancy period prior to development of the TBA Credit Union Headquarters.

2.2.2 Summary of Current Known Conditions

As demonstrated in the preceding, the Property has been thoroughly investigated to determine the soil, soil gas, and groundwater quality that currently exist at the Property. The existing site conditions along with the RC requirements have created increased costs upon the proposed TBA Credit Union Project. Excavation, dewatering, soil transportation and disposal, groundwater activities, storm water systems, and engineered controls must be carefully managed during the redevelopment as a result of the Brownfield conditions.

Blarney Castle is working towards closure of the LUST site (636 East Front Street) based on the RC filed with the Grand Traverse County Register of Deeds in July 2012. However, according to the MDEQ Storage Tank Information Database (SID) as of March 14, 2013 the confirmed releases have not been closed.

In addition to petroleum contaminants that are likely resultant of the LUSTs, other contaminants including VOCs, etc. have been detected on the Property at concentrations exceeding Part 201 RCC. These additional contaminants are likely resultant of other historical uses of the Property (i.e., rail sidings, coal storage, automobile repair, etc.) and off-site migration from contaminated properties nearby. The following tables summarize the current conditions relative to applicable Part 201 RCC.

Table 2-A Summary of Part 201 Exceedances in Soil

Parameter	Chemical Abstract Service (CAS) Number	Sample Identification with Criteria Exceedance	Part 201 Residential Criteria Exceeded/Established Criteria (µg/kg)	Maximum Concentration (µg/kg)/Sample Location
Chromium	7440-47-3	AKT B-2 0.5-2.0' AKT B-4 0.5-2.0' AKT SB-11 2.0-4.0'	GSIP/3,300	3,600 / AKT SB-11
Benzene	71-43-2	AKT B-2 0.5-2.0' AKT SB-01 2.0-4.0' W Tank N** M Tank N** Dispenser 1** Dispenser 2** Dispenser 3** Dispenser 4** Dispenser 5** Piping 1** PW-N** PW-S** PW-M**	DWP/100	1,580/Dispenser 2
Toluene	108-88-3	Dispenser 2**	GSIP/5,400	8,250/Dispenser 2
Ethylbenzene	100-41-4	AKT SB-02 10.0-12.0' Dispenser 2** PW-N**	GSIP/360	4,200/AKT SB-02
n-Propylbenzene	103-65-1	AKT SB-02 10.0-12.0'	DW/1,600	10,000/AKT SB-02

Parameter	Chemical Abstract Service (CAS) Number	Sample Identification with Criteria Exceedance	Part 201 Residential Criteria Exceeded/Established Criteria (µg/kg)	Maximum Concentration (µg/kg)/Sample Location
Xylenes	1330-20-7	AKT SB-01 2.0-4.0' AKT SB-02 10.0-12.0' DEQ SB-5* DEQ SB-12* W Tank S** Dispenser 1** Dispenser 2** Dispenser 3** Dispenser 4** Dispenser 5** Dispenser 6** Piping 1** PW-N** PW-S** PW-M**	DWP/5,600 GSIP/820	84,000/AKT SB-02
2-Methylnaphthalene	91-57-6	AKT SB-02 10.0-12.0' DEQ SB-5* DEQ SB-12*	GSIP/4,200	32,000/DEQ SB-12
Naphthalene	91-20-3	AKT SB-02 10.0-12.0' DEQ SB-5* DEQ SB-12* Dispenser 1** Dispenser 2** East @ 6'4"****	GSIP/730	15,000/AKT SB-02
1,2,4 Trimethylbenzene	95-63-6	AKT SB-01 2.0-4.0' AKT SB-02 10.0-12.0' DEQ SB-5* DEQ SB-6* DEQ SB-12* W Tank S** Dispenser 1** Dispenser 2** Dispenser 3** Dispenser 4** Dispenser 5** Dispenser 6** PW-N**	DWP/2,100 GSIP/570	71,000/AKT SB-02
1,3,5 Trimethylbenzene	108-67-8	AKT SB-02 10.0-12.0' DEQ SB-5* DEQ SB-12* Dispenser 1** Dispenser 2**	DWP/1,800 GSIP/1,100	29,000/AKT SB-02

Table Notes:

DWP – Drinking Water Protection Criteria

GSIP – Groundwater-Surface Water Interface Protection Criteria

*Soil samples collected during November 2004 subsurface investigation

**Soil samples collected during UST, piping, and dispenser removal in November 2008

***Soil samples collected during waste oil UST removal in January 2005

µg/kg = micrograms per kilogram.

Table 2-B Summary of Part 201 Exceedances in Groundwater

Parameter	Chemical Abstract Service (CAS) Number	Sample Identification with Criteria Exceedance	Part 201 Residential Criteria Exceeded/Established Criteria (µg/L)	Maximum Concentration (µg/L)/Sample Location
Naphthalene	91-20-3	DEQ RL-6 AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 30'	GSI/11 GSVIC/5.0	400/AKT SB-02/TMW-01
2-Methylnaphthalene	91-57-6	AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 30'	GSI/19 GSVIC/5.0	130/AKT SB-02/TMW-01
1,2,4 Trimethylbenzene	95-63-6	DEQ RL-5 DEQ RL-6 DEQ RL-9 AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 14' AKT SB-08/TMW-02 22' AKT SB-08/TMW-02 30'	DW/63 GSI/17	3,010/DEQ RL-5
1,3,5 Trimethylbenzene	108-67-8	DEQ RL-5 DEQ RL-6 DEQ RL-9 AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 30'	DW/72 GSI/45	786/DEQ RL-5

Parameter	Chemical Abstract Service (CAS) Number	Sample Identification with Criteria Exceedance	Part 201 Residential Criteria Exceeded/Established Criteria (µg/L)	Maximum Concentration (µg/L)/Sample Location
Xylenes	1330-20-7	DEQ RL-5 DEQ RL-6 DEQ RL-9 AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 30'	DW/280 GSI/41	15,400/DEQ RL-5
Toluene	108-88-3	DEQ RL-5	DW/270 GSI/790	9,120/DEQ RL-5
Ethylbenzene	100-41-4	DEQ RL-5 AKT SB-02/TMW-01 14'	DW/18 GSI/74	2,170/DEQ RL-5
Isopropyl benzene	98-82-8	AKT SB-02/TMW-01 14'	GSI/28 GSVIC/5.0	43/AKT SB-02/TMW-01
n-Propylbenzene	103-65-1	AKT SB-02/TMW-01 14' AKT SB-08/TMW-02 22' AKT SB-08/TMW-02 30'	DW/80 GSVIC/1.0	140/AKT SB-02/TMW-01
Chromium, Total	7440-47-3	AKT SB-02/TMW-01 30'	DW/100	410/AKT SB-02/TMW-01
Lead	7439-92-1	AKT SB-02/TMW-01 30'	DW/4.0	17/AKT SB-02/TMW-01
Tetrachloroethylene	127-18-4	AKT SB-02/TMW-01 30' AKT SB-08/TMW-02 30'	DW/5.0 GSVIC/5.0	12/AKT SB-02/TMW-01/AKT SB-08/TMW-02

Table Notes:

DW – Drinking Water Criteria

GSI – Groundwater-Surface Water Interface Criteria

GSVIC – Groundwater in Sump Vapor Intrusion Criteria

µg/L = micrograms per liter.

2.3 Functionally Obsolete

"Functionally obsolete" means that the Property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors

that affect the Property itself or the Property's relationship with other surrounding Property. The Property is a facility and has not been designated as functionally obsolete.

2.4 Blighted

"Blighted" means property that meets any applicable criteria set forth in Act 381, as determined by the governing body. Since the Property is a facility, a blight determination has not been requested.

2.5 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 a facility, functionally obsolete, or blighted 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.

Both parcels comprised by the Property are facilities, so the adjacent and contiguous eligibility is redundant.

3.0 Scope of Work

3.1 MDEQ Eligible Activities

The Property will be prepared to make it suitable for development. Appropriate BEA activities (Phase I ESA, Phase II ESA, Supplemental Phase II ESA, and reports that have been completed as Act 381 eligible activities), due care activities, and additional response activities will be and have been performed to prevent exposure to materials hazardous to human health, safety, and the environment. The BRA is applying for ~1.4 million dollars (~\$1.4MM) in MDEQ loan funds. As available, loan funds are expected to be used to pay for all eligible due care, additional response, and demolition activities (refer to Table 1 in the attachments for more details) to be incurred in the future under this Work Plan. The proposed loan scope of work is discussed in the following Sections.

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured and may be used to reimburse and/or finance the cost of the eligible activities completed on the Property, as authorized by Act 381, as amended and pursuant to the terms of a Reimbursement Agreement (refer to Appendix C) with the Authority. Refer to Table 1 for a detailed description of the Eligible Activities for the Project and Table 2 for tax increment financing information.

The BRA is the applicant for the MDEQ loans and, if the loans are awarded, will administer the funds, as approved by MDEQ. Since the BRA, as part of its administrative oversight, also approves TIF reimbursement, it will perform the due diligence to ensure that there is no overlap in the reimbursement of loan-funded and developer-funded costs.

3.1.1 Due Care Activities

3.1.1.1 Due Care Planning

A Phase I ESA, Phase II ESAs, BEA (August 1, 2012) and Pre-Development Due Care Plan have been completed for the Property. Due Care Plans for construction activities (Environmental Construction

Management Due Care Plan) and operation of the Property following construction (Post-Construction Due Care Plan), will be completed.

To demonstrate compliance with Section 20107a (“Due Care”), minimum “response activity plans,” which may be necessary during site use and ownership, will be outlined. The proposed response activities are related to: (1) mitigation of exposure to groundwater whose contaminant concentrations exceed MDEQ’s draft GSVI; and (2) proper management of impacted soil and groundwater during construction activities whose contaminant concentrations exceed MDEQ’s RCC.

The “Due Care” Plans will be completed in accordance with Part 201 of the NREPA, 1994 PA 451, as amended, and MDEQ Instructions for Preparing and Disclosing Baseline Environmental Assessments and Section 7a Compliance Analyses, effective March 11, 1999, as amended. The Due Care Plans will evaluate the potential exposure risks associated with soil and groundwater contamination at the Property in light of the nature of the proposed development construction activities and occupancy of the developed property. A detailed breakdown of the costs associated with this task is provided later in this section.

3.1.1.2 Dewatering

Previous subsurface investigation observed groundwater at depths of approximately 13 feet bgs. Therefore, the potential for infiltration of groundwater into the planned excavations exists. To support the proposed building construction, a temporary groundwater dewatering system will be installed during the excavation of subsurface soils and construction of the proposed building foundation and basement, including the combined waterproofing/vapor barrier system. To excavate soil below the water table—in proximity to East Front Avenue and adjacent city streets—steel sheeting will be driven into the ground (MSF approved activity). The sheeting is necessary to support the public infrastructure adjacent to the Property and will assist with groundwater control in the open excavation. Dewatering will be undertaken by jetted points, placement of temporary drain sumps or laterals, or a combination of each. The installation of the dewatering system will be an MSF-approved activity, and the dewatering itself—due to the groundwater contamination—will be an MDEQ-approved activity.

Based upon aquifer properties identified during site characterization and the planned depth of the sub-grade excavation, groundwater production during dewatering operations is anticipated to be approximately 150,000 gallons per day for approximately 90 days or a total of approximately 13,500,000 gallons. This contaminated groundwater requires additional management to properly dispose. A City of Traverse City Wastewater Treatment Plant (WWTP) permit to discharge the contaminated water to the municipal sanitary sewer will be secured. Treatment of the produced contaminated groundwater will consist of utilizing an oxidation chemical precipitation/coagulation with filtration and final polishing with carbon absorption. Samples will be collected from water initially pumped from the site and post treatment as specified by the WWTP permit. If carbon absorption changes are required, appropriate measures will be taken.

3.1.1.3 Soil Assessment and Response Activities

Several investigations have been conducted on the Property that detected VOCs and metals in soil and groundwater at concentrations that exceed MDEQ’s Part 201 RCC. Metals and VOCs detected in soil and/or groundwater at the Property during past investigations include:

Chromium	Lead
Benzene	Toluene

Ethylbenzene	Xylenes
n-Propylbenzene	Isopropyl Benzene
2-Methylnaphthalene	Naphthalene
1,2,4 Trimethylbenzene	1,3,5-trimethylbenzene
Tetrachloroethylene	

TBA Credit Union, intends to construct a financial institution headquarters. Therefore, TBA Credit Union plans to implement the following actions to remediate or otherwise mitigate environmental risks associated with the impacted soil on the Property (refer to Figure 7 in the attachments) in areas of new construction.

Affected Areas

- **Soil Management (Foundations)**
Approximately 4,148 tons of contaminated soil must be excavated from the area surrounding the new foundations and basement as a due care response activity. The contaminated soil cannot be relocated and managed onsite within the Property boundaries due to land balancing requirements for the new development. Therefore, the soil must be removed from the Property and disposed at a Type II landfill in accordance with Part 201 Relocation of Soil Requirements. The cost includes excavation, transport, and disposal, decontamination of equipment (e.g., temporary truck wash facility, etc.) oversight (on-site environmental construction management) and reporting, and environmental project management.
- **Soil Management (Shooters Property Contaminated Soil)**
Approximately 50 tons of contaminated soil must be excavated in the area of the former Shooters Property due to contamination. The contaminated soil cannot be relocated and managed onsite within the Property boundaries due to land balancing requirements for the new development. Therefore, the soil must be removed from the Property and disposed at a Type II landfill as described in the preceding bullet. The cost includes excavation, transport, and disposal, decontamination of equipment (e.g., temporary truck wash facility, etc.) oversight (on-site environmental construction management) and reporting, and environmental project management.

Please refer to Table 1, MDEQ and MSF Eligible Activity Costs, for specific line item costs for the due care activities, and to Figure 7 for the locations of contaminated soil.

3.1.1.4 Existing Monitoring Well Abandonment & Installation of Monitoring Wells

To allow construction to proceed unimpeded and to manage due care responsibilities, the monitoring wells currently present on the Property will be permanently abandoned to remove potential contaminant conduits from the site. The wells will be appropriately abandoned in accordance with industry standards prior to the start of rough grading of the surface. Monitoring wells required for continued monitoring of the site will be reinstalled following development of the Property.

3.1.1.5 Installation of Impervious Asphalt

The RC on the Property mandates that users must prevent infiltration of water (i.e., maintain an impervious surface across the Property). Therefore, redevelopment of the site entails installation of

impervious asphalt in the parking areas. Only a 2.5-inch minimum asphalt base layer over the aggregate layer has been included in the estimate to comply with this RC requirement. The final 1.5-inch asphalt surface mixture as a riding course has not been included.

3.1.1.6 Health and Safety Plan

A site-specific Health and Safety Plan (HASP) will be completed for redevelopment activities at the Property by each of the subsurface contractors and others that can come into contact with potentially contaminated media during the performance of their work activities. The HASPs will comply with appropriate guidelines including the following:

- Michigan Occupational Safety and Health Act;
- Section 111(c)(6) of CERCLA;
- Occupational Safety and Health Administration (OSHA) requirements 29 Code of Federal Regulations (CFR) 1910 and 1926;
- Standard Operating Safety Guide Manual (revised November 1984) by the Office of Emergency and Remedial Response; and
- Occupation Safety and Health guidance manual for Hazardous Waste Site Activities (National Institute for Occupational Health and Safety [NIOSH]/OSHA/USCG/ United States Environmental Protection Agency [U.S. EPA], Department of Health and Human Services [DHHS] Publication No. 85-115, October 1985).

The HASPs will include the following elements:

- Authorized personnel and definition of responsibilities;
- Proposed activities;
- Personal protective equipment;
- Decontamination procedures;
- Work zone restrictions and delineations;
- Personal protection upgrade/downgrade action limits;
- Emergency information and telephone numbers;
- Incident documentation procedures; and
- Contingency plans.

Oversight will be conducted to ensure due care issues are addressed while eligible activities and construction activities are being completed. The following activities (at a minimum) will be documented:

- The type, location, quantities, etc., of contaminated materials removed from the site and disposed at the landfill or other appropriately licensed disposal operation.
- The final disposition and location of any contaminated media that can be managed on-site in accordance with due care requirements.
- Monitoring for unanticipated materials and/or materials previously not identified, including collection of samples for additional waste characterization.
- The type, location, materials and construction of vapor mitigation systems installed at the site to prevent future potential vapor intrusion exposures.

The Contractor Site Safety Officer will document and enforce HASP issues with workers at the Site, including:

- Verification of on-site worker training and current certifications.
- Conducting site-specific HASP training for workers entering the site.
- Monitoring construction activities to ensure the HASP is being followed, including use of Personal Protective Equipment (PPE), decontamination of equipment, site security, etc.

A Construction Summary Report (CSR) will be prepared and submitted to the MDEQ-RD at the completion of development activities. The CSR will summarize the due care issues addressed during the construction activities and will include such items as photographic documentation, disposal manifests, fill material load tickets, utility abandonment logs (if any), site plans, etc. to verify that the development construction activities were conducted in accordance with approved plans.

3.1.1.7 Brownfield/Greenfield Costs

The requested reimbursement for due care activities in this Plan is for the cost in performing the eligible activities due to the Brownfield conditions on the Property. It should be noted that a specific landfill for soil disposal has not been selected for the Project; as a result, the excavation, transportation, and disposal costs were estimated based on current market rates with several licensed contractors.

In the Foundation Soil Management Area (refer to Figure 6), soil is being removed as a due care response activity. Prior use of the site as a gasoline station has left significant contamination on the Property. Refer to Section 2.2 for details. Due to the presence of groundwater and sandy soils throughout the area, this soil presents an environmental risk to use of the Property, use of adjoining and nearby properties, and nearby water bodies. These issues would not be present on a Greenfield site. MDEQ eligible activity costs also include transportation, disposal, dewatering, decontamination of equipment, environmental construction management, and environmental project management.

In the Shooters Property Chromium Contaminated Area (refer to Figure 6), all soil remediation activities are response activities associated with the chromium (and some VOCs) contaminated soil on the Property. There are three chromium-contaminated hotspots, which, in order to be able to perform the development's land balancing requirements, must be removed to avoid exacerbation. None of the excavation, transportation, disposal, and associated activities for the chromium hotspots would be required at a Greenfield site.

3.1.2 Preparation of Brownfield Plan and Act 381 Work Plan

AKT Peerless has prepared a Brownfield Plan and MDEQ and MSF Act 381 Work Plans for the Property in accordance with all applicable MDEQ and MSF guidance.

3.1.3 Additional Response Activities

Additional response activities to be conducted at the eligible property consist of: (1) waterproof/vapor barrier membrane construction (includes design and obtaining MDEQ approval); and (2) storm water management (greenspace and rain gardens). Please refer to Table 1 in the attachments, MDEQ and MSF Eligible Activity Costs, for specific line item costs for the additional response activities.

3.1.3.1 Water Proofing/Vapor Barrier

Soil and groundwater analytical results from site investigations completed on the Property have demonstrated the need for a protective barrier system of the proposed basement extending below the groundwater table. Groundwater data collected to date indicates contaminants were detected in groundwater at concentrations exceeding the MDEQ draft Part 201 Groundwater in Sump Vapor Intrusion Criteria (GSVIC). As such, a traditional designed basement system with footing drains directing

ground water to a sump and pumping collected ground water to the nearest storm sewer manhole is not feasible for this project. Moreover, the barrier will also serve as a presumptive remedy for potential vapors at this site.

The water proofing/vapor barrier system (i.e., CoreFlex®) recommended will be installed beneath the basement slab floor (including the elevator shaft) of the proposed building (approximately 6,500 sq. ft.) and will be wrapped around the sides of the foundation (5,760 sq. ft.). The CoreFlex® water proofing/vapor barrier material was selected as it will also be utilized for waterproofing of the proposed basement. CoreFlex® prevents the passage of petroleum and chlorinated volatile organic compounds in liquid and gas vapors. The vapor barrier and waterproofing material consists of a 60 millimeter thick PVC, Elvaloy® KEE thermoplastic membrane reinforced with a 5.0 oz. weft inserted knit polyester fabric integrally bonded to an Active Polymer Core (APC) layer. All thermoplastic field seams will be continuously welded during installation and guaranteed through an extensive quality assurance program (Hydroshield). CoreFlex® has been tested and approved in accordance with the following ASTM methods for waterproofing and vapor transmission resistance testing.

TECHNICAL DATA		
PROPERTY	TEST METHOD	TYPICAL VALUE
Membrane Composite Thickness	ASTM D751	150 mil (3.8 mm)
Hydrostatic Pressure Resistance (min 1 hr @ 100 psi)	ASTM D5385	231 ft (70 m)
Puncture Resistance	ASTM D4833	224 lbs (996 N)
Tensile Strength ASTM D751	ASTM D751	549 lbs (2,442 N)
Bonded Seam Strength	ASTM D751	705 lbs (3,136 N)
Peel Adhesion to Concrete	ASTM D903 (mod)	10 lbs/in (1,751 N/m)
Methane Permeability	ASTM D1434	25 mL (STP)/m ² /day
Oil Resistance	ASTM D543	Passed
Microorganism Resistance	ASTM D4068-88	Passed
Environmental Stress Cracking	ASTM D1693	Passed
Hydrostatic Resistance (Procedure A)	ASTM D751	754 psi (5.2 mPa)
Water Vapor Retarder	ASTM E1745	Class A
Water Vapor Transmission	ASTM E96	0.1 perms (0.036 gr/m/hr)
Tensile Strength	ASTM E154	387 lbf/in (68 kN/m)
Puncture Resistance	ASTM D1709	12.0 lbs (5,500 grams)

The water proofing system will be installed on the foundation in the open hole. The liner will encase the entire foundation system, including beneath and up to grade, to prevent possible water intrusion and any vapors the concentrate adjacent to the basement. A monolithic foundation (a single concrete pour construction) rather than prefabricated sections are being used for this construction. The weight of the concrete foundation is being used to hold the building in place against buoyant forces that may develop beneath the water proofing liner. The foundation/basement concrete will also include the additive Xypex. This additive will provide the concrete with a self healing capability for small cracks that may develop as the foundation settles, thereby also preventing intrusion of contaminated groundwater. If cracks do develop, and water infiltrates the concrete, the additive will crystallize and seal the crack.

3.1.3.2 Demolition

Site demolition will consist of removal of abandoned utilities, parking lots, and building foundations. Utilities to be removed consist of on-site gas, storm, sanitary, and water mains and utility structures. Site demolition does not include unstable material that is referenced below in 3.2.2 (Site Preparation). Building demolition includes a demolition survey, and the actual demolition of the two buildings on the Property. Demolition, though eligible on this project at 636 East Front Street (Parcel B) is to be paid for with MDEQ loan funds, will be approved for the purposes of Act 381 as an MSF eligible activity.

3.1.3.3 Storm Water Management

Precautionary measures will be utilized to eliminate the risk of erosion, runoff, and infiltration during construction and post-construction activities to prevent the exacerbation of contamination in groundwater below the Property in accordance with the RC. During construction typical controls, such as site grading to control runoff, storm water controls (e.g., diversions and filters), and erosion protection will be installed to prevent contaminant migration through sedimentation, precipitation runoff, erosion, and infiltration.

To the extent practicable, open excavation and soil will be limited during construction to prevent surface water infiltration. Any surface water entering an open excavation area will be managed primarily with the dewatering equipment in place to dewater the ground water. This dewatering operation will be in constant operation during the entire excavation through foundation/basement installation and ultimate backfilling. Any exposed soil areas after backfilling of the foundation will be lined with an impervious material and direct storm water by tapering the grade to a temporary storm water control area before ultimately entering the city storm system.

Erosion controls (silt fencing or other barriers) will be utilized: (1) around the down gradient perimeter of the property; and (2) around any areas where excavated soil is stockpiled or mounded. Additionally, stockpiled and mounded soil will be minimized and/or covered at the Property. A more detailed soil erosion control plan, and a soil erosion and sedimentation control (SESC) permit, will be developed/obtained from the local permitting authority once a grading plan is finalized for the property.

In accordance with the RC on the Property, the site plan design includes impervious pavement and hydraulic barriers/liners in any green space areas which includes rain garden collection areas that will prevent storm water infiltration to groundwater beyond the collection liner. All surface storm water on the Property will be collected and directed to the City of Traverse City storm water sewer system after capture (MSF non-environmental eligible activity). Under all green space and rain garden areas will be an under-drain capture system above a hydraulic barrier. This geomembrane liner will completely block flow and is being used for preventing exacerbation of contaminants in soil and groundwater. The geomembrane liner will more than likely have a minimum thickness of 30 mils and be ultraviolet (UV) resistant. Environmental eligible materials include under-drain materials and associated filter media, hydraulic barrier liners, connection lines to the storm system on-site, temporary holding tanks (if needed), and additional gaskets and seals installed in the storm water piping system.

Due to the relatively shallow groundwater at the Property, chemical resistant utility seals, gaskets, and pipe polywrap liners will be required to protect the storm water utilities from infiltration of potentially contaminated media and for compliance with applicable construction regulations. The construction materials will be screened in advance of selection and use for chemical compatibility with the contaminant constituents identified at the Property.

Non-environmental eligible (MSF) material includes standard storm water piping and infrastructure to transport storm water to the City of Traverse City storm water sewer system. See Section 3.2.2 for more detail on non-environmental materials.

3.1.4 Environmental Insurance

Because of the contaminated nature of the Property, the Developer may elect to purchase environmental insurance. Reasonable costs of environmental insurance, in accordance with Act 381, are therefore included as an eligible activity.

3.2 MSF Eligible Activities

The non-environmental eligible activities will include infrastructure improvements, Brownfield and work plan preparation, demolition, asbestos and lead paint survey and abatement, and site preparation activities, all of which were approved by the Authority and County Board of Commissioners. A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with Tax Increment Revenues from the Property are provided in the attached Table 1 in the attachments. Also, figures depicting infrastructure improvements (Figure 6) and sampling locations related to previous environmental investigations (Figures 4 and 5) are provided in the attachments. Additional, detailed breakouts of the non-environmental activities being requested for MSF approval are described in the following sections.

3.2.1 Lead & Asbestos Abatement

The Developer will abate lead paint and asbestos-containing materials prior to demolition. Both buildings on the Property will be demolished. All asbestos abatement will be performed in accordance to OSHA Class I asbestos removal requirements as found in 29 CFR 1926.1101. In addition, air monitoring will be performed to comply with OSHA requirements.

3.2.2 Site Preparation

Site preparation activities will include the following:

- Geotechnical Engineering—Investigation, engineering, and design as necessitated by non-native soils to support selection of the appropriate foundation system. These costs have not been incurred; they are related to geotechnical activities that will be completed after land balancing.
- Temporary Construction Access and/or Roads – Rough access road to support the redevelopment of the Property.
- Temporary Erosion Control—Temporary erosion control measures will be necessary to minimize the amount of sediment and other material transported by storm water runoff from the Property. Controls will consist of silt fencing, and sediment bags.
- Temporary Site Control—Chain link construction fencing with locking gates to secure the Property during construction.
- Excavation for Unstable Material—Excavation, transportation, and disposal of non-indigenous material that is an impediment to redevelopment.
- Excavation for Utility Relocation and Rain Garden Soil Removal – Excavation, transportation, and disposal of material that is necessary to support utility relocation and the rain garden.
- Fill—Imported clean fill material to offset the removal of unstable material and utility & rain garden excavations is required for construction of the Project.

- Compaction & Sub-base Preparation (related to MSF Eligible Activities) – Related to Fill including: (a) placement and compaction of imported fill to achieve the required soil strength for redevelopment; and (b) a 6" sub-base for building and compaction.
- Dewatering (during MSF Eligible Activities)—Water removal will be required due to the high water table during excavation for unstable material and excavation of utility relocation & rain garden soil removal.
- Relocation of Existing (Active) Utilities – Relocation of existing (active) utilities to support the new development. The existing utilities due to the property's previously developed condition are a hindrance to the new development plans.
- Alternative Green Storm Water Management Practices—the incremental increase in cost for green storm water management system to encourage infiltration, evaporation, and evapotranspiration—and reduce the volume of flow to the municipal storm water system. The cost is for excavation, backfill above filtration materials, landscaping above system, and design & engineering. (hydraulic barriers/liners, piping, seals & gaskets, and other materials are an MDEQ Additional Response Activity cost; see Section 3.1.4.1 for more detail). Due to the RC on the Property, infiltration of water beneath the rain garden's hydraulic liner is not permitted.
- Temporary Sheet piling and Shoring—Located on the east and north property lines and near East Front and Hope Streets. The purpose of the sheet piling and shoring is to protect City sidewalks, utilities, and roadways during construction of the building.
- Soft Costs-Architecture, engineering, and other design activities specifically associated with site preparation activities.

3.2.3 Infrastructure Improvements

All Infrastructure improvements proposed will be publicly owned, maintained and operated, will support the project, and will serve others and/or the public. Please see Section 4.2.2 for unit costs, and Figure 6 for the Infrastructure Improvements map.

- Road improvements along East Front Street and Hope Street. Road improvements include road upgrades with approaches, curbs and gutters, and sidewalks. They also include landscape buffers in the form of street trees, grass, and irrigation in the road easement. These improvements are necessary due to construction activities and to support the new use of the Property.
- Utility improvements to support the new use of the property. Utility improvements include storm water piping, surface water capture engineering, catch basins, and a transformer pole. Low impact development (LID) addresses storm water on this site through small, cost-effective landscaped features and green spaces, located on the site to the extent possible given the restrictive covenant due to soil and groundwater contamination. These landscaped features are the primary building blocks of LID, and the project design has attempted to incorporate as many LID components as possible. This contaminated site LID approach we applied will be typical to similar Brownfield redevelopment sites with environmental constraints across the state.

3.2.4 Brownfield and Work Plan Preparation

Reasonable costs associated with development and preparation of a Brownfield Plan and Work Plan.

3.2.5 Contingency

A 15% contingency factor has been included to accommodate unexpected conditions that may be encountered during the redevelopment.

4.0 Schedule and Costs

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

4.1 Schedule of Activities

Demolition is scheduled to commence on June 3, 2013 following the Grand Traverse County Brownfield Redevelopment Authority, the Grand Traverse County Board of Commissioners, MDEQ, and MSF approvals. Completion of the Project is anticipated to be within 1.5 years.

4.2 Estimated Costs

The itemized estimated costs to complete the Environmental and Non-Environmental eligible activities including all labor, equipment, subcontractors, and materials under this Work Plan are provided in Sections 4.2.1 and 4.2.2 below and in the attached Table 1 and Table 2. Actual interest associated with the eligible activities not to exceed 5% to address the true cost of conducting the eligible activities associated with the development of this site is also included. Note: an interest calculation will be determined, pending refinement of Eligible Activity and contingency costs, revisions to the Work Plan tables, and possibly a proportionality adjustment due to local tax increment revenues being captured throughout the plan for GTCBRA Administration Fees and Local Only Activities. In addition, GTCBRA, by policy, will reimburse only 95% of actual eligible activity costs.

Please note that eligible activities completed or anticipated to be completed prior to approval of the Act 381 Work Plan by the MSF Board or MDEQ have been identified on Table 1.

4.2.1 Description of MDEQ Eligible Activities Costs

The estimated cost for the activities plus contingency, and fees described in this section is \$1,648,110. The County is applying for MDEQ loan funds to cover these costs, which will be reimbursed from the tax increment revenues generated from the Eligible Property. As available, loan funds are expected to be used to pay for all eligible due care, additional response, and demolition activities (refer to Table 1 for more details). The Developer desires to be reimbursed for the costs of eligible activities. Individual costs associated with these activities are provided in the table below. See Table 1 for further details.

The BRA is the applicant for the MDEQ loans and, if the loans are awarded, will administer the funds, as approved by MDEQ. Since the BRA, as part of its administrative oversight, also approves TIF reimbursement, it will perform the due diligence to ensure that there is no overlap in the reimbursement of loan-funded and developer-funded costs.

Table 4-A MDEQ Eligible Activities

Eligible Activity	Total Estimated Cost
BEA Environmental Assessment Activities	
Phase I ESA	\$2,000

Eligible Activity	Total Estimated Cost
Phase II ESA	\$13,211
Supplemental Phase II ESA	\$19,000
BEA	\$1,800
Due Care Response Activities	
Due Care Plans	
Pre-Construction Due Care Plan	\$1,800
Environmental Construction Management Due Care Plan	\$10,000
Post-Construction Due Care Plan	\$2,500
Dewatering	
Dewatering-Frac Tank	\$132,825
Dewatering-Analytical	\$5,000
Dewatering-Disposal of Groundwater During Construction Activities	\$163,350
Dewatering-Reporting & Management	\$3,000
Soil Management (Foundations)	
Excavation	\$49,778
Trucking	\$33,185
Disposal	\$145,185
Soil Management (Shooters Property Chromium-Contaminated Soil)	
Excavation	\$600
Trucking	\$400
Disposal	\$1,750

Eligible Activity	Total Estimated Cost
On-Site Environmental Construction Management	\$37,500
Environmental Project Management	\$15,000
Due Care-Impervious Asphalt	\$70,000
Temporary Truck Wash Facility	\$3,000
Existing Monitoring Well Abandonment	\$5,000
Installation of Monitoring Wells	\$8,000
Health & Safety Plan (up to 3)	\$7,500
Additional Response Activities	
Waterproof/Vapor Barrier	
Design-Waterproof/Vapor Membrane (including MDEQ approval)	\$35,000
Monolithic Foundation	\$66,000
Xypex Concrete Additive for Foundation Waterproofing	\$33,880
Installation- Waterproof/Vapor Barrier	\$169,188
Installation Oversight- Waterproof/Vapor Barrier	\$18,750
Post-Construction Waterproof/Vapor Barrier QA/QC Inspection	\$15,000
Passive Vapor Trench with Piping (if determined necessary by MDEQ)	\$15,000
Green Space and Rain Garden Areas (Environmental Portion)	
Hydraulic Liners	\$40,000
Under-drain Piping	\$2,250
Seals & Gaskets	\$2,000

Eligible Activity	Total Estimated Cost
Associated Hydraulic Liner Materials	\$10,000
Reasonable Costs of Environmental Insurance	\$50,000
Subtotal	\$1,188,452
Contingency (A 15% contingency factor has been included to accommodate unexpected conditions that may be encountered during redevelopment)	\$178,268
Preparation of Brownfield Plan	\$5,000
Preparation of MDEQ Act 381 Work Plan	\$5,000
Subtotal	\$1,376,720
GTCBRA 5% Withholding	(68,336)
Subtotal	\$1,298,384
Interest	\$349,726
Total MDEQ Eligible Activities	\$1,648,110

4.2.2 Description of MSF Eligible Activities Costs

The estimated cost for the activities plus contingency, fees, and interest described in this section is \$1,007,808. A more detailed description of the costs associated with these activities is provided in the following table. Unit costs are provided where applicable. For additional support documentation, please refer to Tables 1 and 2 in the attachments. For detail on certain Site Preparation activities, please see the Engineer's Opinion of Probable Cost in Attachment B, Supplemental Material.

Table 4-B MSF Eligible Activities

Eligible Activity	Estimated Cost
Demolition	
Site Demolition	\$55,000

Eligible Activity	Estimated Cost
Building Demolition	\$20,000
Lead & Asbestos Abatement	
Asbestos and Lead Paint Survey	\$5,000
Asbestos and Lead Paint Abatement	\$32,710
Site Preparation	
Geotechnical Engineering	\$10,000
Temporary Construction Access and/or Roads	\$2,000
Temporary Erosion Control-Silt Fencing	\$5,000
Temporary Erosion Control-Sediment Bags	\$2,000
Temporary Site Control	\$10,000
Soil Management (MSF Excavation for Unstable Material)	
Excavation	\$51,894
Trucking	\$34,596
Disposal	\$151,358
Soil Management (MSF Utility Relocation and Rain Garden Soil Removal)	
Excavation	\$8,520
Trucking	\$37,275
Disposal	\$36,166
Compaction & Sub-base Preparation	\$29,240
Dewatering	

Eligible Activity	Estimated Cost
Set-Up and Operation (first two weeks)	\$6,800
Set-Up and Operation (remaining weeks)	\$7,000
Monitoring	\$30,000
Relocation of Existing Utilities	\$20,000
Alternative Green Storm Water Management Practices	\$17,500
Temporary Sheet piling/Shoring	\$60,500
Soft Costs	\$35,000
Infrastructure Improvements	
Approaches	\$15,000
Curbs and Gutter	\$7,200
Sidewalks	\$4,050
Landscaping	15,000
Storm Water Piping	\$1,200
Surface Water Capture Engineering	\$5,000
Catch Basins	\$2,400
Transformer Pole	\$8,000
Subtotal	\$725,408
Contingency (A 15% contingency factor has been included to accommodate unexpected conditions that may be encountered during redevelopment)	\$108,811
Brownfield Plan	\$5,000

Eligible Activity	Estimated Cost
Preparation of MSF Act 381 Work Plan	\$5,000
Subtotal	\$844,219
GTCBRA 5% Withholding	(\$41,711)
Subtotal	\$792,508
Interest	\$215,300
Total MSF Eligible Activities	\$1,007,808

4.2.3 Local-Only Costs

The project expects to incur \$40,470 (\$38,447 at the 95% GTCBRA reimbursement rate) in local-only costs for application fees and Act 381 Work Plan preparation.

4.2.4 Contingency

Additional response activities may include the response to unexpected contamination. Though these are not expected, Brownfield sites may contain one or more of the following:

- Encountering soil classified as hazardous waste;
- historical septic systems or other underground structures or debris;
- contamination encountered during removal of underground utilities; and
- other hazardous liquid or solid materials discovered at the building.

A 15% contingency factor has been included to accommodate for unexpected conditions that may be encountered during the redevelopment.

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 Work Plan are provided in Table 1. The Developer anticipates making an investment of up to \$7.285 million in real and personal property improvements on the Property.

5.2 Sources and Uses Of Funds

The Developer anticipates investment of approximately \$7.285 million in real property improvements on the Property including acquisition of the land. Redevelopment of the Property is expected to subsequently generate increases in taxable value and result in incremental taxable value beginning in 2015. The initial taxable value for the Brownfield Plan will be the Property's 2013 assessment, because the Brownfield Plan received final approval in 2013. Tax increment revenue will be utilized to reimburse the cost of eligible activities. Table 2 provides an estimate of tax increment revenue. The Developer will finance all eligible activities under this Plan related to improvements on the Property.

6.0 Limitations

The taxable value on real property is estimated to increase at a rate of 1% each year (refer to Table 2).

The incremental tax revenue estimates for the proposed development could vary from this estimate affecting the time period it takes to reimburse the eligible activities. The cost estimates included within this Act 381 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 Act 381 Work Plan. Please reference the Brownfield Plan in Attachment A for additional information.

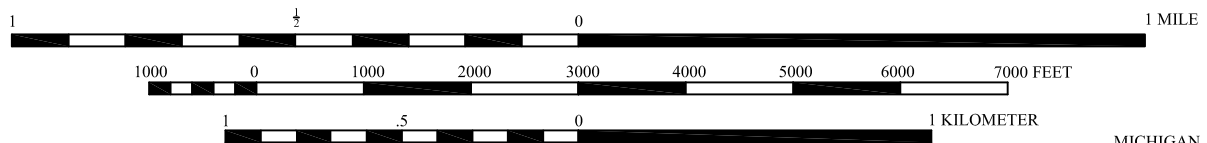
All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the Authority to fund such reimbursements and does not obligate the Authority or the County to fund any reimbursement or to enter into the Reimbursement Agreement 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 Reimbursement Agreement contemplated by this Plan.

Figures

TRAVERSE CITY SE QUADRANGLE
MICHIGAN - GRAND TRAVERSE COUNTY
7.5 MINUTE SERIES (TOPOGRAPHIC)



T. 27 N. - R.11 W.



CONTOUR INTERVAL 5 FEET
DATUM IS MEAN SEA LEVEL

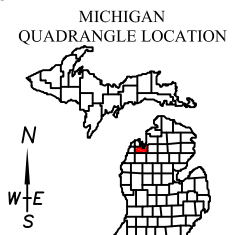


IMAGE TAKEN FROM 1983 U.S.G.S. TOPOGRAPHIC MAP

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SCALED PROPERTY LOCATION MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688b-16-25

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DATE: 4/2/2013

FIGURE 1



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ELIGIBLE PROPERTY BOUNDARY MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688b-16-25

LEGEND

--- = ELIGIBLE PROPERTY BOUNDARY

DRAWN BY: JWB
DATE: 4/2/2013

0 35 70
SCALE: 1" = 70'±0

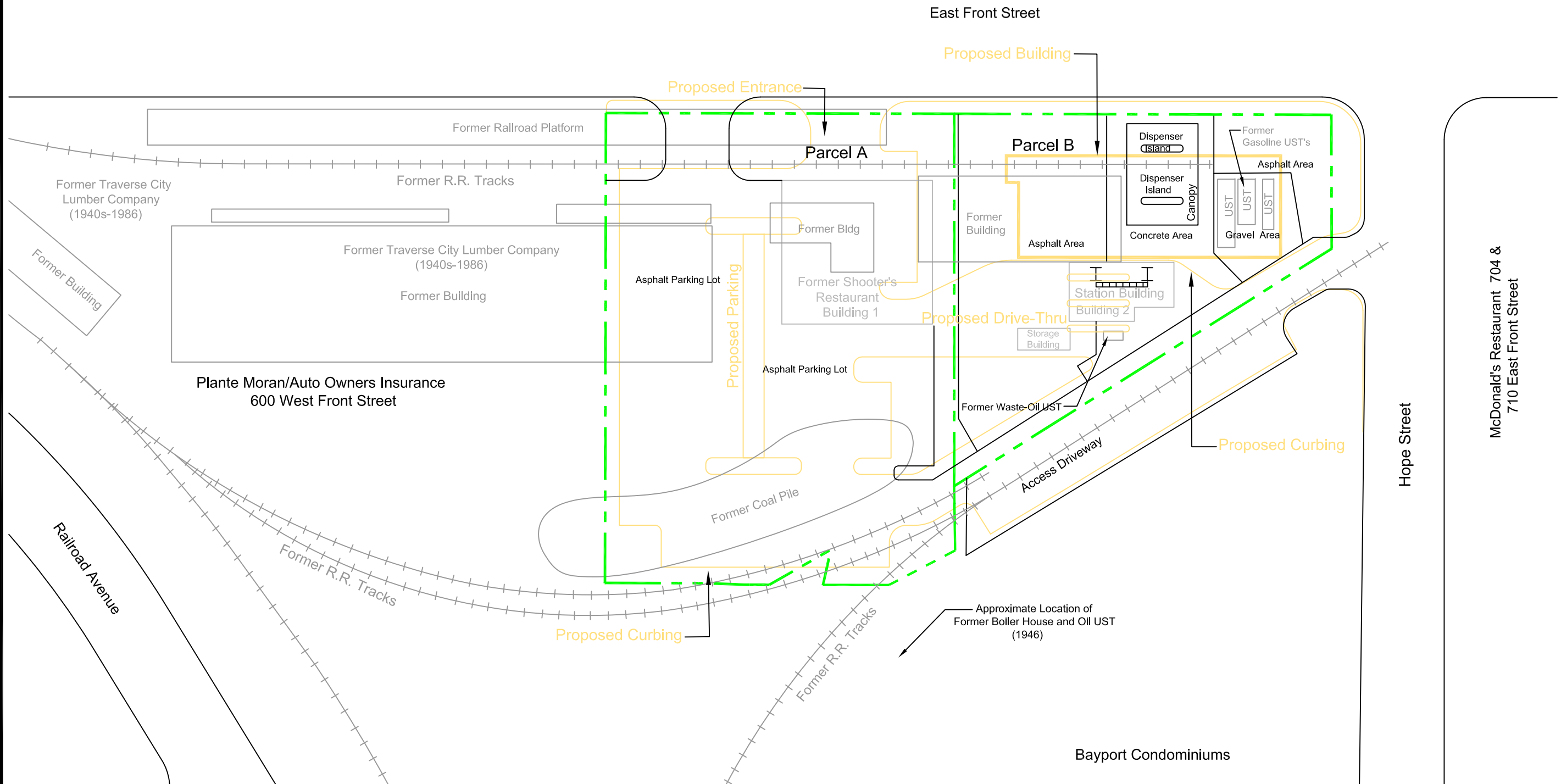
FIGURE 2





Holiday Inn Hotel
615 East Front Street

Sunset Park



PROPOSED DEVELOPMENT MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688b-16-25

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LEGEND
= PROPERTY LINE
= ABOVE-GROUND HOIST
= TRENCH DRAIN
= FORMER FEATURES

DRAWN BY: JWB
DATE: 4/2/2013

SCALE: 1" = 50'-0"

FIGURE 3



AKT SB-01 2-4'	
2/14/2013	
1,2,4 Trimethylbenzene	660 ug/kg
Benzene	200 ug/kg
Xylenes	1,600 ug/kg

AKT SB-02 10-12'	
2/14/2013	
1,2,4 Trimethylbenzene	71,000 ug/kg
1,3,5 Trimethylbenzene	29,000 ug/kg
2-Methylnaphthalene	15,000 ug/kg
Ethylbenzene	4,200 ug/kg
Naphthalene	15,000 ug/kg
n-Propylbenzene	10,000 ug/kg
Xylenes	84,000 ug/kg

AKT SB-11 2-4'	
2/14/2013	
Chromium	3,600 ug/kg

AKT B-2 0.5-2'	
7/23/2012	
Chromium	3,400 ug/kg
Benzene	140 ug/kg

AKT B-4 0.5-2'	
7/23/2012	
Chromium	3,500 ug/kg

DEQ SB-5 9'	
11/10/2004	
1,2,4 Trimethylbenzene	25,000 ug/kg
1,3,5 Trimethylbenzene	10,000 ug/kg
2-Methylnaphthalene	5,600 ug/kg
Naphthalene	13,000 ug/kg
Xylenes	2,800 ug/kg

DEQ SB-6 9'	
11/10/2004	
1,2,4 Trimethylbenzene	710 ug/kg

DEQ-SB-12 10'	
11/10/2004	
1,2,4 Trimethylbenzene	18,000 ug/kg
1,3,5 Trimethylbenzene	8,100 ug/kg
2-Methylnaphthalene	32,000 ug/kg
Naphthalene	1,200 ug/kg
Xylenes	5,900 ug/kg

W Tank S 10'	
11/15/2008	
1,2,4 Trimethylbenzene	697 ug/kg
Xylenes	970 ug/kg

W Tank N 10'	
11/15/2008	
Benzene	152 ug/kg

M Tank N 10'	
11/15/2008	
Benzene	102 ug/kg

Dispenser 1 2'	
11/15/2008	
1,2,4 Trimethylbenzene	3,620 ug/kg
1,3,5 Trimethylbenzene	3,130 ug/kg
Benzene	470 ug/kg
Naphthalene	1,370 ug/kg
Xylenes	6,350 ug/kg

Dispenser 2 2'	
11/15/2008	
1,2,4 Trimethylbenzene	7,640 ug/kg
1,3,5 Trimethylbenzene	3,720 ug/kg
Benzene	1,580 ug/kg
Ethylbenzene	1,180 ug/kg
Naphthalene	2,850 ug/kg
Toluene	8,250 ug/kg
Xylenes	12,100 ug/kg

Dispenser 3 2'	
11/15/2008	
1,2,4 Trimethylbenzene	1,080 ug/kg
Benzene	236 ug/kg
Xylenes	1,550 ug/kg

Dispenser 4 2'	
11/15/2008	
1,2,4 Trimethylbenzene	647 ug/kg
Benzene	126 ug/kg
Xylenes	855 ug/kg

Piping 1 2'	
11/15/2008	
Benzene	235 ug/kg
Xylenes	1,520 ug/kg

Dispenser 5 2'	
11/15/2008	
1,2,4 Trimethylbenzene	1,520 ug/kg
Benzene	192 ug/kg
Xylenes	2,880 ug/kg

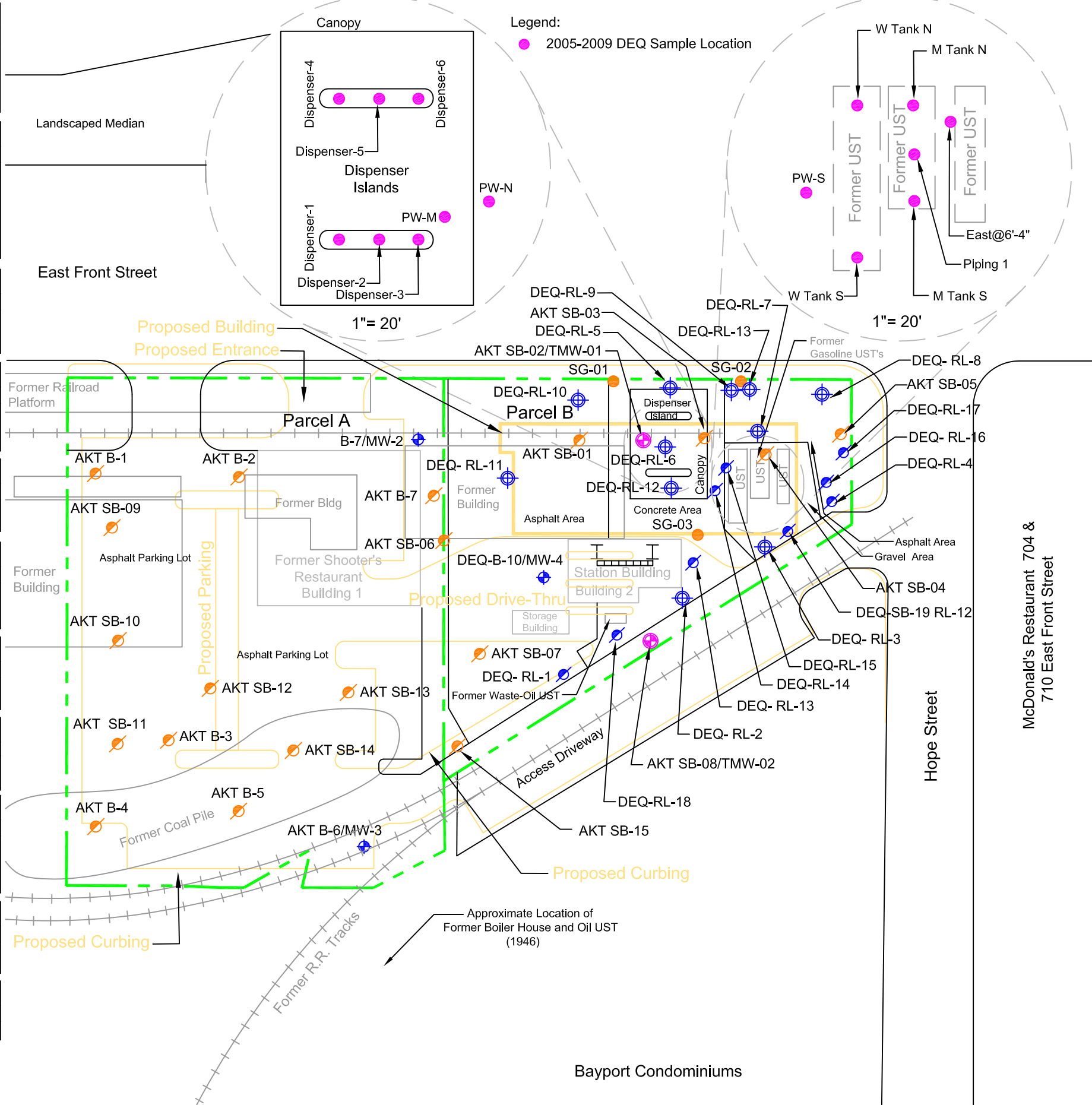
Dispenser 6 2'	
11/15/2008	
1,2,4 Trimethylbenzene	868 ug/kg
Xylenes	1,230 ug/kg

PW-S 2'	
11/15/2008	
Benzene	489 ug/kg
Xylenes	1,420 ug/kg

PW-N 2'	
11/15/2008	
1,2,4 Trimethylbenzene	7.64 ug/kg
Benzene	1,350 ug/kg
Ethylbenzene	429 ug/kg
Xylenes	2,870 ug/kg

PW-M 2'	
11/15/2008	
Benzene	660 ug/kg
Xylenes	1,380 ug/kg

East@6'4"	
11/15/2008	
Naphthalene	1,010 ug/kg



PROPOSED DEVELOPMENT MAP WITH SOIL
ANALYTICAL RESULTS EXCEEDING MDEQ RCC

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688b-16-25

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LEGEND:
= PROPERTY LINE
= AKT PEERLESS SOIL BORING LOCATION
= AKT PEERLESS TEMP. MONITORING WELL LOCATION
= AKT PEERLESS SOIL GAS BORING LOCATION
= AKT PEERLESS MONITORING WELL
= DEQ SOIL BORING
= ABOVE-GROUND HOIST
= TRENCH DRAIN
= FORMER FEATURES

SCALE: 1" = 50'-0"

FIGURE 4



AKT SB-02/TMW-01 14'	
2/14/2013	
1,2,4 Trimethylbenzene	1,500 ug/L
1,3,5 Trimethylbenzene	450 ug/L
Naphthalene	400 ug/L
2-Methylnaphthalene	130 ug/L
Ethylbenzene	170 ug/L
Isopropyl benzene	43 ug/L
n-Propylbenzene	140 ug/L
Xylenes	3,600 ug/L

AKT SB-02/TMW-01 30'	
2/14/2013	
Chromium	410 ug/L
Lead	17 ug/L

AKT SB-08/TMW-02 30'	
2/14/2013	
1,2,4 Trimethylbenzene	87 ug/L
2-Methylnaphthalene	24 ug/L
Tetrachloroethylene	12 ug/L
Naphthalene	23 ug/L
1,3,5 Trimethylbenzene	25 ug/L
n-Propylbenzene	12 ug/L
Xylenes	60 ug/L

AKT SB-08/TMW-02 14'	
2/14/2013	
1,2,4 Trimethylbenzene	8.6 ug/L

AKT SB-08/TMW-02 22'	
2/14/2013	
1,2,4 Trimethylbenzene	11 ug/L
n-Propylbenzene	2.3 ug/L

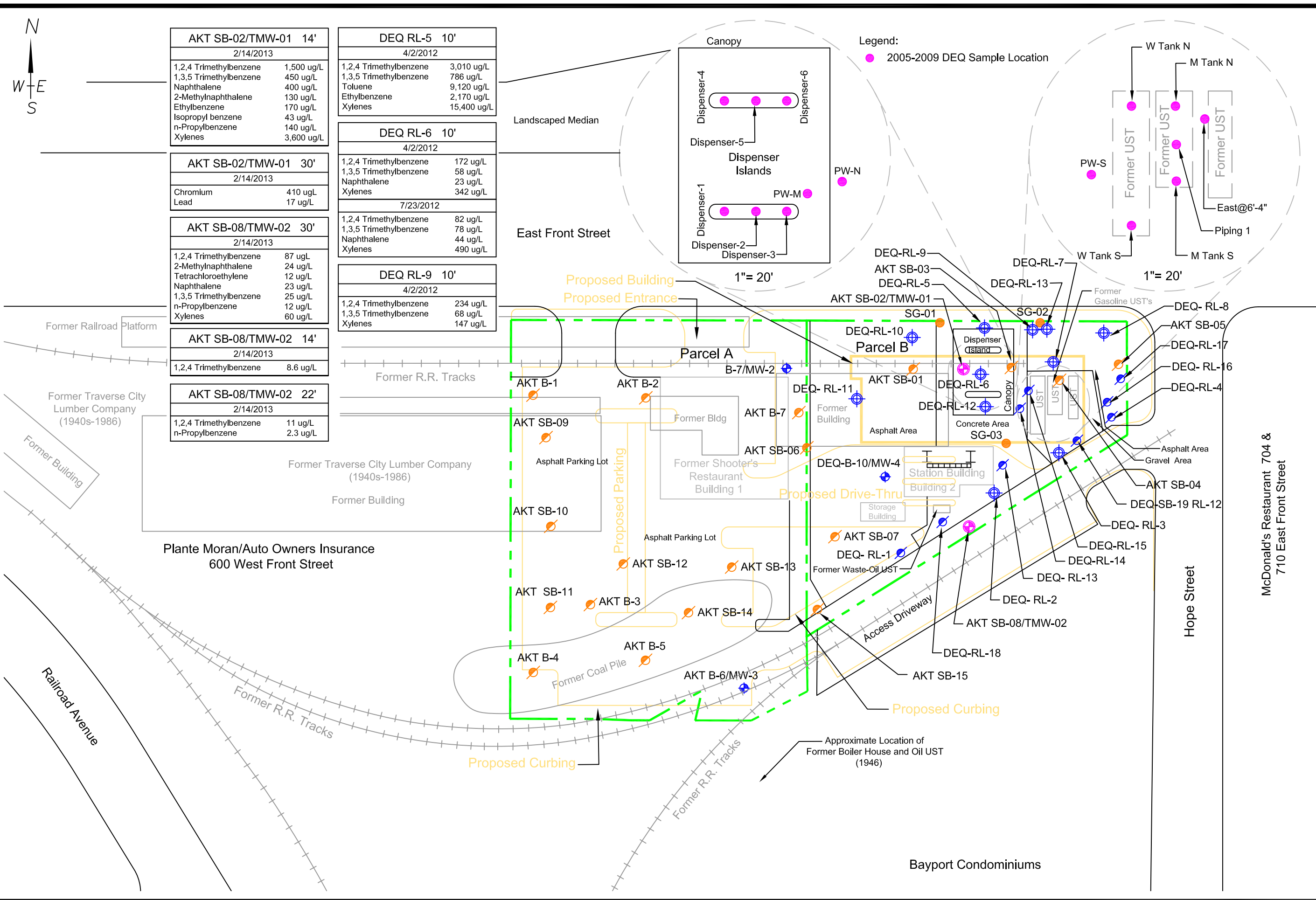
DEQ RL-5 10'	
4/2/2012	
1,2,4 Trimethylbenzene	3,010 ug/L
1,3,5 Trimethylbenzene	786 ug/L
Toluene	9,120 ug/L
Ethylbenzene	2,170 ug/L
Xylenes	15,400 ug/L

DEQ RL-6 10'	
4/2/2012	
1,2,4 Trimethylbenzene	172 ug/L
1,3,5 Trimethylbenzene	58 ug/L
Naphthalene	23 ug/L
Xylenes	342 ug/L

7/23/2012	
1,2,4 Trimethylbenzene	82 ug/L
1,3,5 Trimethylbenzene	78 ug/L
Naphthalene	44 ug/L
Xylenes	490 ug/L

DEQ RL-9 10'	
4/2/2012	
1,2,4 Trimethylbenzene	234 ug/L
1,3,5 Trimethylbenzene	68 ug/L
Xylenes	147 ug/L

Legend:
● 2005-2009 DEQ Sample Location

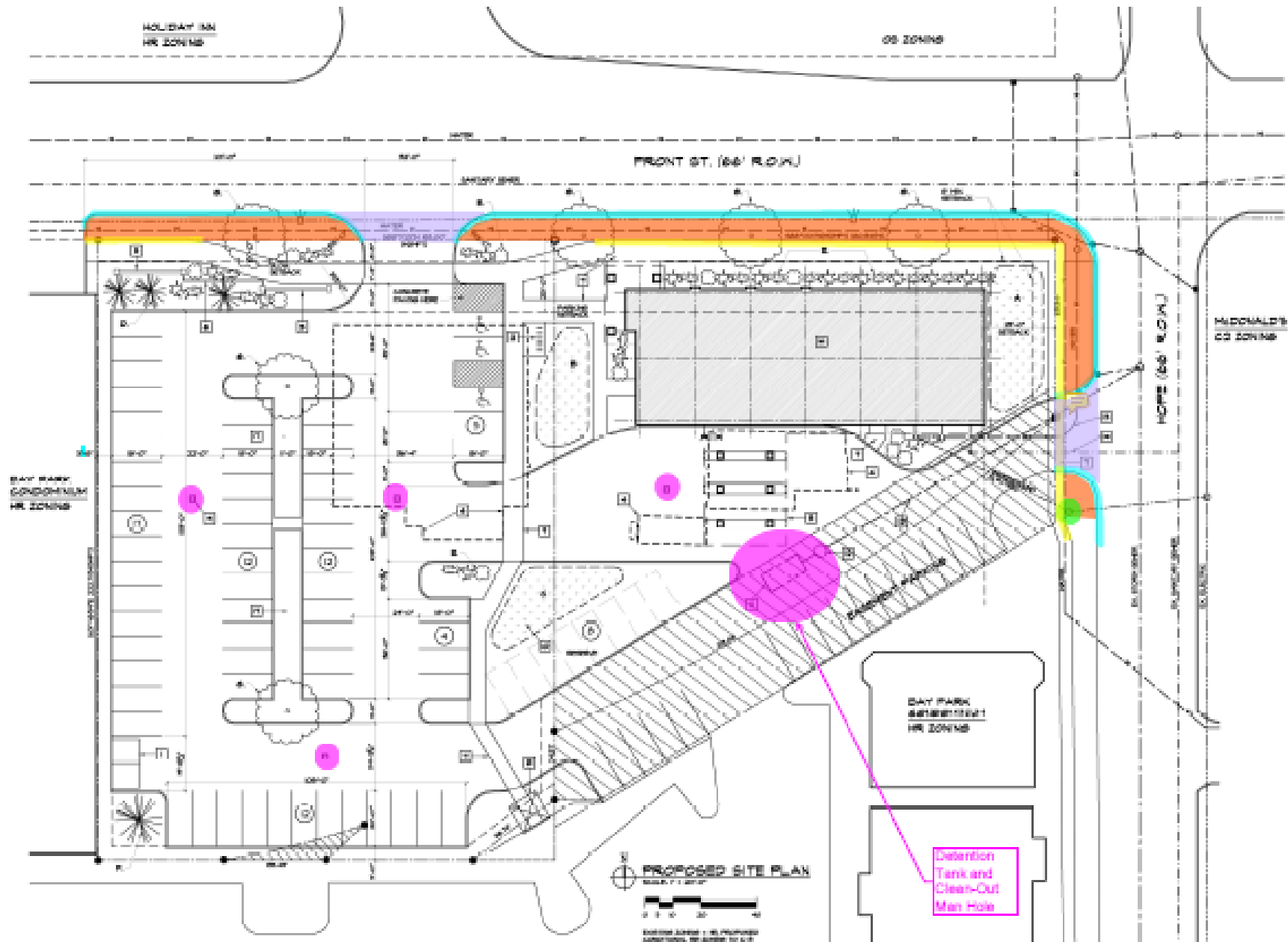


LEGEND
= PROPERTY LINE
= AKT PEERLESS SOIL BORING LOCATION
= AKT PEERLESS TEMP. MONITORING WELL LOCATION
= AKT PEERLESS SOIL GAS BORING LOCATION
= AKT PEERLESS MONITORING WELL
= DEQ MONITORING WELL
= DEQ SOIL BORING
= ABOVE-GROUND HOIST
= TRENCH DRAIN
= FORMER FEATURES

PROPOSED DEVELOPMENT MAP WITH
GROUNDWATER ANALYTICAL RESULTS
EXCEEDING MDEQ RCC
626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 76880-16-25

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SCALE: 1" = 50'-0"
FIGURE 5



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INFRASTRUCTURE IMPROVEMENTS MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER: 7688B

- Yellow = CURBS & GUTTERS
- Orange = SIDEWALKS
- Green = LANDSCAPING
- Red = TRANSFORMER POLE
- Blue = CATCH BASINS

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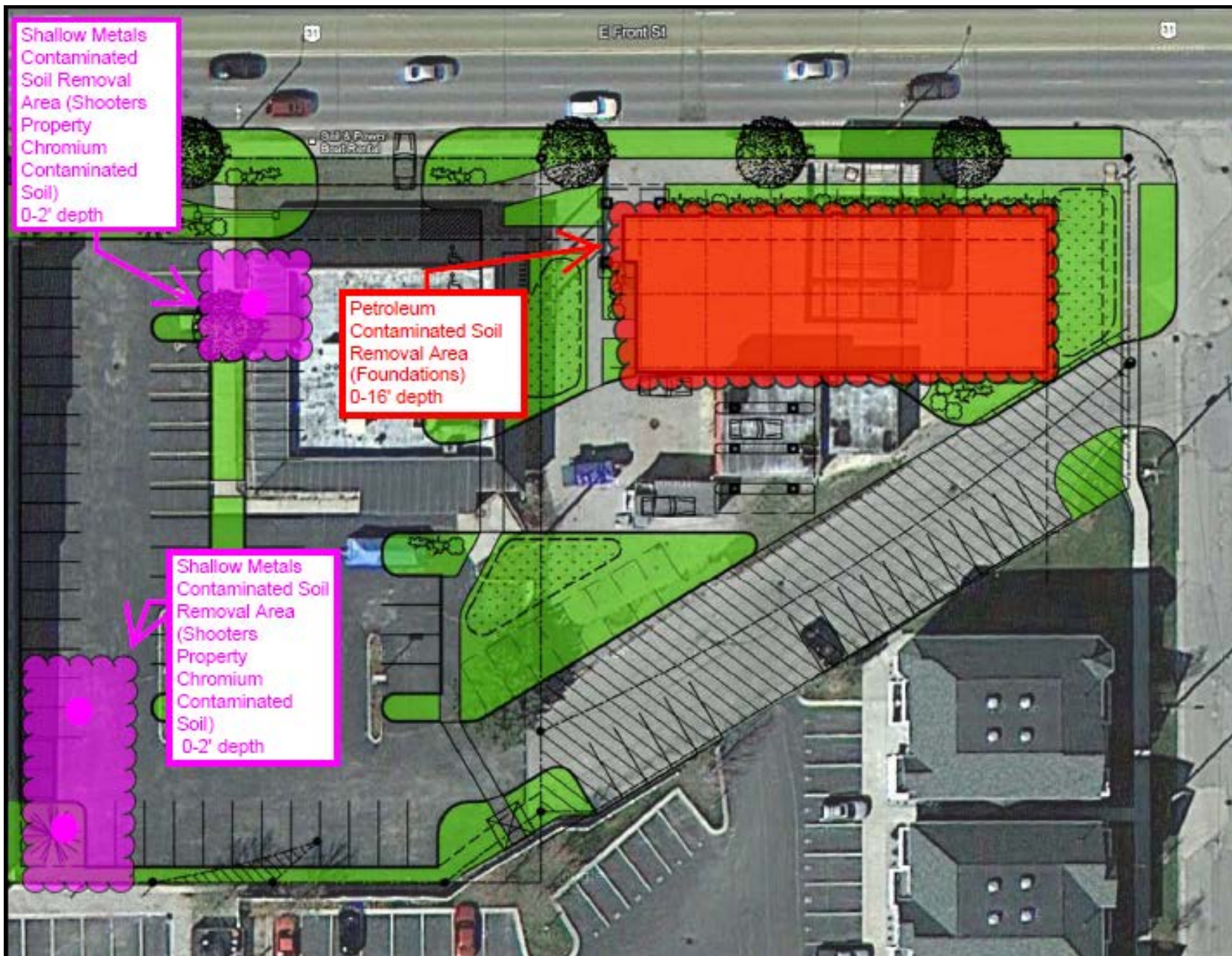
JJM

DATE:

4/3/2013

NO SCALE

FIGURE 6



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ILLINOIS --- MICHIGAN --- OHIO

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SOIL REMOVAL MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER: 7688B

DRAWN BY:
DATE:

TWS
4/2/2013

NO SCALE

FIGURE 7

Tables

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Act 381 Work Plan, Last Revision April 15, 2013

ENVIRONMENTAL ELIGIBLE ACTIVITIES (MDEQ)				REQUESTED ESTIMATES					
ACTIVITY	No. of Units	Type of Unit	Cost/Unit	TOTAL COST	LOCAL-ONLY REVENUES COST	STATE / LOCAL REVENUES COST	MDEQ Loan	TBA Credit Union	Eligible Activities Completed Prior to State Approvals [c]
BEA Environmental Assessment Activities									
Phase I Environmental Site Assessment (ESA)				\$2,000		\$2,000		\$2,000	\$2,000
Phase II ESA				\$13,211		\$13,211		\$13,211	\$13,211
Supplemental Phase II ESA Site Investigations				\$19,000		\$19,000		\$19,000	\$19,000
Baseline Environmental Assessment (BEA)				\$1,800		\$1,800		\$1,800	\$1,800
BEA Environmental Assessment Activities Total				\$36,011	\$0	\$36,011			
Section 7a Compliance Analysis (Due Care Plan) and Due Care Activities									
Due Care Plans - Pre, During and Post Construction									
Pre-Construction Due Care Plan				\$1,800		\$1,800		\$1,800	\$1,800
Environmental Construction Management Due Care Plan				\$10,000		\$10,000	\$10,000		\$10,000
Post-Construction Due Care Plan				\$2,500		\$2,500	\$2,500		
Dewatering									
Dewatering-Frac Tank and Carbon Filter with Aration, Chemical Precipitation and Oxidation (if necessary) (also includes operator and pump for 90 days)	1	LSUM	\$132,825	\$132,825		\$132,825	\$132,825		
Dewatering-Analytical	10	SAMPLES	\$500	\$5,000		\$5,000	\$5,000		
Dewatering-Disposal of groundwater during construction activities	13,500,000	GAL	\$0.01	\$163,350		\$163,350	\$163,350		
Dewatering-Reporting & Management	1	LSUM	\$3,000	\$3,000		\$3,000	\$3,000		
Soil Management (Foundations)									
Excavation	4,148	TNS	\$12	\$49,778		\$49,778	\$49,778		
Trucking	4,148	TNS	\$8	\$33,185		\$33,185	\$33,185		
Disposal	4,148	TNS	\$35	\$145,185		\$145,185	\$145,185		
Shooters Property Chromium-Contaminated Soil									
Excavation	50	TNS	\$12	\$600		\$600	\$600		
Trucking	50	TNS	\$8	\$400		\$400	\$400		
Disposal	50	TNS	\$35	\$1,750		\$1,750	\$1,750		
On-Site Environmental Construction Management	30	DAYS	\$1,250	\$37,500		\$37,500	\$37,500		
Environmental Project Management	1	LSUM	\$15,000	\$15,000		\$15,000	\$15,000		
Due Care - Impervious Asphalt	1	LSUM	\$70,000	\$70,000		\$70,000	\$70,000		
Temporary Truck Wash Facility	1	LSUM	\$3,000	\$3,000		\$3,000	\$3,000		
Other Specific & Unique Activities due to the Brownfield Conditions									
Existing Monitoring Well Abandonment	1	LSUM	\$5,000	\$5,000		\$5,000	\$5,000		\$5,000
Installation of Monitoring Wells	1	LSUM	\$8,000	\$8,000		\$8,000	\$8,000		
Health and Safety Plans (HASPs, up to 3 at \$2,500 each)	3	LSUM	\$2,500	\$7,500		\$7,500	\$7,500		\$2,500
Section 7a Compliance Analysis (Due Care Plan) and Due Care Activities Total				\$695,373	\$0	\$695,373			
Additional Response Activities									
Waterproof/Vapor Barrier									
Design Waterproof/Vapor Membrane - including MDEQ approval	1	LSUM	\$35,000	\$35,000		\$35,000	\$35,000		
Monolithic Foundation (incremental increase over typical foundation)	6,000	SF	\$11	\$66,000		\$66,000	\$66,000		
Xypex Concrete Additive ofr Foundation Waterproofing	700	YDS	\$48	\$33,880		\$33,880	\$33,880		
Installation - Waterproof/Vapor Barrier	14,099	SF	\$12.00	\$169,188		\$169,188	\$169,188		
Installation Oversight - Waterproof/Vapor Barrier	15	DYS	\$1,250	\$18,750		\$18,750	\$18,750		
Post-Construction Waterproof/Vapor Barrier QA/QC Inspection	1	LSUM	\$15,000	\$15,000		\$15,000	\$15,000		
Passive Vapor trench with piping, if determined necessary by MDEQ	1	LSUM	\$15,000	\$15,000		\$15,000	\$15,000		
Green Space and Rain Garden Areas (Environmental Portion) - Any green space, including the public ROW									
Hydraulic Liners	10,000	SF	\$4	\$40,000		\$40,000	\$40,000		
Under-drain Piping	750	LF	\$3	\$2,250		\$2,250	\$2,250		
Seals & Gaskets	1	LS	\$2,000	\$2,000		\$2,000	\$2,000		
Associated Hydraulic Liner Materials	1,111	TNS	\$9	\$10,000		\$10,000	\$10,000		
Other Specific & Unique Activities due to the Brownfield Conditions									
Additional Response Activities Total				\$407,068		\$407,068			
Environmental Insurance									
Reasonable Costs of Environmental Insurance	1	LSUM	\$50,000	\$50,000		\$50,000		\$50,000	
ENVIRONMENTAL ELIGIBLE ACTIVITIES (MDEQ) GRAND TOTAL				\$1,188,452		\$1,188,452			

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Act 381 Work Plan, Last Revision April 15, 2013

NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES (MEDC)				REQUESTED ESTIMATES					
ACTIVITY	No. of Units	Type of Unit	Cost/Unit	TOTAL COST	LOCAL-ONLY REVENUES COST	STATE / LOCAL REVENUES COST	MDEQ Loan	TBA Credit Union	Eligible Activities Completed Prior to State Approvals [c]
Demolition (County-wide)									
Site Demolition	1	LSUM	\$55,000.00	\$55,000		\$55,000	\$55,000		
Building Demolition	1	LSUM	\$20,000.00	\$20,000		\$20,000	\$20,000		
Demolition Total				\$75,000	\$0	\$75,000			
Lead & Asbestos Abatement (County-wide)									
Asbestos and Lead Paint Survey	5,500			\$5,000		\$5,000		\$5,000	\$5,000
Asbestos and Lead Paint Abatement	5,841	SF	\$5.60	\$32,710		\$32,710		\$32,710	\$32,710
Lead & Asbestos Abatement Total				\$37,710	\$0	\$37,710			
Site Preparation (a) (City of Traverse City Only)									
Geotechnical Engineering	1	LSUM	\$10,000	\$10,000		\$10,000		\$10,000	\$10,000
Temporary Construction Access and/or Roads	1	LSUM	\$2,000	\$2,000		\$2,000		\$2,000	
Temporary Erosion Control-Silt Fencing	1,000	LF	\$5	\$5,000		\$5,000		\$5,000	
Temporary Erosion Control-Sediment Bags	1	LSUM	\$2,000	\$2,000		\$2,000		\$2,000	
Temporary Site Control	1,000	LF	\$10	\$10,000		\$10,000		\$10,000	
Soil Management (from MSF Excavation for Unstable Material)									
Excavation	4,325	TNS	\$12	\$51,894		\$51,894		\$51,894	
Trucking	4,325	TNS	\$8	\$34,596		\$34,596		\$34,596	
Disposal	4,325	TNS	\$35	\$151,358		\$151,358		\$151,358	
Soil Management (from MSF Utility Relocation and rain garden soil removal)									
Excavation									
Soil Transportation	1,065	TNS	\$8	\$8,520		\$8,520		\$8,520	
Soil Disposal	1,065	TNS	\$35	\$37,275		\$37,275		\$37,275	
Fill	4,173	TNS	\$9	\$36,166		\$36,166		\$36,166	
Compaction & Sub-base Preparation (related to Eligible Activities)	860	YDS	\$34	\$29,240		\$29,240		\$29,240	
Dewatering (Install and operate dewatering points)									
Set-Up and Operation (first two weeks)	2	WK	\$3,400.00	\$6,800		\$6,800		\$6,800	
Set-Up and Operation (remaining weeks)	4	WK	\$1,750.00	\$7,000		\$7,000		\$7,000	
Monitoring	6	WK	\$5,000.00	\$30,000		\$30,000		\$30,000	
Relocation of Existing (Active) Utilities	500	LF	\$40	\$20,000		\$20,000		\$20,000	
Alternative Green Stormwater Management Practices-Excavation, backfill above filtration materials, landscaping on top, design & engineering	1	LSUM	\$17,500	\$17,500		\$17,500		\$17,500	
Temporary Sheet piling/Shoring	220	LF	\$275	\$60,500		\$60,500		\$60,500	
Soft Costs--so long as they are directly associated with Site Preparation activities (including engineering and design), professional fees and costs (does not include legal/attorney fees).	1	LSUM	\$35,000	\$35,000		\$35,000		\$35,000	
Other Specific & Unique Activities due to the Brownfield Conditions									
Site Preparation Total				\$554,849	\$0	\$554,849			
Infrastructure Improvements (City of Traverse City Only)									
Approaches	1,500	SF	\$10	\$15,000		\$15,000		\$15,000	
Curbs and Gutter	450	LF	\$16	\$7,200		\$7,200		\$7,200	
Sidewalks	1,350	SF	\$3	\$4,050		\$4,050		\$4,050	
Landscaping	3,000	SF	\$5	\$15,000		\$15,000		\$15,000	
Stormwater Piping	400	LF	\$3	\$1,200		\$1,200		\$1,200	
Surface Water Capture Engineering/Tanks	1	LSUM	\$5,000	\$5,000		\$5,000		\$5,000	
Catch Basins	12	EA	\$200	\$2,400		\$2,400		\$2,400	
Transformer Pole	1	EA	\$8,000	\$8,000		\$8,000		\$8,000	
Infrastructure Improvements Total				\$57,850	\$0	\$57,850			
NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES (MEDC) GRAND TOTAL				\$725,408	\$0	\$725,408			

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Act 381 Work Plan, Last Revision April 15, 2013

Brownfield Plan and Act 381 Work Plan Preparation									
GTCBRA Applications				\$9,970	\$9,970			\$9,970	\$9,970
Brownfield Plan				\$10,000		\$10,000		\$10,000	\$10,000
Act 381 Work Plan-MSF & MDEQ				\$20,000	\$10,000	\$10,000		\$20,000	\$20,000
Brownfield Plan and Act 381 Work Plan Preparation Total				\$39,970	\$19,970	\$20,000			
15% Contingency on Eligible Activities				\$281,677	\$0	\$281,677	\$176,346	\$105,331	
GTCBRA Administration & Application Fees				\$20,500	\$20,500			\$20,500	
ELIGIBLE ACTIVITIES GRAND TOTAL				\$2,256,008	\$40,470	\$2,215,538	\$1,351,987	\$904,020	\$142,991
GTCBRA COVERED ELIGIBLE ACTIVITIES = 95% OF GRAND TOTAL [b]				\$2,143,207	\$38,447	\$2,104,761			
Interest				\$565,026		\$565,026			
Total Developer Reimbursement				\$2,708,233	\$38,447	\$2,669,787			
NOTES:									
[a]The following NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES have been historically deemed eligible by the Michigan Economic Development Corporation (MEDC) but are NOT considered eligible by the GTCBRA. These activities are typical expenses found at any development or redevelopment site and will not be allowed as an Eligible Activity expense.									
<u>In-Eligible Site Preparation Activity Expenses</u>									
Construction Staking Related to Infrastructure Improvements, Site Preparation Activities, or Demolition									
Clearing & Grubbing									
Temporary Facility									
Temporary Traffic Control									
Legal/Attorney Fees									
[b] GTCBRA will cover 95% of approved Eligible Activity expenses per the Development Agreement. The applicant shall be responsible for 5% of the Eligible Activity expenses.									
[c] Additionally, costs related to design, engineering, preparing bid specifications, bid issuance, bid management and evaluation and awarding bids for environmental and non-environmental eligible activities are anticipated to be completed prior to State (MEDC/MSF Board and MDEQ) approvals of the Act 381 Work Plan and MDEQ Loan Applications.									

Table 2 - Tax Increment Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381									
MDEQ Eligible Activities and Interest	\$ 1,652,478								
MSF Eligible Activities and Interest	\$ 1,017,308								
Local-Only Expense	\$ 38,447								
Local Site Remediation Fund Capture (2)	\$ 741,367								
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600								

Loan Incentives

LSRF

EPA RLF

\$ -

KEY: USER INPUT

Check Cell Comments

Automatic

Plan Year	1	2	3	4	5	6	7	8	9
Actual Year	2014	2015	2016	2017	2018	2019	2020	2021	2022
Base (Existing) Taxable Value Non-Homestead (TV):	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700
New TV for Non-Homestead (3)	\$ 1,480,844	\$ 2,027,988	\$ 2,575,133	\$ 2,652,386	\$ 2,731,958	\$ 2,813,917	\$ 2,898,334	\$ 2,985,284	\$ 3,074,843
Incremental Difference Non-Homestead (New TV - Existing)	\$ 547,144	\$ 1,094,288	\$ 1,641,433	\$ 1,718,686	\$ 1,798,258	\$ 1,880,217	\$ 1,964,634	\$ 2,051,584	\$ 2,141,143
Base (Existing) Taxable Value Homestead (TV):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New TV for Homestead (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Difference Homestead (New TV - Existing)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCREMENT	\$ 547,144	\$ 1,094,288	\$ 1,641,433	\$ 1,718,686	\$ 1,798,258	\$ 1,880,217	\$ 1,964,634	\$ 2,051,584	\$ 2,141,143

STATE CAPTURE	Millage Rate	1	2	3	4	5	6	7	8	9
		2014	2015	2016	2017	2018	2019	2020	2021	2022
State Education Tax (SET, less 3 for BRF)	3.0000	\$ 1,641	\$ 3,283	\$ 4,924	\$ 5,156	\$ 5,395	\$ 5,641	\$ 5,894	\$ 6,155	\$ 6,423
School Operating (NA to Homestead)	18.0000	\$ 9,849	\$ 19,697	\$ 29,546	\$ 30,936	\$ 32,369	\$ 33,844	\$ 35,363	\$ 36,929	\$ 38,541
State Total to Reimbursables	21.0000	\$ 11,490	\$ 22,980	\$ 34,470	\$ 36,092	\$ 37,763	\$ 39,485	\$ 41,257	\$ 43,083	\$ 44,964
Accumulated State Total to Reimbursables		\$ 11,490	\$ 34,470	\$ 68,940	\$ 105,033	\$ 142,796	\$ 182,281	\$ 223,538	\$ 266,621	\$ 311,585
State Brownfield Redevelopment Fund (BRF)	3.0000	\$ 1,641	\$ 3,283	\$ 4,924	\$ 5,156	\$ 5,395	\$ 5,641	\$ 5,894	\$ 6,155	\$ 6,423
State BRF Accumulated Capture		\$ 1,641	\$ 4,924	\$ 9,849	\$ 15,005	\$ 20,399	\$ 26,040	\$ 31,934	\$ 38,089	\$ 44,512

LOCAL CAPTURE	Millage Rate	1	2	3	4	5	6	7	8	9
		2014	2015	2016	2017	2018	2019	2020	2021	2022
TBA- ISD	2.9312	\$ 1,604	\$ 3,208	\$ 4,811	\$ 5,038	\$ 5,271	\$ 5,511	\$ 5,759	\$ 6,014	\$ 6,276
County	6.2433	\$ 3,416	\$ 6,832	\$ 10,248	\$ 10,730	\$ 11,227	\$ 11,739	\$ 12,266	\$ 12,809	\$ 13,368
NMC	2.9400	\$ 1,609	\$ 3,217	\$ 4,826	\$ 5,053	\$ 5,287	\$ 5,528	\$ 5,776	\$ 6,032	\$ 6,295
TADL	1.1092	\$ 607	\$ 1,214	\$ 1,821	\$ 1,906	\$ 1,995	\$ 2,086	\$ 2,179	\$ 2,276	\$ 2,375
Local Unit Rate (Note need twp and village separate lines)	13.4367	\$ 7,352	\$ 14,704	\$ 22,055	\$ 23,093	\$ 24,163	\$ 25,264	\$ 26,398	\$ 27,567	\$ 28,770
BATA	0.3454	\$ 189	\$ 378	\$ 567	\$ 594	\$ 621	\$ 649	\$ 679	\$ 709	\$ 740
LOCAL - Total Capture	27.0058	\$ 14,776	\$ 29,552	\$ 44,328	\$ 46,415	\$ 48,563	\$ 50,777	\$ 53,057	\$ 55,405	\$ 57,823
Local - Accumulated Capture to Reimbursables		\$ 14,776	\$ 44,328	\$ 88,656	\$ 135,071	\$ 183,634	\$ 234,411	\$ 287,468	\$ 342,872	\$ 400,696

TOTAL TAX CAPTURE	\$ 51,0058	\$ 27,908	\$ 55,815	\$ 83,723	\$ 87,663	\$ 91,722	\$ 95,902	\$ 100,208	\$ 104,643	\$ 109,211
Accumulated for State BRF		\$ 1,641	\$ 4,924	\$ 9,849	\$ 15,005	\$ 20,399	\$ 26,040	\$ 31,934	\$ 38,089	\$ 44,512
Accumulated for Reimbursement to Developer, Admin & LSRRF		\$ 26,266	\$ 78,798	\$ 157,597	\$ 240,103	\$ 326,430	\$ 416,692	\$ 511,005	\$ 609,493	\$ 712,281
Accumulated Total Tax Capture		\$ 27,908	\$ 83,723	\$ 167,445	\$ 255,108	\$ 346,830	\$ 442,732	\$ 542,939	\$ 647,582	\$ 756,793

TOTAL CAPTURE	Amount	Percent
State (less BRF)	\$ 1,609,533	44%
Local	\$ 2,069,844	56%

(1) GTCBRA Policy does NOT consider all allowable MEGA activities, and will only reimburse up to 95% of the grand total.

(2) After the developer has been repaid, collection of state taxes can be 5 years or up to the amount approved by the MDEQ for eligible activities. Local tax can be captured for up to five years after repayment is complete. State approved MEGA activities cannot be captured into the LSRF, only DEQ activities.
(3) Increased 3% per year to adjust for inflation
(4) Not applicable to 18 Mill School Operating tax
(5) Not including Authority administrative expenses

Table 2 - Tax Increment Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381	
MDEQ Eligible Activities and Interest	\$ 1,652,478
MSF Eligible Activities and Interest	\$ 1,017,308
Local-Only Expense	\$ 38,447
Local Site Remediation Fund Capture (2)	\$ 741,367
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600

\$ 2,669,786

State/Local Millages			
	Millage	Percentage	Eligible Cost
Local	27.0058	52.95%	\$ 1,452,006
State	24.0000	47.05%	\$ 1,256,227

Plan Year		10	11	12	13	14	15	16	17	18	
Actual Year		2023	2024	2025	2026	2027	2028	2029	2030	2031	
Base (Existing) Taxable Value Non-Homestead (TV):		\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	
New TV for Non-Homestead (3)		\$ 3,167,088	\$ 3,262,101	\$ 3,359,964	\$ 3,460,763	\$ 3,564,586	\$ 3,671,523	\$ 3,781,669	\$ 3,895,119	\$ 4,011,973	
Incremental Difference Non-Homestead (New TV - Existing)		\$ 2,233,388	\$ 2,328,401	\$ 2,426,264	\$ 2,527,063	\$ 2,630,886	\$ 2,737,823	\$ 2,847,969	\$ 2,961,419	\$ 3,078,273	
Base (Existing) Taxable Value Homestead (TV):		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New TV for Homestead (4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Incremental Difference Homestead (New TV - Existing)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL INCREMENT		\$ 2,233,388	\$ 2,328,401	\$ 2,426,264	\$ 2,527,063	\$ 2,630,886	\$ 2,737,823	\$ 2,847,969	\$ 2,961,419	\$ 3,078,273	
		10	11	12	13	14	15	16	17	18	
		2023	2024	2025	2026	2027	2028	2029	2030	2031	
STATE CAPTURE											
Millage Rate											
State Education Tax (SET, less 3 for BRF)		3.0000	\$ 6,700	\$ 6,985	\$ 7,279	\$ 7,581	\$ 7,893	\$ 8,213	\$ 8,544	\$ 8,884	\$ 9,235
School Operating (NA to Homestead)		18.0000	\$ 40,201	\$ 41,911	\$ 43,673	\$ 45,487	\$ 47,356	\$ 49,281	\$ 51,263	\$ 53,306	\$ 55,409
State Total to Reimbursables		21.0000	\$ 46,901	\$ 48,896	\$ 50,952	\$ 53,068	\$ 55,249	\$ 57,494	\$ 59,807	\$ 62,190	\$ 64,644
Accumulated State Total to Reimbursables			\$ 358,486	\$ 407,383	\$ 458,334	\$ 511,403	\$ 566,651	\$ 624,145	\$ 683,953	\$ 746,143	\$ 810,786
State Brownfield Redevelopment Fund (BRF)		3.0000	\$ 6,700	\$ 6,985	\$ 7,279	\$ 7,581	\$ 7,893	\$ 8,213	\$ 8,544	\$ 8,884	\$ 9,235
State BRF Accumulated Capture			\$ 51,212	\$ 58,198	\$ 65,476	\$ 73,058	\$ 80,950	\$ 89,164	\$ 97,708	\$ 106,592	\$ 115,827
		10	11	12	13	14	15	16	17	18	
		2023	2024	2025	2026	2027	2028	2029	2030	2031	
LOCAL CAPTURE											
Millage Rate											
TBA- ISD		2.9312	\$ 6,547	\$ 6,825	\$ 7,112	\$ 7,407	\$ 7,712	\$ 8,025	\$ 8,348	\$ 8,681	\$ 9,023
County		6.2433	\$ 13,944	\$ 14,537	\$ 15,148	\$ 15,777	\$ 16,425	\$ 17,093	\$ 17,781	\$ 18,489	\$ 19,219
NMC		2.9400	\$ 6,566	\$ 6,845	\$ 7,133	\$ 7,430	\$ 7,735	\$ 8,049	\$ 8,373	\$ 8,707	\$ 9,050
TADL		1.1092	\$ 2,477	\$ 2,583	\$ 2,691	\$ 2,803	\$ 2,918	\$ 3,037	\$ 3,159	\$ 3,285	\$ 3,414
Local Unit Rate (Note need twp and village separate lines)		13.4367	\$ 30,009	\$ 31,286	\$ 32,601	\$ 33,955	\$ 35,350	\$ 36,787	\$ 38,267	\$ 39,792	\$ 41,362
BATA		0.3454	\$ 771	\$ 804	\$ 838	\$ 873	\$ 909	\$ 946	\$ 984	\$ 1,023	\$ 1,063
LOCAL - Total Capture		27.0058	\$ 60,314	\$ 62,880	\$ 65,523	\$ 68,245	\$ 71,049	\$ 73,937	\$ 76,912	\$ 79,975	\$ 83,131
Local - Accumulated Capture to Reimbursables			\$ 461,010	\$ 523,890	\$ 589,413	\$ 657,659	\$ 728,708	\$ 802,645	\$ 879,557	\$ 959,532	\$ 1,042,663
TOTAL TAX CAPTURE		51.0058	\$ 113,916	\$ 118,762	\$ 123,754	\$ 128,895	\$ 134,190	\$ 139,645	\$ 145,263	\$ 151,050	\$ 157,010
Accumulated for State BRF			\$ 51,212	\$ 58,198	\$ 65,476	\$ 73,058	\$ 80,950	\$ 89,164	\$ 97,708	\$ 106,592	\$ 115,827
Accumulated for Reimbursement to Developer, Admin & LSRF			\$ 819,496	\$ 931,273	\$ 1,047,748	\$ 1,169,061	\$ 1,295,359	\$ 1,426,791	\$ 1,563,510	\$ 1,705,675	\$ 1,853,450
Accumulated Total Tax Capture			\$ 870,709	\$ 989,471	\$ 1,113,224	\$ 1,242,119	\$ 1,376,309	\$ 1,515,954	\$ 1,661,217	\$ 1,812,267	\$ 1,969,276

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(3) Increased 3% per year to adjust for inflation

(4) Not applicable to 18 Mill School Operating tax

(5) Not including Authority administrative expenses

Table 2 - Tax Incremental Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381	
MDEQ Eligible Activities and Interest	\$ 1,652,478
MSF Eligible Activities and Interest	\$ 1,017,308
Local-Only Expense	\$ 38,447
Local Site Remediation Fund Capture (2)	\$ 741,367
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600

		Developer Repaid						END					
Plan Year		19	20	21	22	23	24	25	26	27	28	29	30
Actual Year		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Base (Existing) Taxable Value Non-Homestead (TV):		\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700
New TV for Non-Homestead (3):		\$ 4,132,332	\$ 4,256,302	\$ 4,383,991	\$ 4,515,510	\$ 4,650,976	\$ 4,790,505	\$ 4,934,220	\$ 5,082,247	\$ 5,234,714	\$ 5,391,756	\$ 5,553,508	\$ 5,720,114
Incremental Difference Non-Homestead (New TV - Existing)		\$ 3,198,632	\$ 3,322,602	\$ 3,450,291	\$ 3,581,810	\$ 3,717,276	\$ 3,856,805	\$ 4,000,520	\$ 4,148,547	\$ 4,301,014	\$ 4,458,056	\$ 4,619,808	\$ 4,786,414
Base (Existing) Taxable Value Homestead (TV):		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New TV for Homestead (4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Difference Homestead (New TV - Existing)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCREMENT		\$ 3,198,632	\$ 3,322,602	\$ 3,450,291	\$ 3,581,810	\$ 3,717,276	\$ 3,856,805	\$ 4,000,520	\$ 4,148,547	\$ 4,301,014	\$ 4,458,056	\$ 4,619,808	\$ 4,786,414
STATE CAPTURE	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30
		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
State Education Tax (SET, less 3 for BRF)	3.0000	\$ 9,596	\$ 9,968	\$ 10,351	\$ 10,745	\$ 11,152	\$ 11,570	\$ 12,002	\$ 12,446	\$ 12,903	\$ 13,374	\$ 13,859	\$ 14,359
School Operating (NA to Homestead)	18.0000	\$ 57,575	\$ 59,807	\$ 62,105	\$ 64,473	\$ 66,911	\$ 69,422	\$ 72,009	\$ 74,674	\$ 77,418	\$ 80,245	\$ 83,157	\$ 86,155
State Total to Reimbursables	21.0000	\$ 67,171	\$ 69,775	\$ 72,456	\$ 75,218	\$ 78,063	\$ 80,993	\$ 84,011	\$ 87,119	\$ 90,321	\$ 93,619	\$ 97,016	\$ 100,515
Accumulated State Total to Reimbursables		\$ 877,958	\$ 947,732	\$ 1,020,188	\$ 1,095,406	\$ 1,173,469	\$ 1,254,462	\$ 1,338,473	\$ 1,425,592	\$ 1,515,914	\$ 1,609,533	\$ 1,706,549	\$ 1,807,064
State Brownfield Redevelopment Fund (BRF)	3.0000	\$ 9,596	\$ 9,968	\$ 10,351	\$ 10,745	\$ 11,152	\$ 11,570	\$ 12,002	\$ 12,446	\$ 12,903	\$ 13,374	\$ 13,859	\$ 14,359
State BRF Accumulated Capture		\$ 125,423	\$ 135,390	\$ 145,741	\$ 156,487	\$ 167,638	\$ 179,209	\$ 191,210	\$ 203,656	\$ 216,559	\$ 229,933	\$ 243,793	\$ 258,152
LOCAL CAPTURE	Millage Rate	19	20	21	22	23	24	25	26	27	28	29	30
		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
TBA- ISD	2.9312	\$ 9,376	\$ 9,739	\$ 10,113	\$ 10,499	\$ 10,896	\$ 11,305	\$ 11,726	\$ 12,160	\$ 12,607	\$ 13,067	\$ 13,542	\$ 14,030
County	6.2433	\$ 19,970	\$ 20,744	\$ 21,541	\$ 22,362	\$ 23,208	\$ 24,079	\$ 24,976	\$ 25,901	\$ 26,853	\$ 27,833	\$ 28,843	\$ 29,883
NMC	2.9400	\$ 9,404	\$ 9,768	\$ 10,144	\$ 10,531	\$ 10,929	\$ 11,339	\$ 11,762	\$ 12,197	\$ 12,645	\$ 13,107	\$ 13,582	\$ 14,072
TADL	1.1092	\$ 3,548	\$ 3,685	\$ 3,827	\$ 3,973	\$ 4,123	\$ 4,278	\$ 4,437	\$ 4,602	\$ 4,771	\$ 4,945	\$ 5,124	\$ 5,309
Local Unit Rate (Note need twp and village separate lines)	13.4367	\$ 42,979	\$ 44,645	\$ 46,361	\$ 48,128	\$ 49,948	\$ 51,823	\$ 53,754	\$ 55,743	\$ 57,791	\$ 59,902	\$ 62,075	\$ 64,314
BATA	0.3454	\$ 1,105	\$ 1,148	\$ 1,192	\$ 1,237	\$ 1,284	\$ 1,332	\$ 1,382	\$ 1,433	\$ 1,486	\$ 1,540	\$ 1,596	\$ 1,653
LOCAL - Total Capture	27.0058	\$ 86,382	\$ 89,730	\$ 93,178	\$ 96,730	\$ 100,388	\$ 104,156	\$ 108,037	\$ 112,035	\$ 116,152	\$ 120,393	\$ 124,762	\$ 129,261
Local - Accumulated Capture to Reimbursables		\$ 1,129,045	\$ 1,218,775	\$ 1,311,952	\$ 1,408,682	\$ 1,509,070	\$ 1,613,226	\$ 1,721,263	\$ 1,833,298	\$ 1,949,451	\$ 2,069,844	\$ 2,194,606	\$ 2,323,867
TOTAL TAX CAPTURE	51.0058	\$ 163,149	\$ 169,472	\$ 175,985	\$ 182,693	\$ 189,603	\$ 196,719	\$ 204,050	\$ 211,600	\$ 219,377	\$ 227,387	\$ 235,637	\$ 244,135
Accumulated for State BRF		\$ 125,423	\$ 135,390	\$ 145,741	\$ 156,487	\$ 167,638	\$ 179,209	\$ 191,210	\$ 203,656	\$ 216,559	\$ 229,933	\$ 243,793	\$ 258,152
Accumulated for Reimbursement to Developer, Admin & LSRRF		\$ 2,007,003	\$ 2,166,507	\$ 2,332,141	\$ 2,504,088	\$ 2,682,539	\$ 2,867,688	\$ 3,059,736	\$ 3,258,891	\$ 3,465,364	\$ 3,679,377	\$ 3,901,155	\$ 4,130,930
Accumulated Total Tax Capture		\$ 2,132,425	\$ 2,301,897	\$ 2,477,882	\$ 2,660,575	\$ 2,850,178	\$ 3,046,897	\$ 3,250,947	\$ 3,462,547	\$ 3,681,923	\$ 3,909,310	\$ 4,144,947	\$ 4,389,082

LSRF TABLE				Year 1 of LSRF	Year 2 LSRF	Year 3 LSRF	Year 4 LSRF	Year 5 LSRF	Total
			Local taxes to LSRF	\$ 57,064	\$ 100,388	\$ 104,156	\$ 108,037	\$ 112,035	\$ 481,680
			State Taxes to LSRF Not To Exceed:	\$ 777,548		\$ 82,246	\$ 87,119	\$ 90,321	\$ 259,687
			Total	\$ 57,064	\$ 100,388	\$ 186,402	\$ 195,157	\$ 202,356	\$ 741,367
			Accumulated	\$ 57,064	\$ 157,452	\$ 343,854	\$ 539,011	\$ 741,367	

(1) GTCBRA Policy does NOT consider all allowable MEGA activities, and will only reimburse up to 95% of the grand total.

(2) After the developer has been repaid, collection of state taxes can be 5 years or up to the amount approved by the MDEQ for eligible activities. Local tax can be captured for up to five years after repayment is complete. State approved MEGA activities cannot be captured into the LSRF, only DEQ activities.

(3) Increased 3% per year to adjust for inflation

(4) Not applicable to 18 Mill School Operating tax

(5) Not including Authority administrative expenses

Attachment A
Brownfield Plan

GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN FOR
THE TBA CREDIT UNION
REDEVELOPMENT OF AND REUSE
OF THE PROPERTIES
LOCATED AT 626 AND 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN

Prepared by:

Grand Traverse County Brownfield Redevelopment Authority
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Last Revision Date: March 26, 2013

Approved by GTCBRA on: _____, 2013

Approved by City of Traverse City on: _____, 2013

Approved by Grand Traverse County Board of Commissioners on: _____, 2013

**GRAND TRAVERSE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY
BROWNFIELD PLAN**

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III. ATTACHMENTS

A. Site Maps and Photographs

Figure 1 – Scaled Property Location Map

Figure 2 – Eligible Property Boundary Map

B. Legal Descriptions

C. Tables

Table 1 – MDEQ and MSF Eligible Activities

Table 2 – Tax Increment Financing Estimates

PROJECT SUMMARY

Project Name: TBA Credit Union - Redevelopment and Reuse of Properties Located at 626 and 636 East Front Street, Traverse City, Michigan

Developer: TBA Credit Union
2900 W. South Airport Rd.
Traverse City, Michigan 49684
Karen Browne
(231) 946-7141

Eligible Property Location: The Eligible Property is located at 626 and 636 East Front Street, Traverse City, Michigan. Parcel ID Numbers 28-51-102-003-10, and 28-51-102-006-00, respectively.

Type of Eligible Property: Facility

Project Description: The project (Project) consists of the redevelopment of the Property, which is located at 626 and 636 East Front Street in the City of Traverse City. The Project will include construction of a contemporary multi-story office and financial institution headquarters. The redevelopment includes environmental activities, non-environmental activities and economic development to further goals of the City of Traverse City, Grand Traverse County, the Michigan Department of Environmental Quality (MDEQ) and the Michigan Economic Development Corporation (MEDC). The comprehensive redevelopment of this site will include demolition of the existing structures (vacant gasoline station and restaurant buildings), remediation of soil and groundwater contamination, and redevelopment of a new 21,266 square foot three story building with a partially finished basement. The building will be the new TBA Credit Union corporate headquarters, as well as a new branch location.

There is an existing source area of hydrocarbon contamination in the vicinity of the former dispenser islands of the vacant gasoline station. Removal and/or treatment of this source area will be incorporated as a response activity for this project to ensure that it no longer adversely affects the quality of groundwater migrating from the site to the adjoining City of Traverse City Sunset Park and Traverse Bay.

TBA Credit Union is a strong supporter of the Traverse City community and is committed to putting these two underutilized properties back to productive use. The project will greatly improve the appearance of the area and be an attractive gateway building into the City. TBA Credit Union participates in several local volunteer activities, and it frequently conducts member and community educational seminars. In addition, TBA Credit Union often receives requests from organizations to house meetings and other events. The new building, therefore, is necessary for TBA Credit Union to further its goals of (a) better serving the community by offering more investment, mortgage, and commercial loan products, and (b) increasing civic participation.

The Project is seeking approval of Tax Increment Financing (TIF) and an MDEQ Brownfield Redevelopment Loan. Construction is expected to begin at the end of the 2nd quarter of 2013.

Eligible Activities:	Baseline Environmental Assessment (BEA) Activities {Phase I Environmental Site Assessment (ESA), Phase II ESAs, and BEA}, Due Care Activities, Additional Response Activities, Preparation of a Brownfield Plan and Act 381 Work Plan, Demolition, Lead and Asbestos Survey and Abatement, Site Preparation, Infrastructure Improvements, and Reasonable Costs of Environmental Insurance.
Reimbursable Costs:	\$2,821,034 (Est. Eligible Activities, Contingency, Interest) \$ (112,800) (GTCBRA 5% Withholding) <u>\$ 741,367</u> (LSRRF) \$3,449,601
Duration of Plan:	Estimated reimbursement of eligible activities is 25 years, not including administrative expenses and LSRRF deposits, which will extend tax capture (not to exceed 30 years)
Estimated Total Capital Investment:	\$7.285 million
Base Taxable Value:	\$933,700

List of Acronyms:

BEA	Baseline Environmental Assessment (Michigan process to provide new property owners and/or operators with exemptions from environmental liability)
BFP or Plan	Brownfield Plan
Developer	TBA Credit Union
Eligible Property	Property for property for which eligible activities are identified under a Brownfield Plan.
ESA	Environmental Site Assessment
FAR	Final Assessment Report
GTC	Grand Traverse County
GTC BOC	Grand Traverse County Board of Commissioners
GTCBRA	Grand Traverse County Brownfield Redevelopment Authority
LSRRF	Local Site Remediation Revolving Fund
MDEQ	Michigan Department of Environmental Quality
MEDC	Michigan Economic Development Corporation
MSF	Michigan Strategic Fund (agency that approves use of school tax revenue to support non-environmental Brownfield activities)
Phase I ESA	An environmental historical review and site inspection (no soil and/or groundwater sampling and analysis)
Phase II ESA	Environmental subsurface investigation (includes soil and/or groundwater sampling and analysis)
Property	The Eligible Property, located at 626 and 636 East Front Street, southwest of the intersection of East Front and Hope Streets in Traverse City, Grand Traverse County, Michigan. It comprises 2 parcels.
RCC	Residential Cleanup Criteria
RC	Restrictive Covenant
TIF	Tax Increment Financing (TIF describes the <i>process</i> of using TIR—i.e., TIF is the use of TIR to provide financial support to a project)
TIR	Tax Increment Revenue (incremental increase in property tax revenue, usually due to redevelopment and improvement that is generated by a property after approval of a Brownfield Plan)

I. INTRODUCTION

A. General

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.

This Brownfield Plan (“Plan”) serves dual purpose; to promote the redevelopment of and investment in certain “Brownfield” properties within the County, and to accomplish cleanup of environmental contamination on these properties. Inclusion of Property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “Brownfields.” By facilitating redevelopment of Brownfield properties, 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 this Plan, affect the application of this Plan to the Eligible Property, or impair the rights available to the Authority under this Plan.

This 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.

II. GENERAL PROVISIONS

A. Description of Eligible Property (Section 13 (1)(h))

The Eligible Property (“Property”) is located at 626 and 636 East Front Street, in Section 2 (Township 27 North /Range 11 West) in Traverse City, Grand Traverse County, Michigan. The Property is situated southwest of the intersection of East Front Street and Hope Street. The Property consists of two parcels that contain approximately 1.34 acres. The Property is located in an area of the City of Traverse City (“City”) that is characterized by commercial, multi-tenant residential, resort, and recreational properties. Grand Traverse Bay is nearby to the north, and the Property is abutted by surface roadways, municipal water, sanitary and storm sewer services, and electrical and gas utilities.

For ease of reference, AKT Peerless has designated each of the Eligible Property parcels with a letter. These designations have no relevance to legally recorded data about the Eligible Property. See Attachment A, Figure 2 – Eligible Property Boundary Map.

Parcel	Address	Tax Identification Number	Basis of Brownfield Eligibility	Approximate Acreage
A	626 East Front Street	28-51-102-003-10	Facility	0.84
B	636 East Front Street	28-51-102-006-00	Facility	0.50

The Property is zoned Hotel Resort District (HR). It currently contains two vacant commercial buildings (a former restaurant building on Parcel A, and a former gasoline station building on Parcel B). Exterior portions of the Property include paved parking areas, driveways, and landscaped areas. In addition, a wooden deck patio, a greenbelt area, and concrete dumpster enclosure are located on Parcel A; and a large canopy over two former pump islands, concrete, asphalt, gravel paved areas, and a small walk-in-cooler are located on Parcel B.

The Project proposes to redevelop an underutilized vacant property into a contemporary multi-story office and financial institution headquarters. The redevelopment integrates design elements, environmental cleanup, and economic development to further goals of the City of Traverse City, Grand Traverse County (GTC), 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) due care and additional response activities that will address the contamination on the Property, reducing the threat to human health and the environment; 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 demolition of the existing structures, remediation, and redevelopment of a new 21,266 square foot three story building with a partially finished basement.

TBA Credit Union is a growing financial institution. In order to meet the demands of its members and to have space to hire additional staff, a new location is necessary. TBA Credit Union searched other properties that would have been more affordable, but it decided that it was most important to be located within the City to best serve its members and non-members alike.

TBA Credit Union has a strong desire to put these two vacant properties back to productive use and drastically improve the aesthetics of the neighborhood. TBA Credit Union is a large supporter of the community. It frequently participates in volunteer activities and conducts member and community educational seminars. A new building will allow TBA Credit Union the opportunity to provide expanded meeting and community event space to the neighboring community. TBA Credit Union's mission is to serve the community by building trusted relationships, providing customized financial

products, advocating financial literacy, and encouraging volunteerism. Redevelopment of this Property will ultimately help TBA Credit Union to meet its goals and that of the community.

Attachment A includes site maps of the Eligible Property, refer to: Figure 1, Scaled Property Location Map, Figure 2, Eligible Property Boundary Map (which includes lot dimensions). The legal descriptions of the parcel(s) included in the Eligible Property are presented in Attachment B.

The parcel and all tangible real and personal property located thereon will comprise the Eligible Property and is referred to herein as the “Property.”

B. Basis of Eligibility (Section 13 (1)(h) , Section 2 (o))

The Property is considered “Eligible Property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property (gasoline station and restaurant); (b) it is located within the City of Traverse City, a qualified local governmental unit, or “Core Community” under Act 381; and (c) each of the parcels comprised by the Property has been determined to be a “facility.”

Parcel A contained railroad sidings and an associated platform from the 1910s to the 1970s, warehousing from the late 1920s to the 1970s, and a restaurant from the late 1970s until the late 2000s. Parcel B contained railroad sidings and a fruit warehouse from the 1910s to the late 1960s, a gasoline service station from the late 1960s to the early 2000s, and a produce stand from the mid-2000s to 2012.

On July 21, 2012 AKT Peerless completed a Phase I Environmental Site Assessment (ESA) for the Property on behalf of TBA Credit Union. Also in July 2012, AKT Peerless conducted a Phase II ESA on the Property. Prior subsurface investigations had been completed on the Property between 2001 and 2012 in association with the UST releases at 636 East Front Street. Based on analytical results obtained during the subsurface investigations conducted between 2001 and 2012, petroleum constituents (e.g., benzene, toluene, ethylbenzene, xylenes [BTEX], trimethylbenzene isomers [TMBs], etc.) were detected on the property at concentrations exceeding MDEQ Residential Cleanup Criteria (RCC).

On February 14 and 15, 2013, AKT Peerless conducted a Supplemental Phase II ESA including a soil gas evaluation to further evaluate contamination on the Property. Based on analytical results obtained during the 2013 Supplemental Phase II ESA, volatile including tetrachloroethylene and petroleum constituents (e.g., benzene, toluene, ethylbenzene, xylenes [BTEX], trimethylbenzene isomers [TMBs]) were detected in soil and groundwater on the property at concentrations exceeding MDEQ RCC and Non-Residential Cleanup Criteria (NRCC). Concentrations in soil were detected above the Groundwater-Surface Water Interface Protection (GSIP) criteria and Drinking Water Protection (DWP) criteria. Concentrations in groundwater were detected above the Groundwater-Surface Water Interface (GSI) criteria, Drinking Water (DW) criteria, and draft Groundwater Sump Concentrations for Vapor Intrusion (GSVI).

Therefore, Parcels A and B meet the definition of a “facility” as defined by Part 201 of NREPA, Michigan PA 451 of 1994, as amended.

A Restrictive Covenant (RC) for 636 East Front Street was submitted to the Register of Deeds by Blarney Castle in July 2012. The RC imposes requirements that users of the property must adhere to during redevelopment and future use. These RC requirements, along with the existing site conditions have created increased costs upon the proposed TBA Credit Union project. Excavation, dewatering, soil transportation and disposal, groundwater activities, storm water systems, engineered controls and vapor mitigation activities must be carefully managed during the redevelopment.

C. 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 BEA Activities (Phase I ESA, Phase II ESAs, and BEA), due care activities, additional response activities, preparation of Brownfield and Act 381 work plans, lead and asbestos survey and abatement, demolition site preparation, infrastructure improvements, and the reasonable costs of environmental insurance (see Table 1). Response activities will include a focus on the cleanup of a source area of hydrocarbon contamination beneath the former dispenser island located on the vacant gas station site. Contaminated groundwater has been detected migrating from this area to the north to the Sunset Park property. Although impacted groundwater migrating from this source area does not appear to be currently reaching Traverse Bay, the ability to access the contamination in the future would be significantly adversely affected by the development should plume migration conditions change in the future. Accordingly, the completion of this project represents a unique opportunity to accomplish long term environmental benefits and protect the water resources within the City of Traverse City.

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 table below. As shown, GTCBRA covers only 95% of eligible activity costs. The Developer is solely responsible for the remainder.

ESTIMATED COST OF REIMBURSIBLE ELIGIBLE ACTIVITIES

Description of Eligible Activities	Estimated Cost*
1. BEA Activities	\$ 36,011
2. Due Care Activities	\$ 695,373
3. Additional Response Activities	\$ 407,068
4. Environmental Insurance	\$ 50,000
5. Demolition	\$ 75,000
6. Lead & Asbestos Survey and Abatement	\$ 37,710
7. Site Preparation	\$ 554,849
8. Infrastructure Improvements	\$ 57,850
Subtotal \$	1,913,861
9. 15% Contingency**	\$ 281,677
10. GTCBRA Applications	\$ 30,470
11. Preparation of a Brownfield Plan	\$ 10,000
12. Preparation of Work Plans	\$ 20,000
Subtotal \$	2,256,008
13. GTCBRA 5% Withholding	\$ (112,800)
Subtotal \$	2,143,208
14. Interest***	\$ 565,026
15. LSRRF Deposits****	\$ 741,367
Total*****	\$ 3,449,600

*Estimated costs are subject to approval by MSF and MDEQ. Any costs not approved by the MSF or MDEQ may become local only costs paid out of captured tax increment revenues from locally levied millages (to the extent available).

**The contingency is applied to the Subtotal, excepting the BEA Activities, which have already been performed.

***Interest is calculated annually at 2.5% simple interest on unreimbursed eligible activities, in accordance with GTCBRA policy.

****LSRRF deposits will be made in accordance with Act 381.

*****Not including Authority administrative expenses

A detailed breakout 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 Attachment C, Table 1.

It is currently anticipated that construction will begin in June 2013 and be completed by December 2014.

The Developer desires 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 after approval of this Plan.

In accordance with this Plan and the associated Reimbursement Agreement, the amount advanced by the Developer will be repaid by the Authority, together with interest at the rate set at 2.5% simple interest, solely from the tax increment revenues realized from the Eligible Property. Payments will be made to the full extent incremental property tax revenues are or become available for such purpose under the Act. Based on the projected cost of eligible activities, interest reimbursement in this Plan is estimated at \$565,026. However, if the actual cost of eligible activities turns out to be lower than the above estimates, interest reimbursement may be lower, subject to the 2.5% simple interest calculation

Tax increment revenues will first be used to pay or reimburse administrative expenses in accordance with Act 381. Capture of tax increment revenue for administrative expenses may extend the developer's reimbursement period. The amount of school tax revenues, which will be used to reimburse the costs of implementing eligible activities at this site, will be limited to the cost of eligible activities approved by the MDEQ and the MSF, together with the interest rate provided above. In the event that the use of school tax revenues to reimburse specific eligible activities is not approved by the MDEQ or MSF, these specific activities will be reimbursed with local-only TIF (to the extent available).

The costs listed in the table above are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown 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 a Reimbursement Agreement with the Authority (the "Reimbursement Agreement"). No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement.

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(1)(c)); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(1)(g), Section 2(ii))

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. A table of estimated tax increment revenues to be captured is attached to this Plan as Attachment C, Table 2. Tax increment revenue capture is expected to begin in 2015.

The total estimated cost of the eligible activities and other costs (including contingency, interest, and LSRRF deposits) to be reimbursed through the capture of tax increment revenue is projected to be \$3,449,600. This total does not include administrative expenses, the capture of which may lengthen the reimbursement period. The estimated effective initial taxable value for this Plan is \$933,700, and is based on land and real property tax only. Redevelopment of the Property is expected to initially generate

incremental taxable value in 2014 with the first significant increase in taxable value of approximately \$547,144 beginning in 2014.

It is estimated that the Authority will capture the 2014 through 2040 tax increment revenues to reimburse the cost of the eligible activities, reimburse interest, and deposit into the LSRRF. This estimate does not include capture for administrative expenses, which could lengthen the reimbursement period. The reimbursement period shall not exceed 30 years.

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 and the actual millage rates levied by the various taxing jurisdictions during each year of the plan are shown in Attachment C, Table 2. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions.

E. Plan of Financing (Section 13(1)(d)); Maximum Amount of Indebtedness (Section 13(1)(e))

Eligible activities are to be financed by the Developer, who has applied for a MDEQ Brownfield Redevelopment Loan. The Authority will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the Property as available, and subject to the Reimbursement Agreement.

All reimbursements authorized under this Plan shall be governed by the Reimbursement 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 or the County to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

F. Local Site Remediation Revolving Fund (“LSRRF”) (Section 8, Section 13(1)(m))

The Authority has established a Local Site Remediation Revolving Fund (LSRRF). The Authority will capture incremental local and state school taxes to fund the LSRRF, to the extent allowed by law. The rate and schedule of incremental tax capture for the LSRRF will be determined on a case-by-case basis. Considerations may include, but not be limited to the following: total capture duration, total annual capture, project economic factors, level of existing LSRRF funding, projected need for LSRRF funds, and amount of school tax capture available in accordance with Act 381.

The amount of tax increment revenue authorized for capture and deposit in the LSRRF is estimated at \$741,367.

G. Duration of Plan (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. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

H. Effective Date of Inclusion in Brownfield Plan (Section 13(1)(f))

The Property will become a part of this Plan on the date this Plan is approved by the GTC BOC. The date of tax capture shall commence during the year construction begins or the immediate following year—as increment revenue becomes available, but the beginning date of tax capture shall not exceed five years beyond the date of the governing body resolution approving the Plan amendment.

I. Displacement/Relocation of Individuals on Eligible Property (Section 13(1)(i-l))

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

J. Other Information (Section 13(1)(n))

The tax capture breakdown of tax increment revenues anticipated to be reimbursed to the Developer through this Plan is summarized below.

There are 51.0058 non-homestead mills available for capture, with school millage equaling 24.0000 mills (48%) and local millage equaling 27.0058 mills (52%). 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 Activities, Interest, Contingency</u>
MSF/MDEQ School tax capture (47%)	\$ 1,413,559
MSF/MDEQ Local tax capture (53%)	\$ 1,256,227
Local-Only tax capture	\$ 38,447
TOTAL	\$ 2,708,233*

*Does not include capture for LSRRF or Authority administrative costs

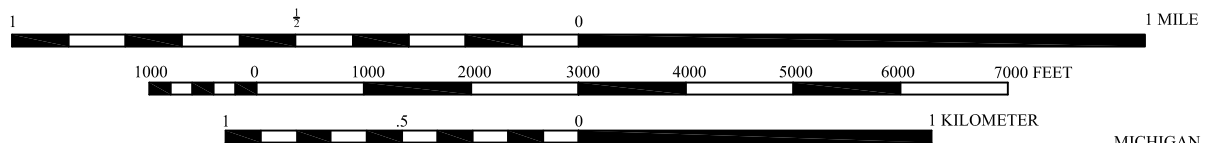
III. ATTACHMENTS

ATTACHMENT A
Site Maps and Photographs

TRAVERSE CITY SE QUADRANGLE
MICHIGAN - GRAND TRAVERSE COUNTY
7.5 MINUTE SERIES (TOPOGRAPHIC)



T. 27 N. - R.11 W.



CONTOUR INTERVAL 5 FEET
DATUM IS MEAN SEA LEVEL

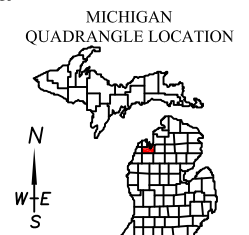


IMAGE TAKEN FROM 1983 U.S.G.S. TOPOGRAPHIC MAP

AKTPEERLESS

ILLINOIS

MICHIGAN
www.aktpeerless.com

OHIO

TOPOGRAPHIC LOCATION MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688b-5-25

DRAWN BY: JWB
DATE: 2/11/2013

FIGURE 1



ILLINOIS

MICHIGAN
www.aktpeerless.com

OHIO

ELIGIBLE PROPERTY BOUNDARY MAP

626 & 636 EAST FRONT STREET
TRAVERSE CITY, MICHIGAN
PROJECT NUMBER : 7688B-5-25

LEGEND

--- = ELIGIBLE PROPERTY BOUNDARY

DRAWN BY: JW B
DATE: 2/11/2013

0 35 70
SCALE: 1" = 70'±0

FIGURE 2



Photograph No. 1
View of Parcel A – Facing Southeast



Photograph No. 2
View of Western Parking Lot of Parcel A



Photograph No. 3
View of Southern Parking Lot of Parcel A



Photograph No. 4
View of Interior of Building 1



Photograph No. 5
View of Typical Drain in Kitchen of Building 1



Photograph No. 6
View of Building 2 – Facing Southeast



Photograph No. 7
View of Canopy North of Building 2



Photograph No. 8
View of Former Hoist in Building 2



Photograph No. 9
View of Former UST Area



Photograph No. 10
View of Former Waste Oil UST Area

ATTACHMENT B

Legal Descriptions



Traverse City

Tax Parcel Viewer

28-51-102-006-00

Date Current As Of: 2/26/2013

Property Photos**Tax Map****Property Address**

636 E FRONT ST
TRAVERSE CITY, MI 49686

Owner Information

TBA CREDIT UNION
537 BAY STREET
TRAVERSE CITY, MI, 49684

2013 Assessment Information

Assessed Value:	\$219,400.00	Current Class:	200
Taxable Value:	\$219,400.00		
Principal Residence Exemption:	0%		

Building Information
Commercial: Year Built: 1969 Floor Area: 1269 Sq.Ft

Tax Description
THT PRT OF GOV LOT 3 SEC 2 T27N R11W DES AS COM AT SW COR FRONT & HOPE STS TH S 63.35 FT TH SW'LY 213.49 FT TH N 1 DEG 48'59" W 176.38 FT TH E 180.35 FT TO POB

Sales
11/4/1985 8/2/2012
<div> <div>LAND CONTRACT</div> <ul style="list-style-type: none"> • Sale Date: 11/4/1985 • Sale Price: \$225,000.00 • Grantee: BLARNEY CASTLE OIL CO • Grantor: STEVENS MARVA TRUST ET AL • Liber/Page: 1066/472 </div>

Land
Total Acres: 0.50 Approximate Dimensions: 100.00' X 120.00'

Disclaimer: The information contained herein reflects the information contained in the City's assessing database files as of its last update. The City does not however make any representations as to the accuracy, completeness, or timeliness of this information, and shall not be liable for any loss caused by reliance upon it. Errors or omissions shall not affect actual taxes or special assessments that are due and payable. Reliance upon any information obtained is done at your own risk.



Traverse City

Tax Parcel Viewer

28-51-102-003-10

Date Current As Of: 2/26/2013

Property Photos**Tax Map****Property Address**

626 E FRONT ST
TRAVERSE CITY, MI 49686

Owner Information

TBA CREDIT UNION
537 BAY STREET
TRAVERSE CITY, MI, 49684

2013 Assessment Information

Assessed Value:	\$714,300.00	Current Class:	200
Taxable Value:	\$714,300.00		

Principal Residence Exemption:	0%
Building Information	
Commercial: Year Built: 1978	Floor Area: 4573 Sq.Ft
Tax Description	
<p>THT PRT SEC 2 T27N R11W DES AS COM AT SW COR OF FRONT & HOPE STS TH S 88° 11' 01" W 180.35 FT TO POB; TH S 88° 11' 01" W, 165 FT; TH S 1° 48' 59" E, 222.71 FT; TH N 88° 11' 01" E, 45.57 FT; TH NE'LY 52.11 FT ALG THE ARC OF A 330.55 FT RADIUS CURVE TO THE LEFT, THE LONG CHORD OF WHICH BEARS N 74° 07' 13" E, 52.11 FT; TH SW'LY 18.6 FT, ALONG THE ARC OF A 320.39 FT RADIUS CURVE TO THE RIGHT, THE LONG CHORD OF WHICH BEARS S 45° 16' 56" W, 18.6 FT; TH N 88° 11' 01" E 52.93 FT; TH NE'LY 36.72 FT, ALG THE ARC OF A 336.26 FT RADIUS CURVE TO THE RIGHT, THE LONG CHORD OF WHICH BEARS N 51° 50' 15" E 36.72 FT; TH N 1 DEG 48' 59" W 200.95 FT TO POB. SUBJECT TO EASEMENT AGREEMENTS REC IN L:445 P:516 TO 532</p>	
Sales	
8/2/2012	
<p>ARMS-LENGTH</p> <ul style="list-style-type: none"> • Sale Date: 8/2/2012 • Sale Price: \$1,450,000.00 • Grantee: TBA CREDIT UNION • Grantor: MUGERIAN PROPERTIES LLC • Liber/Page: 2012R-14893WD 	
Land	
Total Acres:	0.84
Approximate Dimensions:	165.00' X 222.00'

Disclaimer: The information contained herein reflects the information contained in the City's assessing database files as of its last update. The City does not however make any representations as to the accuracy, completeness, or timeliness of this information, and shall not be liable for any loss caused by reliance upon it. Errors or omissions shall not affect actual taxes or special assessments that are due and payable. Reliance upon any information obtained is done at your own risk.

ATTACHMENT C

Tables

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Brownfield Plan, Last Revision March 26, 2013

ENVIRONMENTAL ELIGIBLE ACTIVITIES (MDEQ)		REQUESTED ESTIMATES			
ACTIVITY	TOTAL COST	LOCAL-ONLY REVENUES COST	STATE / LOCAL REVENUES COST	MDEQ Loan	TBA Credit Union
BEA Environmental Assessment Activities					
Phase I Environmental Site Assessment (ESA)	\$2,000		\$2,000		\$2,000
Phase II ESA	\$13,211		\$13,211		\$13,211
Supplemental Phase II ESA Site Investigations	\$19,000		\$19,000		\$19,000
Baseline Environmental Assessment (BEA)	\$1,800		\$1,800		\$1,800
BEA Environmental Assessment Activities Total	\$36,011	\$0	\$36,011		
Section 7a Compliance Analysis (Due Care Plan) and Due Care Activities					
Due Care Plans - Pre, During and Post Construction					
Pre-Construction Due Care Plan	\$1,800		\$1,800		\$1,800
Environmental Construction Management Due Care Plan	\$10,000		\$10,000	\$10,000	
Post-Construction Due Care Plan	\$2,500		\$2,500	\$2,500	
Dewatering					
Dewatering-Frac Tank and Carbon Filter with Aration, Chemical Precipitation and Oxidation (if necessary) (also includes operator and pump for 90 days)	\$132,825		\$132,825	\$132,825	
Dewatering-Analytical	\$5,000		\$5,000	\$5,000	
Dewatering-Disposal of groundwater during construction activities	\$163,350		\$163,350	\$163,350	
Dewatering-Reporting & Management	\$3,000		\$3,000	\$3,000	
Soil Management (Foundations)					
Excavation	\$49,778		\$49,778	\$49,778	
Trucking	\$33,185		\$33,185	\$33,185	
Disposal	\$145,185		\$145,185	\$145,185	
Shooters Property Chromium-Contaminated Soil					
Excavation	\$600		\$600	\$600	
Trucking	\$400		\$400	\$400	
Disposal	\$1,750		\$1,750	\$1,750	
On-Site Environmental Construction Management	\$37,500		\$37,500	\$37,500	
Environmental Project Management	\$15,000		\$15,000	\$15,000	
Due Care - Impervious Asphalt	\$70,000		\$70,000	\$70,000	
Temporary Truck Wash Facility	\$3,000		\$3,000	\$3,000	
Other Specific & Unique Activities due to the Brownfield Conditions					
Existing Monitoring Well Abandonment	\$5,000		\$5,000	\$5,000	
Installation of Monitoring Wells	\$8,000		\$8,000	\$8,000	
Health and Safety Plans (HASPs, up to 3 at \$2,500 each)	\$7,500		\$7,500	\$7,500	
Section 7a Compliance Analysis (Due Care Plan) and Due Care Activities Total	\$695,373	\$0	\$695,373		
Additional Response Activities					
Vapor Barrier (Passive Venting)					
Design Vapor Barrier System with Waterproof membrane - including MDEQ approval	\$35,000		\$35,000	\$35,000	
Monolithic Foundation (incremental increase over typical foundation)	\$66,000		\$66,000	\$66,000	
Xypex Concrete Additive of Foundation Waterproofing	\$33,880		\$33,880	\$33,880	
Vapor Barrier/install and oversight	\$169,188		\$169,188	\$169,188	
Vapor Installation Oversight	\$18,750		\$18,750	\$18,750	
Post-Construction Waterproofing - Vapor Barrier QA/QC Inspection	\$15,000		\$15,000	\$15,000	
Passive Vapor trench with piping, if determined necessary by MDEQ	\$15,000		\$15,000	\$15,000	
Rain Gardens - Environmental Portion - Any green space, including the public ROW					
Liners	\$40,000		\$40,000	\$40,000	
Piping	\$2,250		\$2,250	\$2,250	
Seals & Gaskets	\$2,000		\$2,000	\$2,000	
Materials above Liners	\$10,000		\$10,000	\$10,000	
Other Specific & Unique Activities due to the Brownfield Conditions					
Additional Response Activities Total	\$407,068		\$407,068		
Environmental Insurance					
Reasonable Costs of Environmental Insurance	\$50,000		\$50,000		\$50,000
ENVIRONMENTAL ELIGIBLE ACTIVITIES (MDEQ) GRAND TOTAL	\$1,188,452		\$1,188,452		

GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Brownfield Plan, Last Revision March 26, 2013

NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES (MEDC)		REQUESTED ESTIMATES			
ACTIVITY	TOTAL COST	LOCAL-ONLY REVENUES COST	STATE / LOCAL REVENUES COST		
Demolition (County-wide)					
Site Demolition	\$55,000		\$55,000	\$55,000	
Building Demolition	\$20,000		\$20,000	\$20,000	
Demolition Total	\$75,000	\$0	\$75,000		
Lead & Asbestos Abatement (County-wide)					
Asbestos and Lead Paint Survey	\$5,000		\$5,000		\$5,000
Asbestos and Lead Paint Abatement	\$32,710		\$32,710		\$32,710
Lead & Asbestos Abatement Total	\$37,710	\$0	\$37,710		
Site Preparation (a) (City of Traverse City Only)					
Geotechnical Engineering	\$10,000		\$10,000		\$10,000
Temporary Construction Access and/or Roads	\$2,000		\$2,000		\$2,000
Temporary Erosion Control-Silt Fencing	\$5,000		\$5,000		\$5,000
Temporary Erosion Control-Sediment Bags	\$2,000		\$2,000		\$2,000
Temporary Site Control	\$10,000		\$10,000		\$10,000
Soil Management (from MSF Excavation for Unstable Material)					
Excavation	\$51,894		\$51,894		\$51,894
Trucking	\$34,596		\$34,596		\$34,596
Disposal	\$151,358		\$151,358		\$151,358
Soil Management (from MSF Utility Relocation and rain garden soil removal)					
Excavation					
Soil Transportation	\$8,520		\$8,520		\$8,520
Soil Disposal	\$37,275		\$37,275		\$37,275
Fill	\$36,166		\$36,166		\$36,166
Compaction & Sub-base Preparation (related to Eligible Activities)	\$29,240		\$29,240		\$29,240
Dewatering (Install and operate dewatering points)					
Set-Up and Operation (first two weeks)	\$6,800		\$6,800		\$6,800
Set-Up and Operation (remaining weeks)	\$7,000		\$7,000		\$7,000
Monitoring	\$30,000		\$30,000		\$30,000
Relocation of Existing (Active) Utilities	\$20,000		\$20,000		\$20,000
Alternative Green Stormwater Management Practices-Excavation, backfill above filtration materials, landscaping on top, design & engineering	\$17,500		\$17,500		\$17,500
Temporary Sheet piling/Shoring	\$60,500		\$60,500		\$60,500
Soft Costs--so long as they are directly associated with Site Preparation activities (including engineering and design), professional fees and costs (does not include legal/attorney fees).	\$35,000		\$35,000		\$35,000
Other Specific & Unique Activities due to the Brownfield Conditions					
Site Preparation Total	\$554,849	\$0	\$554,849		
Infrastructure Improvements (City of Traverse City Only)					
Approaches	\$15,000		\$15,000		\$15,000
Curbs and Gutter	\$7,200		\$7,200		\$7,200
Sidewalks	\$4,050		\$4,050		\$4,050
Landscaping	\$15,000		\$15,000		\$15,000
Stormwater Piping	\$1,200		\$1,200		\$1,200
Surface Water Capture Engineering	\$5,000		\$5,000		\$5,000
Catch Basins	\$2,400		\$2,400		\$2,400
Transformer Pole	\$8,000		\$8,000		\$8,000
Infrastructure Improvements Total	\$57,850	\$0	\$57,850		
NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES (MEDC) GRAND TOTAL	\$725,408	\$0	\$725,408		
Brownfield Plan and Act 381 Work Plan Preparation					
GTCBRA Applications	\$9,970	\$9,970			\$9,970
Brownfield Plan	\$10,000		\$10,000		\$10,000
Act 381 Work Plan-MSF & MDEQ	\$20,000	\$10,000	\$10,000		\$20,000
Brownfield Plan and Act 381 Work Plan Preparation Total	\$39,970	\$19,970	\$20,000		
15% Contingency on Eligible Activities	\$281,677	\$0	\$281,677	\$176,346	\$105,331
GTCBRA Administration & Application Fees	\$20,500	\$20,500			\$20,500
ELIGIBLE ACTIVITIES GRAND TOTAL	\$2,256,008	\$40,470	\$2,215,538	\$1,351,987	\$904,020
GTCBRA COVERED ELIGIBLE ACTIVITIES = 95% OF GRAND TOTAL (b)	\$2,143,207	\$38,447	\$2,104,761		
Interest	\$565,026		\$565,026		
Total Developer Reimbursement	\$2,708,233	\$38,447	\$2,669,787		

**GRAND TRAVERSE COUNTY BROWNFIELD REDEVELOPMENT AUTHORITY
PA 381 ELIGIBLE ACTIVITY CONSIDERATION TABLE
Brownfield Plan, Last Revision March 26, 2013**

NOTES:

(a) The following NON-ENVIRONMENTAL MSF ELIGIBLE ACTIVITIES have been historically deemed eligible by the Michigan Economic Development Corporation (MEDC) but are NOT considered eligible by the GTCBRA. These activities are typical expenses found at any development or redevelopment site and will not be allowed as an Eligible Activity expense.

In-Eligible Site Preparation Activity Expenses

Construction Staking Related to Infrastructure Improvements, Site Preparation Activities, or Demolition

Clearing & Grubbing

Temporary Facility

Temporary Traffic Control

Legal/Attorney Fees

(b) GTCBRA will cover 95% of approved Eligible Activity expenses per the Development Agreement. The applicant shall be responsible for 5% of the Eligible Activity expenses.

Table 2 - Tax Increment Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381	
MDEQ Eligible Activities and Interest	\$ 1,652,478
MSF Eligible Activities and Interest	\$ 1,017,308
Local-Only Expense	\$ 38,447
Local Site Remediation Fund Capture (2)	\$ 741,367
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600

Loan Incentives	
LSRF	
EPA RLF	\$ -

KEY: USER INPUT Check Cell Comments Automatic

Plan Year		1	2	3	4	5	6	7	8	9
Actual Year		2014	2015	2016	2017	2018	2019	2020	2021	2022
Base (Existing) Taxable Value Non-Homestead (TV):		\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700
New TV for Non-Homestead (3)		\$ 1,480,844	\$ 2,027,988	\$ 2,575,133	\$ 2,652,386	\$ 2,731,958	\$ 2,813,917	\$ 2,898,334	\$ 2,985,284	\$ 3,074,843
Incremental Difference Non-Homestead (New TV - Existing)		\$ 547,144	\$ 1,094,288	\$ 1,641,433	\$ 1,718,686	\$ 1,798,258	\$ 1,880,217	\$ 1,964,634	\$ 2,051,584	\$ 2,141,143
Base (Existing) Taxable Value Homestead (TV):		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New TV for Homestead (4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Difference Homestead (New TV - Existing)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCREMENT		\$ 547,144	\$ 1,094,288	\$ 1,641,433	\$ 1,718,686	\$ 1,798,258	\$ 1,880,217	\$ 1,964,634	\$ 2,051,584	\$ 2,141,143
STATE CAPTURE		1	2	3	4	5	6	7	8	9
Millage Rate		2014	2015	2016	2017	2018	2019	2020	2021	2022
State Education Tax (SET, less 3 for BRF)		3.0000	\$ 1,641	\$ 3,283	\$ 4,924	\$ 5,156	\$ 5,395	\$ 5,641	\$ 5,894	\$ 6,155
School Operating (NA to Homestead)		18.0000	\$ 9,849	\$ 19,697	\$ 29,546	\$ 30,936	\$ 32,369	\$ 33,844	\$ 35,363	\$ 36,929
State Total to Reimbursables		21.0000	\$ 11,490	\$ 22,980	\$ 34,470	\$ 36,092	\$ 37,763	\$ 39,485	\$ 41,257	\$ 43,083
Accumulated State Total to Reimbursables			\$ 11,490	\$ 34,470	\$ 68,940	\$ 105,033	\$ 142,796	\$ 182,281	\$ 223,538	\$ 266,621
State Brownfield Redevelopment Fund (BRF)		3.0000	\$ 1,641	\$ 3,283	\$ 4,924	\$ 5,156	\$ 5,395	\$ 5,641	\$ 5,894	\$ 6,155
State BRF Accumulated Capture			\$ 1,641	\$ 4,924	\$ 9,849	\$ 15,005	\$ 20,399	\$ 26,040	\$ 31,934	\$ 38,089
LOCAL CAPTURE		1	2	3	4	5	6	7	8	9
Millage Rate		2014	2015	2016	2017	2018	2019	2020	2021	2022
TBA- ISD		2.9312	\$ 1,604	\$ 3,208	\$ 4,811	\$ 5,038	\$ 5,271	\$ 5,511	\$ 5,759	\$ 6,014
County		6.2433	\$ 3,416	\$ 6,832	\$ 10,248	\$ 10,730	\$ 11,227	\$ 11,739	\$ 12,266	\$ 12,809
NMC		2.9400	\$ 1,609	\$ 3,217	\$ 4,826	\$ 5,053	\$ 5,287	\$ 5,528	\$ 5,776	\$ 6,032
TADL		1.1092	\$ 607	\$ 1,214	\$ 1,821	\$ 1,906	\$ 1,995	\$ 2,086	\$ 2,179	\$ 2,276
Local Unit Rate (Note need twp and village separate lines)		13.4367	\$ 7,352	\$ 14,704	\$ 22,055	\$ 23,093	\$ 24,163	\$ 25,264	\$ 26,398	\$ 27,567
BATA		0.3454	\$ 189	\$ 378	\$ 567	\$ 594	\$ 621	\$ 649	\$ 679	\$ 709
LOCAL - Total Capture		27.0058	\$ 14,776	\$ 29,552	\$ 44,328	\$ 46,415	\$ 48,563	\$ 50,777	\$ 53,057	\$ 55,405
Local - Accumulated Capture to Reimbursables			\$ 14,776	\$ 44,328	\$ 88,656	\$ 135,071	\$ 183,634	\$ 234,411	\$ 287,468	\$ 342,872
TOTAL TAX CAPTURE			\$ 51,0058	\$ 27,908	\$ 55,815	\$ 83,723	\$ 87,663	\$ 91,722	\$ 95,902	\$ 100,208
Accumulated for State BRF			\$ 1,641	\$ 4,924	\$ 9,849	\$ 15,005	\$ 20,399	\$ 26,040	\$ 31,934	\$ 38,089
Accumulated for Reimbursement to Developer, Admin & LSRRF			\$ 26,266	\$ 78,798	\$ 157,597	\$ 240,103	\$ 326,430	\$ 416,692	\$ 511,005	\$ 609,493
Accumulated Total Tax Capture			\$ 27,908	\$ 83,723	\$ 167,445	\$ 255,108	\$ 346,830	\$ 442,732	\$ 542,939	\$ 647,582

TOTAL CAPTURE	Amount	Percent
State (less BRF)	\$ 1,609,533	44%
Local	\$ 2,069,844	56%

(1) GTCBRA Policy does NOT consider all allowable MEGA activities, and will only reimburse up to 95% of the grand total.

- (2) After the developer has been repaid, collection of state taxes can be 5 years or up to the amount approved by the MDEQ for eligible activities. Local tax can be captured for up to five years after repayment is complete. State approved MEGA activities cannot be captured into the LSRF, only DEQ activities.
- (3) Increased 3% per year to adjust for inflation
- (4) Not applicable to 18 Mill School Operating tax
- (5) Not including Authority administrative expenses

Table 2 - Tax Increment Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381	
MDEQ Eligible Activities and Interest	\$ 1,652,478
MSF Eligible Activities and Interest	\$ 1,017,308
Local-Only Expense	\$ 38,447
Local Site Remediation Fund Capture (2)	\$ 741,367
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600

State/Local Millages			
	Millage	Percentage	Eligible Cost
Local	27.0058	52.95%	\$ 1,452,006
State	24.0000	47.05%	\$ 1,256,227

		Plan Year	10	11	12	13	14	15	16	17	18
		Actual Year	2023	2024	2025	2026	2027	2028	2029	2030	2031
Base (Existing) Taxable Value Non-Homestead (TV):			\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700
New TV for Non-Homestead (3)			\$ 3,167,088	\$ 3,262,101	\$ 3,359,964	\$ 3,460,763	\$ 3,564,586	\$ 3,671,523	\$ 3,781,669	\$ 3,895,119	\$ 4,011,973
Incremental Difference Non-Homestead (New TV - Existing)			\$ 2,233,388	\$ 2,328,401	\$ 2,426,264	\$ 2,527,063	\$ 2,630,886	\$ 2,737,823	\$ 2,847,969	\$ 2,961,419	\$ 3,078,273
Base (Existing) Taxable Value Homestead (TV):			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New TV for Homestead (4)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Difference Homestead (New TV - Existing)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCREMENT			\$ 2,233,388	\$ 2,328,401	\$ 2,426,264	\$ 2,527,063	\$ 2,630,886	\$ 2,737,823	\$ 2,847,969	\$ 2,961,419	\$ 3,078,273
			10	11	12	13	14	15	16	17	18
		Millage Rate	2023	2024	2025	2026	2027	2028	2029	2030	2031
State Education Tax (SET, less 3 for BRF)		3.0000	\$ 6,700	\$ 6,985	\$ 7,279	\$ 7,581	\$ 7,893	\$ 8,213	\$ 8,544	\$ 8,884	\$ 9,235
School Operating (NA to Homestead)		18.0000	\$ 40,201	\$ 41,911	\$ 43,673	\$ 45,487	\$ 47,356	\$ 49,281	\$ 51,263	\$ 53,306	\$ 55,409
State Total to Reimbursables		21.0000	\$ 46,901	\$ 48,896	\$ 50,952	\$ 53,068	\$ 55,249	\$ 57,494	\$ 59,807	\$ 62,190	\$ 64,644
Accumulated State Total to Reimbursables			\$ 358,486	\$ 407,383	\$ 458,334	\$ 511,403	\$ 566,651	\$ 624,145	\$ 683,953	\$ 746,143	\$ 810,786
State Brownfield Redevelopment Fund (BRF)		3.0000	\$ 6,700	\$ 6,985	\$ 7,279	\$ 7,581	\$ 7,893	\$ 8,213	\$ 8,544	\$ 8,884	\$ 9,235
State BRF Accumulated Capture			\$ 51,212	\$ 58,198	\$ 65,476	\$ 73,058	\$ 80,950	\$ 89,164	\$ 97,708	\$ 106,592	\$ 115,827
			10	11	12	13	14	15	16	17	18
		Millage Rate	2023	2024	2025	2026	2027	2028	2029	2030	2031
TBA- ISD		2.9312	\$ 6,547	\$ 6,825	\$ 7,112	\$ 7,407	\$ 7,712	\$ 8,025	\$ 8,348	\$ 8,681	\$ 9,023
County		6.2433	\$ 13,944	\$ 14,537	\$ 15,148	\$ 15,777	\$ 16,425	\$ 17,093	\$ 17,781	\$ 18,489	\$ 19,219
NMC		2.9400	\$ 6,566	\$ 6,845	\$ 7,133	\$ 7,430	\$ 7,735	\$ 8,049	\$ 8,373	\$ 8,707	\$ 9,050
TADL		1.1092	\$ 2,477	\$ 2,583	\$ 2,691	\$ 2,803	\$ 2,918	\$ 3,037	\$ 3,159	\$ 3,285	\$ 3,414
Local Unit Rate (Note need twp and village separate lines		13.4367	\$ 30,009	\$ 31,286	\$ 32,601	\$ 33,955	\$ 35,350	\$ 36,787	\$ 38,267	\$ 39,792	\$ 41,362
BATA		0.3454	\$ 771	\$ 804	\$ 838	\$ 873	\$ 909	\$ 946	\$ 984	\$ 1,023	\$ 1,063
LOCAL - Total Capture		27.0058	\$ 60,314	\$ 62,880	\$ 65,523	\$ 68,245	\$ 71,049	\$ 73,937	\$ 76,912	\$ 79,975	\$ 83,131
Local - Accumulated Capture to Reimbursables			\$ 461,010	\$ 523,890	\$ 589,413	\$ 657,659	\$ 728,708	\$ 802,645	\$ 879,557	\$ 959,532	\$ 1,042,663
TOTAL TAX CAPTURE		\$ 51,0058	\$ 113,916	\$ 118,762	\$ 123,754	\$ 128,895	\$ 134,190	\$ 139,645	\$ 145,263	\$ 151,050	\$ 157,010
Accumulated for State BRF			\$ 51,212	\$ 58,198	\$ 65,476	\$ 73,058	\$ 80,950	\$ 89,164	\$ 97,708	\$ 106,592	\$ 115,827
Accumulated for Reimbursement to Developer, Admin & LSRF			\$ 819,496	\$ 931,273	\$ 1,047,748	\$ 1,169,061	\$ 1,295,359	\$ 1,426,791	\$ 1,563,510	\$ 1,705,675	\$ 1,853,450
Accumulated Total Tax Capture			\$ 870,709	\$ 989,471	\$ 1,113,224	\$ 1,242,119	\$ 1,376,309	\$ 1,515,954	\$ 1,661,217	\$ 1,812,267	\$ 1,969,276

(1) GTCBRA Policy does NOT consider all allowable MEGA activities, and will only reimburse up to 95% of the grand total.

(2) After the developer has been repaid, collection of state taxes can be 5 years or up to the amount approved by the MDEQ for eligible activities. Local tax can be captured for up to five years after repayment is complete. State approved MEGA activities cannot be captured into the LSRF, only DEQ activities.

(3) Increased 3% per year to adjust for inflation

(4) Not applicable to 18 Mill School Operating tax

(5) Not including Authority administrative expenses

Table 2 - Tax Increment Financing Estimates

Project Name: TBA Credit Union
Traverse City

Eligible Expenses for Reimbursement under ACT 381	
MDEQ Eligible Activities and Interest	\$ 1,652,478
MSF Eligible Activities and Interest	\$ 1,017,308
Local-Only Expense	\$ 38,447
Local Site Remediation Fund Capture (2)	\$ 741,367
Total Eligible Costs for TIF Reimbursement (5)	\$ 3,449,600

		Developer Repaid						END					
Plan Year		19	20	21	22	23	24	25	26	27	28	29	30
Actual Year		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Base (Existing) Taxable Value Non-Homestead (TV):		\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700	\$ 933,700
New TV for Non-Homestead (3)		\$ 4,132,332	\$ 4,256,302	\$ 4,383,991	\$ 4,515,510	\$ 4,650,976	\$ 4,790,505	\$ 4,934,220	\$ 5,082,247	\$ 5,234,714	\$ 5,391,756	\$ 5,553,508	\$ 5,720,114
Incremental Difference Non-Homestead (New TV - Existing)		\$ 3,198,632	\$ 3,322,602	\$ 3,450,291	\$ 3,581,810	\$ 3,717,276	\$ 3,856,805	\$ 4,000,520	\$ 4,148,547	\$ 4,301,014	\$ 4,458,056	\$ 4,619,808	\$ 4,786,414
Base (Existing) Taxable Value Homestead (TV):		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New TV for Homestead (4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incremental Difference Homestead (New TV - Existing)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCREMENT		\$ 3,198,632	\$ 3,322,602	\$ 3,450,291	\$ 3,581,810	\$ 3,717,276	\$ 3,856,805	\$ 4,000,520	\$ 4,148,547	\$ 4,301,014	\$ 4,458,056	\$ 4,619,808	\$ 4,786,414
		19	20	21	22	23	24	25	26	27	28	29	30
		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
STATE CAPTURE	Millage Rate												
State Education Tax (SET, less 3 for BRF)	3.0000	\$ 9,596	\$ 9,968	\$ 10,351	\$ 10,745	\$ 11,152	\$ 11,570	\$ 12,002	\$ 12,446	\$ 12,903	\$ 13,374	\$ 13,859	\$ 14,359
School Operating (NA to Homestead)	18.0000	\$ 57,575	\$ 59,807	\$ 62,105	\$ 64,473	\$ 66,911	\$ 69,422	\$ 72,009	\$ 74,674	\$ 77,418	\$ 80,245	\$ 83,157	\$ 86,155
State Total to Reimbursables	21.0000	\$ 67,171	\$ 69,775	\$ 72,456	\$ 75,218	\$ 78,063	\$ 80,993	\$ 84,011	\$ 87,119	\$ 90,321	\$ 93,619	\$ 97,016	\$ 100,515
Accumulated State Total to Reimbursables		\$ 877,958	\$ 947,732	\$ 1,020,188	\$ 1,095,406	\$ 1,173,469	\$ 1,254,462	\$ 1,338,473	\$ 1,425,592	\$ 1,515,914	\$ 1,609,533	\$ 1,706,549	\$ 1,807,064
State Brownfield Redevelopment Fund (BRF)	3.0000	\$ 9,596	\$ 9,968	\$ 10,351	\$ 10,745	\$ 11,152	\$ 11,570	\$ 12,002	\$ 12,446	\$ 12,903	\$ 13,374	\$ 13,859	\$ 14,359
State BRF Accumulated Capture		\$ 125,423	\$ 135,390	\$ 145,741	\$ 156,487	\$ 167,638	\$ 179,209	\$ 191,210	\$ 203,656	\$ 216,559	\$ 229,933	\$ 243,793	\$ 258,152
		19	20	21	22	23	24	25	26	27	28	29	30
		2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
LOCAL CAPTURE	Millage Rate												
TBA- ISD	2.9312	\$ 9,376	\$ 9,739	\$ 10,113	\$ 10,499	\$ 10,896	\$ 11,305	\$ 11,726	\$ 12,160	\$ 12,607	\$ 13,067	\$ 13,542	\$ 14,030
County	6.2433	\$ 19,970	\$ 20,744	\$ 21,541	\$ 22,362	\$ 23,208	\$ 24,079	\$ 24,976	\$ 25,901	\$ 26,853	\$ 27,833	\$ 28,843	\$ 29,883
NMC	2.9400	\$ 9,404	\$ 9,768	\$ 10,144	\$ 10,531	\$ 10,929	\$ 11,339	\$ 11,762	\$ 12,197	\$ 12,645	\$ 13,107	\$ 13,582	\$ 14,072
TADL	1.1092	\$ 3,548	\$ 3,685	\$ 3,827	\$ 3,973	\$ 4,123	\$ 4,278	\$ 4,437	\$ 4,602	\$ 4,771	\$ 4,945	\$ 5,124	\$ 5,309
Local Unit Rate (Note need twp and village separate lines	13.4367	\$ 42,979	\$ 44,645	\$ 46,361	\$ 48,128	\$ 49,948	\$ 51,823	\$ 53,754	\$ 55,743	\$ 57,791	\$ 59,902	\$ 62,075	\$ 64,314
BATA	0.3454	\$ 1,105	\$ 1,148	\$ 1,192	\$ 1,237	\$ 1,284	\$ 1,332	\$ 1,382	\$ 1,433	\$ 1,486	\$ 1,540	\$ 1,596	\$ 1,653
LOCAL - Total Capture	27.0058	\$ 86,382	\$ 89,730	\$ 93,178	\$ 96,730	\$ 100,388	\$ 104,156	\$ 108,037	\$ 112,035	\$ 116,152	\$ 120,393	\$ 124,762	\$ 129,261
Local - Accumulated Capture to Reimbursables		\$ 1,129,045	\$ 1,218,775	\$ 1,311,952	\$ 1,408,682	\$ 1,509,070	\$ 1,613,226	\$ 1,721,263	\$ 1,833,298	\$ 1,949,451	\$ 2,069,844	\$ 2,194,606	\$ 2,323,867
TOTAL TAX CAPTURE	51.0058	\$ 163,149	\$ 169,472	\$ 175,985	\$ 182,693	\$ 189,603	\$ 196,719	\$ 204,050	\$ 211,600	\$ 219,377	\$ 227,387	\$ 235,637	\$ 244,135
Accumulated for State BRF		\$ 125,423	\$ 135,390	\$ 145,741	\$ 156,487	\$ 167,638	\$ 179,209	\$ 191,210	\$ 203,656	\$ 216,559	\$ 229,933	\$ 243,793	\$ 258,152
Accumulated for Reimbursement to Developer, Admin & LSRF		\$ 2,007,003	\$ 2,166,507	\$ 2,332,141	\$ 2,504,088	\$ 2,682,539	\$ 2,867,688	\$ 3,059,736	\$ 3,258,891	\$ 3,465,364	\$ 3,679,377	\$ 3,901,155	\$ 4,130,930
Accumulated Total Tax Capture		\$ 2,132,425	\$ 2,301,897	\$ 2,477,882	\$ 2,660,575	\$ 2,850,178	\$ 3,046,897	\$ 3,250,947	\$ 3,462,547	\$ 3,681,923	\$ 3,909,310	\$ 4,144,947	\$ 4,389,082

LSRF TABLE		Year 1 of LSRF	Year 2 LSRF	Year 3 LSRF	Year 4 LSRF	Year 5 LSRF	Total
	Local taxes to LSRF	\$ 57,064	\$ 100,388	\$ 104,156	\$ 108,037	\$ 112,035	\$ 481,680
	State Taxes to LSRF Not To Exceed:	\$ 777,548		\$ 82,246	\$ 87,119	\$ 90,321	\$ 259,687
	Total	\$ 57,064	\$ 100,388	\$ 186,402	\$ 195,157	\$ 202,356	\$ 741,367
	Accumulated	\$ 57,064	\$ 157,452	\$ 343,854	\$ 539,011	\$ 741,367	

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(2) After the developer has been repaid, collection of state taxes can be 5 years or up to the amount approved by the MDEQ for eligible activities. Local tax can be captured for up to five years after repayment is complete. State approved MEGA activities cannot be captured into the LSRF, only DEQ activities.
(3) Increased 3% per year to adjust for inflation
(4) Not applicable to 18 Mill School Operating tax
(5) Not including Authority administrative expenses

Attachment B
Supplemental Material

Engineer's Letter
(To be send under separate cover)