



**CITY OF MADISON HEIGHTS**

**CITY HALL - EXECUTIVE CONFERENCE ROOM, 300 W. 13 MILE RD.**

**JOINT BRA & DDA MEETING AGENDA**

**JANUARY 16, 2024 AT 8:00 AM**

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**CALL TO ORDER**

**ROLL CALL**

**ADDITIONS/DELETIONS**

**APPROVAL OF MINUTES**

- [1.](#) DDA Informational Meeting Minutes 11-14-23
- [2.](#) Regular DDA Meeting Minutes 11-14-24

**MEETING OPEN TO THE PUBLIC**

**UNFINISHED BUSINESS**

**NEW BUSINESS**

- [3.](#) 29448 John R Rd Brownfield Plan
- [4.](#) DDA FY 24-25 Budget

**REPORTS**

- [5.](#) Update on Ongoing Projects
- [6.](#) Finance Report

NOTICE: Persons with disabilities needing accommodations for effective participation through electronic means in this meeting should contact the City Clerk at (248) 583-0826 or by email: [clerks@madison-heights.org](mailto:clerks@madison-heights.org) at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

**ADJOURNMENT**

Downtown Development Authority Informational Meeting  
Madison Heights, Michigan  
November 14, 2023

A Downtown Development Authority Informational Meeting was held on Tuesday, November 14, 2023 at 8:53 AM at City Hall - Executive Conference Room, 300 W. 13 Mile Rd.

**PRESENT**

Chair Michael Van Buren

**OTHERS PRESENT**

Community and Economic Development Director Giles Tucker  
City Clerk Cheryl Rottmann

**MEETING OPEN TO THE PUBLIC:**

There were no members of the public wishing to speak.

**DDA INFORMATIONAL MEETING PRESENTATION:**

C.E.D. Supervisor Tucker stated that this is the DDA's second of two annual informational meetings in compliance with Public Act 57 of 2018. He briefly reviewed the DDA informational presentation, noting that the presentation would be available on the city's website.

**ADJOURNMENT:**

There being no further business, Chairman Van Buren adjourned the meeting at 8:55 a.m.

Regular Downtown Development Authority Meeting  
 Madison Heights, Michigan  
 November 14, 2023

A Regular Downtown Development Authority Meeting was held on Tuesday, November 14, 2023 at 8:00 AM at City Hall - Executive Conference Room, 300 W. 13 Mile Rd.

**PRESENT**

Member Rickey Busler  
 Member Ruth Charlebois  
 Member Gordon Davignon  
 Mayor Roslyn Grafstein  
 Vice-Chair Yousif Jarbo  
 Member Joseph Keys  
 Member Joe Marando  
 Member Melissa Marsh  
 Member Michael Sheppard  
 Chair Michael Van Buren

**ABSENT**

Member Lenea Renshaw

**OTHERS PRESENT**

Community and Economic Development Director Giles Tucker  
 City Clerk Cheryl Rottmann

**DDA-23-.Minutes.**

Motion to approve the DDA minutes of October 12, 2023, as printed.

Motion made by Member Charlebois, Seconded by Member Sheppard.

Voting Yea: Member Busler, Member Charlebois, Member Davignon, Mayor Grafstein, Vice-Chair Jarbo, Member Keys, Member Marando, Member Marsh, Member Sheppard, Chair Van Buren

Absent: Member Renshaw

Motion carried.

**MEETING OPEN TO THE PUBLIC:**

There were no members of the public wishing to speak.

**Finance Report**

City Manager Marsh presented the Finance Report. Per the report provided by CED Director Tucker, the most significant expenditures relate to the 11 Mile Streetscape Project (\$18,500), the third-quarter payment of the DDA service agreement with the MHHP Chamber (\$2,500) and the refurbishment of the DDA area trash bins (\$1,750).

### Open House Recap & 11 Mile Streetscape Plan Update

City Manager Marsh gave an update on the status of the 11 Mile Streetscape Plan and recapped the Open House event. Because there was not great participation by the businesses and owners, the city is going to try some online public engagement and meetings.

### Update on the Façade Grant Guidelines & Application Revisions

CED Director Tucker stated that the Economic Vitality subcommittee has been working on revisions to the facade grant program and application. They are trying to make the application more precise and easier to use. The final revisions will come before the full board for approval.

### **DDA-23-. 2024 Meeting Dates.**

Motion to approve the following 2024 Meeting dates:

Regular DDA Meeting Dates:

January 16  
February 20  
June 18  
November 19

Informational DDA Meeting Dates:

June 18  
November 19

DDA/BRA Joint Meeting Dates:

April 16  
August 20

The meetings will now be on the third Tuesday of the month at 8:00 a.m.

Motion made by Mayor Grafstein, Seconded by Member Busler.

Voting Yea: Member Busler, Member Charlebois, Member Davignon, Mayor Grafstein, Vice-Chair Jarbo, Member Keys, Member Marando, Member Marsh, Member Sheppard, Chair Van Buren

Absent: Member Renshaw

Motion carried.

### **ADJOURNMENT**

Motion to adjourn the regular DDA meeting at 8:50 a.m.

Motion made by Mayor Grafstein, Seconded by Member Sheppard.

Voting Yea: Member Busler, Member Charlebois, Member Davignon, Mayor Grafstein, Vice-Chair Jarbo, Member Keys, Member Marando, Member Marsh, Member Sheppard, Chair Van Buren

Absent: Member Renshaw

Motion carried.

## Brownfield Redevelopment Authority of City of Madison Heights

### Memorandum

**Date:** January 5, 2024

**To:** Brownfield Redevelopment Authority Board Members

**From:** Giles Tucker, Director of Community & Economic Development

**Subject:** 29448 John R Rd Brownfield TIF Plan

The City of Madison Heights and MMD Acquisitions LLC entered into an agreement for the sale of the property located at 29448 John R Rd on May 10<sup>th</sup>, 2022. This agreement included a due diligence period, which was extended, and the property was closed upon in November 2023. A condition of the sale of the property was the approval of an approved Brownfield Plan that included the reimbursement of eligible activities as defined in the Michigan Brownfield Redevelopment Financing Act (Public Act 381). The proceeds of the sale of this property were a significant part of the funding for the much-needed renovation of City Hall, Adult Active Center, and Library.

#### **Basis for Brownfield Eligibility**

This site was formerly used as a landfill for the Royal Oak dump and as a part of the Southeastern Oakland County Resource Recovery Authority's (SOCCRA) transfer station and incinerator. A Phase II ESA found heavy metals and naphthalene in soil samples and arsenic in the groundwater samples above Michigan Department of Environment, Great Lakes, and Energy (EGLE) Part 201 generic residential cleanup criteria (GRCC). For this reason, the property qualifies as a "facility" as defined by 1994 P.A. 451, Part 201, as amended. Phase II ESA also detected Mercury, ethylbenzene, naphthalene, and 1,2,4-trimethylbenzene were detected above EGLE Residential Volatilization to Indoor Pathway (VIAP) Screening Levels, dated September 4, 2020. The complete Phase II report conducted by NTH Consultants can be found under Appendix E of the included proposed Brownfield Plan.

#### **Summary of Eligible Activities & Total Reimbursement**

Tax Increment Financing revenues will be used to reimburse costs of eligible activities as permitted by the Brownfield Redevelopment Financing Act. It is important to note that cost estimates may increase or decrease depending on unknown conditions as the project is under development. The total "not to exceed" cost discussed later is the maximum amount of reimbursement allowed for this plan unless the Plan is amended by the MHBRA & City Council. The following are estimates for each of these eligible activity areas:

- Work Plan Exempt Activities	\$50,700
- Department Specific Activities	\$810,230
- Demolition	\$117,500
- Asbestos Abatement	\$30,000
- Infrastructure Improvements	\$500,000
- Site Preparation	\$247,475
- Preparation and Implementation of a Brownfield Plan	\$30,000
<i>Est. Eligible Activities Subtotal</i>	<b>\$1,785,905</b>

It is anticipated that most of these activities will be performed after the adoption of this Brownfield Plan. However, the Brownfield Plan allows for eligible activities to be included for reimbursement if they are performed up to 180 days prior to the adoption to the Brownfield Plan's approval by the City Council.

The developer is requesting a "not to exceed" total reimbursement of **\$2,041,686 for eligible activities**. This total includes \$1,785,905 in estimated eligible activities and a 15% contingency of \$255,781. This contingency excludes Baseline Environmental Assessment Activities and preparation and implementation of the Brownfield Plan. However, Table 2 within the Brownfield Plan shows a projected reimbursement of **\$1,497,551** over 30 years of capture, assuming a new taxable value of \$1.2M increasing 2% per year for the duration of the plan.

### **Implications for the MHBRA**

Public Act 381 allows the MHBRA to capture administrative fees to cover the costs of administering the plan over the course of its duration. The plan includes the capture of \$2,500 for admin fees for the duration of the plan for a total of \$75,000.

The MHBRA is also able to capture millages for 5 years following developer reimbursement to be used in accordance with the requirements of Act 381. However, Act 381 limits the duration of a Brownfield TIF plan to 35 years from the date of the adoption of the plan, and no more than 30 years of actual tax capture. Table 2 projects that the plan will reimburse the developer less than the eligible activities of the project over the maximum duration of the plan (30 years). Therefore, it is not likely that the MHBRA will capture any millages at the end of the plan.

### **Staff Recommendation**

Public Act 381 requires that a proposed Brownfield Plan must be approved by the Governing Body of the municipality. It has been the practice of Madison Heights to include a recommendation from the MHBRA within the agenda item for council consideration. The Brownfield Plan approval was a condition of the sale of this property, and staff believes it is important to the viability of remediation and redevelopment of this site. If the MHBRA chooses to recommend approval of this Brownfield Plan, staff suggest motion language as follows:

*The Madison Heights Brownfield Redevelopment Authority (MHBRA) recommends that Madison Heights City Council adopt the proposed Brownfield Plan for property located at 29448 John R Rd and to authorize the Mayor and City Clerk to sign the Development Agreement and Reimbursement Agreement after review and minor modifications are made from the City Attorney.*

### **Attachments**

1. 29448 John R Rd Draft Brownfield Plan
2. 29448 John R Rd Draft Development Agreement
3. 29448 John R Rd Draft Reimbursement Agreement

**CITY OF MADISON HEIGHTS  
BROWNFIELD REDEVELOPMENT AUTHORITY**

**BROWNFIELD PLAN**

**FORMER MADISON HEIGHTS SENIOR CENTER  
LOCATED AT 29448 JOHN R ROAD  
MADISON HEIGHTS, MICHIGAN**

**January 5, 2024**

Approved by BRA:  
Approved by City Council:

**Prepared on Behalf of:**

**Moschouris Management Company, LLC**  
28454 Woodward Avenue  
Royal Oak, Michigan 48067  
Contact Person: William Gershenson  
Telephone: (313) 969-7172

**Prepared By:**

**PM Environmental, a Pinchin Company**  
4080 West Eleven Mile Road  
Berkley, Michigan 48072  
Contact Person: Ryan Higuchi  
Telephone: (248) 414-1432



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## TABLES

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Table 2	Tax Increment Revenue Capture Estimates
Table 3	Tax Increment Reimbursement Estimates



## **PROJECT SUMMARY**

Project Name:	Former Madison Heights Senior Center
Applicant/Developer:	
Project Location:	The property is located at 29448 John R Road in Township one north (T.1N), Range eleven east (R.11E), Section 12, Madison Heights, Oakland County Michigan 48071 (the "Property").
Type of Eligible Property:	The property is determined to be a "Facility".
Eligible Activities:	Workplan Exempt Activities, Department Specific Activities, Asbestos Abatement Activities, Demolition, Infrastructure Improvements, Site Preparation, and Preparation of a Brownfield Plan.
Developer Reimbursable Costs:	\$2,041,686 (includes eligible activities and 15% contingency)
Length of Developer Reimbursement:	Estimated 30 Years from start of capture
Project Overview:	This project includes demolition of the existing vacant former senior center buildings (totaling approximately 12,427 square feet), to construct a 4,625 square foot car wash facility and a drive-thru restaurant consisting of approximately 2,500 square feet. In addition, the project will include the installation of an underground stormwater detention system, landscaping, and the removal and restoration of a parking lot into a greenfield.
Estimated Capital Investment:	Approximately \$4.8 million (including Acquisition, Hard and Soft Costs)
Estimated Job Creation:	It is estimated that 75 construction jobs and 25 new full-time equivalent (FTE) permanent jobs will be created by this redevelopment.

## **I. INTRODUCTION AND PURPOSE**

In order to promote the revitalization of environmentally distressed, historic, functionally obsolete and blighted areas within the boundaries of Madison Heights (“the City”), the City has established the Madison Heights Brownfield Redevelopment Authority (MHBRA) the “Authority” pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, as amended (“Act 381”).

The purpose of this Brownfield Plan (the “Plan”) is to promote the redevelopment of and investment in the eligible “Brownfield” Property within the City and to facilitate financing of eligible activities at the Brownfield Property. Inclusion of Brownfield Property within any Plan in the City will facilitate financing of eligible activities at eligible properties and will provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “Brownfields.” By facilitating redevelopment of the Brownfield Property, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

The identification or designation of a developer or proposed use for the Brownfield Property that is subject to 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, to identify and authorize the eligible activities to be funded. 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 and as necessary to achieve the purposes of Act 381. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Brownfield Plan contains information required by Section 13(2) of Act 381, as amended.

### **I.a. Property Description**

The Eligible Property consists of one (1) legal parcel totaling approximately 4.91 acres with a street address of 29448 John R. Road, Madison Heights, Oakland County, Michigan. The parcels and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the “subject property.”

The subject property is located on the John R. Road corridor, bounded by Dartmouth Street to the north, residential to the east, commercial/industrial to the south, and John R. Road to the west. Individual parcel information is outlined below.

The following parent parcel included under this plan, as assessed in 2023, which will be split:

<b>Property Address</b>	<b>Parcel ID Number</b>	<b>Approximate Acreage</b>	<b>Eligibility</b>
29448 John R. Road	44-25-12-304-010	4.91 acres	Facility

The parcel is currently zoned M-1 LT Light Industrial, and the Property is commercially developed with a 11,661 square foot, single-story, slab-on grade senior center building and a 766 square foot single-story, slab-on-grade masonry storage building.

The subject property was used for residential and agricultural purposes from at least 1936 to 1952. From about 1956 to 1972, the number of structures on the property decreased and the eastern portion of the property was part of the Southeastern Oakland County Resource Recovery Authority (SOCRRA) and was used for landfilling and associated waste management activities, including an incinerator and waste transfer station. Since 1977, the property has been used as a senior center and a park.

The following is a list of the future child parcels from the above parent parcels, which will be assessed in tax year 2024:

Property Address	Parcel ID Number	Parcel Number	Approximate Acreage	Eligibility
To be determined	44-25-12-304-010	Parcel 1	1.23	Facility
To be determined	44-25-12-304-010	Parcel 2	1.06	Facility
To be determined	44-25-12-304-010	Parcel 3	2.62	Facility

#### **I.b. Basis of Eligibility**

The subject property is considered “eligible property” as defined by Act 381, Section 2 because it (a) is located within the City of Madison Heights, a qualified local governmental unit under Act 381; (b) is determined to be a “facility” as defined by Act 381.

Additional information regarding the subject property’s eligibility is included within section II.h and documentation of eligibility is included within Appendix E.

#### **I.c. Project Description**

Moschouris Management Company, LLC or any affiliate, or such other developer as approved by the Authority, are collectively the project developer (“Developer”).

Moschouris Management Company, LLC (herein referred to as MMC), has been Michigan’s most experienced and highest volume retail real estate brokerage firm for over 28 years. MMC specializes in tenant representation, property acquisitions, surplus disposition, leasing services, and investment sales.

The proposed redevelopment includes demolition of the existing buildings (totaling approximately 12,427 square feet), to prepare the property for the construction of a 4,625 square foot car wash facility and a drive-thru restaurant consisting of approximately 2,500 square feet. In addition to the construction of the proposed buildings and associated parking lots, the project will include the installation of an underground stormwater detention system, landscaping, and the demolition of the existing parking lot located west of the existing building. The area will initially be restored as a greenfield while future development options are considered.

Demolition and site preparation activities are anticipated to begin in the winter of 2023 with the construction taking place immediately after. It is anticipated the project will be completed over a 1-year period, with completion estimated in the winter of 2024. MMC will invest an estimated \$4.8 million in the development and create approximately 75 construction jobs and 25 new full-time equivalent (FTE) permanent jobs. Preliminary site plans and renderings are included in Appendix D.

Preliminary site plans and renderings are included in Appendix D.

## **II. GENERAL PROVISIONS**

### **II.a. Description of Costs to be Paid for with Tax Increment Revenues (Section 13 (2)(a))**

Tax Increment Financing revenues will be used to reimburse the costs of “Eligible Activities” (as defined by Section 2 of Act 381) as permitted under the Brownfield Redevelopment Financing Act that include:

- Work Plan Exempt Activities
- Department Specific Activities
- Demolition
- Asbestos Abatement
- Site Preparation
- Infrastructure Improvements
- Preparation and Implementation of a Brownfield Plan

A 15% contingency has also been calculated and included within this Brownfield Plan. Tax Increment Revenues are also projected to be captured for MHBRA administrative fees and the Local Brownfield Revolving Fund (LBRF) if increment is available.

A summary of the eligible activities and their associated cost intended to be reimbursed with tax increment revenues captured from the subject property are shown in the attached Table 1.

The Eligible Activity cost estimates may increase or decrease depending on the nature and extent of unknown conditions encountered. If the total cost of eligible activities as described within this Plan is not exceeded, line-item categories and costs of eligible activities may differ from what is included within this Plan, to the extent the adjustments do not violate the terms of Act 381.

“Pre-plan” eligible activity costs may be incurred no more than six months (180 days) prior to this plan’s approval by Madison Heights City Council.

### **II.b. Brief Summary of the Eligible Activities that are Proposed (Section 13 (2)(b))**

1. Work Plan Exempt Activities include the completion of a Phase I Environmental Site Assessment (ESA), Phase II ESAs, Baseline Environmental Assessment (BEA) and Hazardous Materials Survey, as required as part of the pre-purchase due diligence conducted on the property at a cost of \$50,700.
2. Department Specific Activities includes vapor barrier design and installation, contaminated soil transport, disposal and backfill, groundwater management, utility corridor migration barriers, utility gasketing, surface cover, and oversight, sampling and reporting at an estimated cost of \$810,230.
3. Demolition includes building and site demolition, fill/compaction/rough grading to balance site where building was located, and removal of parking lots at an estimated costs of \$117,500.

4. Asbestos, Lead, and Mold Activities includes the abatement of asbestos containing materials within the existing buildings, and abatement monitoring, oversight, air monitoring and reporting by an environmental professional at an estimated cost of \$30,000.
5. Site Preparation includes temporary erosion control, temporary site control (fencing, gates, signage, and/or lighting), grading, and fill relating to other eligible activities at an estimate cost of \$247,475.
6. Infrastructure Improvements includes an underground storm water detention system at an estimated cost of \$500,000.
7. Preparation and Implementation of a Brownfield Plan and associated activities (e.g. meetings with BRA, review by City Attorney etc.) at an estimated cost of \$30,000.
8. A 15% contingency is established to address unanticipated environmental and/or other conditions that may be discovered through the implementation of site activities. This excludes the cost of Baseline Environmental Assessment Activities and preparation and implementation of the Brownfield Plan.

The total estimated cost of Eligible Activities subject to reimbursement to the developer from tax increment revenues is \$1,785,905, with a potential \$255,781 contingency, resulting in a total, not to exceed cost of \$2,041,686 unless the Plan is amended and approved by the MHBRA and City Council. At the time of Plan submission, it is estimated that \$1,442,551 of the total eligible activities will be reimbursed over 30 years.

#### **II.c. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13 (2)(c))**

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local tax revenues (as applicable) generated by the subject property and captured by the MHBRA, subject to any limitations and conditions described in this Plan, and the terms of a Reimbursement Agreement between the Developer and the Authority (the "Reimbursement Agreement").

The initial ("base") taxable value of the subject property shall be determined by use of the 2023 tax year tax value, which is \$0. Tax increment revenue capture will begin when tax increment is generated by redevelopment of the subject property, which is expected to begin in 2025 or when full redevelopment is completed, whichever occurs first. The estimated taxable value of the completed development is \$1,200,000. An annual increase in taxable value of 2.0% has been applied to account for future tax increments in this Plan. Table 2 details the estimated available tax increment revenues for each year of the Plan. The actual taxable value will be determined by the authorized assessor.

The MHBRA will capture \$2,500 of the total tax increment revenues on an annual basis for administrative fees, which is estimated to be \$75,000.

The MHBRA has established a Local Brownfield Revolving Fund (LBRF). If available, capture for the LBRF for five (5) years following developer reimbursement is eligible. Any funds deposited into the LBRF as part of this Plan will be used in accordance with the requirements of Act 381, as amended.

Prior to reimbursement of tax increment revenues to the Developer, payment of administrative fees will occur first.

A summary of the impact to taxing jurisdictions for the life of the Plan is summarized in Section II.h.

**II.d. Method of Financing Plan Costs and Description of Advances by the Municipality (Section 13 (2)(d))**

Eligible activities will be financed by Moschouris Management Company, LLC. The Developer will be reimbursed for eligible costs as described in Section II.c and outlined in Table 1. Costs for Eligible Activities funded by Moschouris Management Company, LLC will be repaid under the Michigan Brownfield Redevelopment Financing Program (Michigan Public Act 381, as amended) with incremental taxes generated by future development of the subject property.

No advances will be made by the MHBRA for this project. All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement.

**II.e. Maximum Amount of Note or Bonded Indebtedness (Section 13 (2)(e))**

No note or bonded indebtedness will be incurred by any local unit of government for this project.

**II.f. Duration of the Brownfield Plan (Section 13 (2)(f))**

Tax increment revenue capture will begin when tax increment is generated by redevelopment of the subject property, which is expected to begin in 2025 or when full redevelopment is completed, whichever occurs first.

In no event shall the duration of the Plan, exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. The subject property will become part of this Plan on the date this Plan is approved by the City of Madison Heights City Council.

**II.g. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions (Section 13 (2)(g))**

A summary of the total amounts estimated to be generated and preserved for taxing units during the life of the Plan are outlined below.

Millage	Rate	Developer Reimbursement	Administrative Fee	Local Brownfield Revolving Fund	Totals
State Education Tax (SET)	6.0000	\$ -	\$ -	\$ -	\$ -
School Operating	18.0000	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>24.0000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
					\$ -
City Operating	12.8746	\$ 595,368.24	\$ 31,389.11	\$ -	\$ 626,757.35
Solid Waste	2.4976	\$ 115,498.09	\$ 6,089.31	\$ -	\$ 121,587.40
Road Improvement	1.8882	\$ 87,317.22	\$ 4,603.55	\$ -	\$ 91,920.78
Senior Citizens	0.4484	\$ 20,735.64	\$ 1,093.23	\$ -	\$ 21,828.87
Fire Stations BO	0.0000	\$ -	\$ -	\$ -	\$ -
County Gen Fund	3.9686	\$ 183,522.47	\$ 9,675.70	\$ -	\$ 193,198.17
Oakland Comm College	1.4891	\$ 68,861.39	\$ 3,630.52	\$ -	\$ 72,491.91
OISD Allocated	0.1881	\$ 8,698.43	\$ 458.60	\$ -	\$ 9,157.03
OISD Voted	2.9777	\$ 137,699.66	\$ 7,259.83	\$ -	\$ 144,959.48
Lanphere Sinking	2.9297	\$ 135,479.96	\$ 7,142.80	\$ -	\$ 142,622.76
Oakland Transit	0.9500	\$ 43,931.45	\$ 2,316.16	\$ -	\$ 46,247.61
H-C Metroparks	0.2070	\$ 9,572.43	\$ 504.68	\$ -	\$ 10,077.11
County Park & Rec	0.3431	\$ 15,866.19	\$ 836.50	\$ -	\$ 16,702.69
<b>Subtotal</b>	<b>30.7621</b>	<b>\$ 1,422,551.17</b>	<b>\$ 75,000.00</b>	<b>\$ -</b>	<b>\$ 1,497,551.17</b>
					\$ -
<b>Total Capturable Millages</b>	<b>54.7621</b>	<b>\$ 1,422,551.17</b>	<b>\$ 75,000.00</b>	<b>\$ -</b>	<b>\$ 1,497,551.17</b>
Non-Capturable Millages	Rate			Taxes Preserved for Taxing Unit	
Zoo Authority	0.0945			\$ 4,600.42	\$ 4,600.42
Art Institute	0.1945			\$ 9,468.59	\$ 9,468.59
P & F Pension	7.0000			\$ 340,771.87	\$ 340,771.87
Chap 20 Drain	0.8200			\$ 39,918.99	\$ 39,918.99
<b>Total Non-Capturable Millages</b>	<b>8.1090</b>			<b>\$ 394,759.87</b>	<b>\$ 394,759.87</b>

See Table 2 for a complete breakdown of estimated available tax increment revenues and Table 3 for the annual estimated developer reimbursement.

## II.h. Legal Description, Property Map, Property Characteristics, and Personal Property (Section 13 (2)(h))

The subject property's legal description is included in Appendix A and a map(s) showing the location and dimensions of the eligible property is included in Appendix B.

The subject property is considered "eligible property" as defined by Act 381, Section 2 because it (b) is located within the City of Madison Heights, a qualified local governmental unit under Act 381; and (b) is determined to be a "facility" as defined by Act 381.

The subject property was formerly used for landfilling, which included the presence of buried waste fill consisting of dump refuse, incinerator ash, and unburned refused. Concentrations of volatile organic compounds (VOCs) including naphthalene and heavy metals, including lead and mercury were identified in soil samples analyzed from the Property during previous site investigations occurring on July 20, 2020, above the Part 201 Generic Residential Cleanup Criteria (GRCC) drinking water protection (DWP), groundwater surface water interface protection (GSIP), and direct contact (DC) screening levels. Based on the identified exceedances of the Part 201 cleanup criteria, the Property meets the definition of a "facility" in accordance with Parts 201 of P.A. 451 of the Michigan Natural Resources Environmental Protection Act (NREPA), as amended. MMC conducted pre-purchase due diligence which included a Phase I ESA, Phase II ESAs, and a Baseline Environmental Assessment (BEA). The BEA provides statutory protection to the new owners and operators of the "facility" against cleanup liability for pre-existing

subsurface contamination under Michigan law. However, the non-labile owner and operator has due care obligations as defined under Section 20107a of Part 201.

Personal property may be included as part of the eligible property and associated tax increment capture to the extent that it is taxable personal property. However, personal property is not included within the projections attached to this Plan.

Documentation of characteristics that qualify the property as eligible property is provided in Appendix E.

**II.i. Estimates of the Number of Persons Residing on the Property (Section 13 (2)(i))**

No displacement of residents or families is expected as part of this project.

**II.j. Plan for Relocation of Displaced Residents (Section 13 (2)(j))**

No persons will be displaced as result of this development; therefore, a Plan for relocation is not applicable for this Plan.

**II.k. Provisions for Relocation Costs (Section 13 (2)(k))**

No persons will be displaced as result of this development; therefore, no relocation costs will be incurred.

**II.l. Strategy for Compliance with Michigan's Relocation Assistance Law (Section 13 (2)(l))**

No persons will be displaced as result of this development; therefore, no relocation assistance strategy is needed for this Plan.

**II.m. Other Material that the Authority or Governing Body Considers Pertinent (Section 13 (2)(m))**

The Brownfield Redevelopment Authority and the City Council as the Governing Body, in accordance with the Act, may amend this Plan in order to fund additional eligible activities associated with the Project described herein.



# APPENDICES

# **Appendix A**

## **Legal Description**

**Appendix A**  
**Legal Descriptions**

Item 3.

**Parent Parcel (2023)**

**29448 John R Road, Madison Heights, Oakland County, Michigan:**

Parcel Number: 44-25-12-304-010

T1N, R11E, SEC 12, N 3 ACRES OF S 6 ACRES OF NW ¼ OF SW ¼ EXC 690 FT, ALSO PART OF NW ¼ OF SW ¼ BEG AT SW SEC COR, TH E 672.6 FT, TH 95.9 FT, TH W 672.2 FT, TH S 95.9 FT TO BEG, ALSO PART OF SW ¼ OF SW ¼ BEG AT PT DIST N 00-10-00 E 1205.19 FT FROM SW SEC COR, TH N 00-10-00 E 80.39 FT, TH S 89-29-00 E 1374.18 FT, TH S 00-26-00 W 79.89 FT, TH N 89-58-00 W 1373.81 FT TO BEG EXC W 60 FT OF EACH TAKEN FOR RD, ALSO EXC PART OF SW ¼ BEG AT PT DIST S 00-02-18 W 1161.72 FT & S 89-51-16 E 60 FT FROM W ¼ COR, TH S 89-51-16 E 613.92 FT, TH S 00-18-28 E 14.24 FT, TH N 89-50-41 W 614 FT, TH N 00-02-18 E 14.14 FT TO BEG 4.91 A 08/04/08 FR 006

**Proposed Child Parcels (2024)**

Proposed Parcel 1 (Part of Tax Parcel Number: 25-12-304-010)

PART OF THE SOUTHWEST ¼ OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE WEST ¼ CORNER OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST; THENCE ALONG THE WEST LINE OF SECTION 12, SOUTH 02 DEGREES 39 MINUTES 06 SECONDS EAST 1161.72 FEET; THENCE NORTH 87 DEGREES 27 MINUTES 20 SECONDS EAST 60.00 FEET TO A POINT ON THE EAST LINE OF JOHN R. ROAD; THENCE ALONG THE EAST LINE OF SAID ROAD, SOUTH 02 DEGREES 39 MINUTES 05 SECONDS EAST 14.14 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87 DEGREES 30 MINUTES 00 SECONDS EAST 382.96 FEET; THENCE SOUTH 02 DEGREES 34 MINUTES 54 SECONDS EAST 139.53; THENCE SOUTH 87 DEGREES 33 MINUTES 38 SECONDS WEST 382.79 FEET TO A POINT ON THE EAST LINE OF SAID JOHN R. ROAD; THENCE ALONG THE EAST LINE OF SAID ROAD, NORTH 02 DEGREES 39 MINUTES 06 SECONDS WEST 139.13 FEET TO THE POINT OF BEGINNING.

Proposed Parcel 2 (Part of Tax Parcel Number: 25-12-304-010)

PART OF THE SOUTHWEST ¼ SECTION OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE WEST ¼ CORNER OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST; THENCE ALONG THE WEST LINE OF SECTION 12 SOUTH 02 DEGREES 39 MINUTES 06 SECONDS EAST 1161.72 FEET; THENCE NORTH 87 DEGREES 27 MINUTES 20 SECONDS EAST 60.00 FEET TO A POINT ON THE EAST LINE OF JOHN R. ROAD; THENCE ALONG THE EAST LINE OF SAID ROAD, SOUTH 02 DEGREES 39 MINUTES 05 SECONDS EAST 153.27 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87 DEGREES 33 MINUTES 38 SECONDS EAST 382.79 FEET; THENCE SOUTH 02 DEGREES 34 MINUTES 54 SECONDS EAST 120.06 FEET; THENCE SOUTH 87 DEGREES 32 MINUTES 58 SECONDS WEST 382.64 FEET TO A POINT ON THE EAST LINE OF JOHN R. ROAD; THENCE ALONG THE EAST LINE OF SAID ROAD, NORTH 02 DEGREES 39 MINUTES 06 SECONDS WEST 120.13 FEET TO THE POINT OF BEGINNING.

**Legal Descriptions**

Proposed Parcel 3 (Part of Tax Parcel Number: 25-12-304-010)

PART OF THE SOUTHWEST  $\frac{1}{4}$  OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE WEST  $\frac{1}{4}$  CORNER OF SECTION 12, TOWN 1 NORTH, RANGE 11 EAST; THENCE ALONG THE WEST LINE OF SECTION 12 SOUTH 02 DEGREES 39 MINUTES 06 SECONDS EAST 1161.72 FEET; THENCE NORTH 87 DEGREES 27 MINUTES 20 SECONDS EAST 60.00 FEET TO A POINT ON THE EAST LINE OF JOHN R. ROAD; THENCE ALONG THE EAST LINE OF SAID ROAD, SOUTH 02 DEGREES 39 MINUTES 05 SECONDS EAST 14.14 FEET; THENCE NORTH 87 DEGREES 30 MINUTES 00 SECONDS EAST 382.96 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 87 DEGREES 30 MINUTES 00 SECONDS EAST 231.66 FEET; THENCE SOUTH 02 DEGREES 55 MINUTES 50 SECONDS EAST 180.76 FEET THENCE NORTH 87 DEGREES 32 MINUTES 07 SECONDS EAST 690.10 FEET; THENCE SOUTH 02 DEGREES 12 MINUTES 48 SECONDS EAST 79.21 FEET; THENCE SOUTH 87 DEGREES 32 MINUTES 58 SECONDS WEST 922.35 FEET; THENCE NORTH 02 DEGREES 34 MINUTES 54 SECONDS WEST 259.59 FEET TO THE POINT OF BEGINNING.

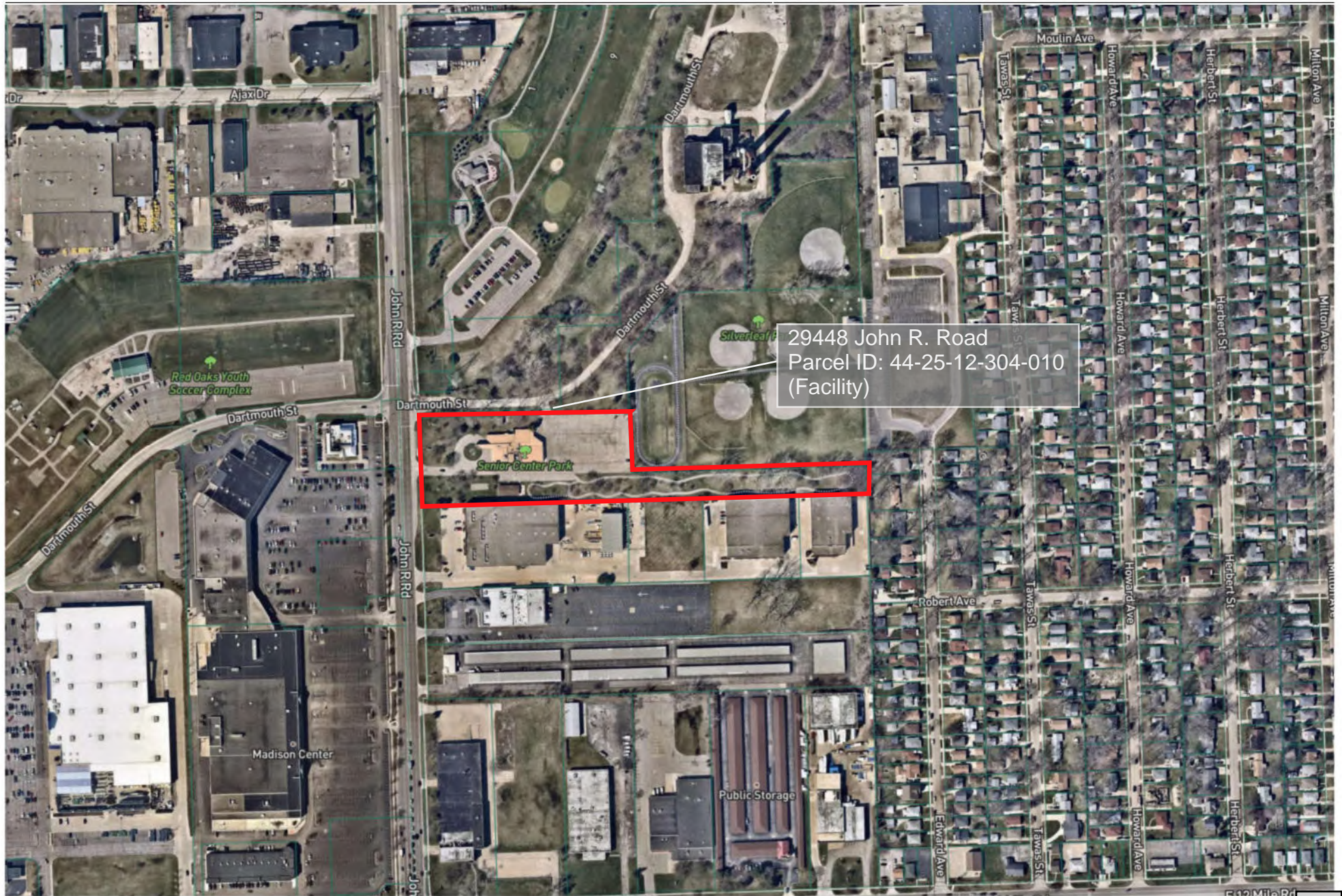
## **Appendix B**

### **Eligible Property Location Map**



## Appendix B

Item 3.



# **Appendix C**

## **Current Site Photos**





## PROPERTY PHOTOGRAPHS

PROJECT NAME:	29448 John R Road Property	PROJECT NO.:	22000306
PROPERTY ADDRESS:	29448 John R Road, Madison Heights, Michigan		
DATE TAKEN:	May 17, 2022	TAKEN BY:	Z.Moriarty
		PAGE:	1 of 9



Photograph 1. Overview of property, facing east.



Photograph 2. Overview of property, facing northwest.





## PROPERTY PHOTOGRAPHS

PROJECT NAME:	29448 John R Road Property	PROJECT NO.:	22000306
PROPERTY ADDRESS:	29448 John R Road, Madison Heights, Michigan		
DATE TAKEN:	May 17, 2022	TAKEN BY:	Z.Moriarty
		PAGE:	2 of 9



Photograph 3. Walking paths and picnic area located in the south portion of property.



Photograph 4. Overview of pavilion located in the south portion of property.





## PROPERTY PHOTOGRAPHS

PROJECT NAME:	29448 John R Road Property	PROJECT NO.:	22000306
PROPERTY ADDRESS:	29448 John R Road, Madison Heights, Michigan		
DATE TAKEN:	May 17, 2022	TAKEN BY:	Z.Moriarty
		PAGE:	3 of 9



Photograph 5. Overview of shuffleboard court located in the south portion of property.



Photograph 6. Shed on the north portion of property.





## PROPERTY PHOTOGRAPHS

PROJECT NAME:	29448 John R Road Property	PROJECT NO.:	22000306
PROPERTY ADDRESS:	29448 John R Road, Madison Heights, Michigan		
DATE TAKEN:	May 17, 2022	TAKEN BY:	Z.Moriarty
		PAGE:	4 of 9



Photograph 7. Community garden located in the north portion of property.



Photograph 8. Monitoring well OW-4 located in the southeast corner of property.

# **Appendix D**

## **Site Plans and Renderings**



V:\02\22003\DET22003-1\MD-22003-John R Road - Madison Heights\CAD\PROJECT\DWG\PRELIM\SITE.DWG

LAND USE AND ZONING		
PID: 25-12-304-010		
EXISTING ZONE: LIGHT INDUSTRIAL DISTRICT (M-1)		
PROPOSED RE-ZONE: GENERAL BUSINESS DISTRICT (B-3)		
PROPOSED USE		
FAST FOOD RESTAURANT	PERMITTED USE	
AUTO WASH	SPECIAL LAND USE	
ZONING REQUIREMENT		
MINIMUM LOT AREA	REQUIRED (B-3)	PROPOSED
MINIMUM INTERIOR LANDSCAPING	5% OF IMPERVIOUS AREA	>5%
MAXIMUM BUILDING HEIGHT	2 STORIES, 30 FT	1 STORY, 28 FT
MINIMUM FRONT YARD SETBACK	5 FT (1)	89.8 FT
MINIMUM AUTO WASH FRONT YARD SETBACK	20 FT	89.8 FT
MINIMUM SIDE YARD SETBACK	0 FT	56.1 FT
MINIMUM REAR YARD SETBACK	20 FT	398.7 FT
MINIMUM FRONT YARD PARKING SETBACK	20 FT	20.9 FT
MINIMUM RESIDENTIAL SETBACK	50 FT	398.7 FT
MINIMUM GREENBELT (ABUTTING M-1)	5 FT	11.5 FT
MINIMUM GREENBELT (ABUTTING ROW)	5 FT	20.9 FT

OFF-STREET PARKING REQUIREMENTS		
CODE SECTION	REQUIRED	PROPOSED
§ 10.505	AUTO WASH: 1 SPACE PER EMPLOYEE (5 EMPLOYEES)(1 SPACE) = 5 SPACES	5 SPACES +13 VACUUM 18 TOTAL
§ 10.326.8(e)	AUTO WASH STACKING: 6 SPACES PER STALL	28 SPACES
§ 10.506	90° PARKING: 9 FT X 30 FT W/ 22 FT AISLE	9 FT X 30 FT W/ 24 FT AISLE
§ 10.510.7.a	PARKING LOT LANDSCAPING: 5 SF OF LANDSCAPING PER SPACE (18 SPACES)(5 SF/SPACE) = 90 SF	>90 SF

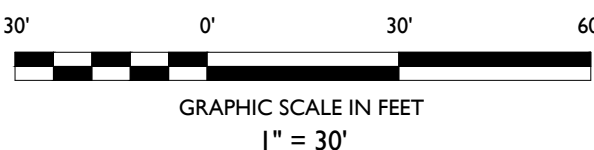
SYMBOL

- PROPERTY LINE
- SETBACK LINE
- PROPOSED CURB
- == PROPOSED FLUSH CURB
- PROPOSED SIGNS / BOLLARDS
- PROPOSED BUILDING
- PROPOSED CONCRETE
- ⌋ PROPOSED BUILDING DOORS

DESCRIPTION

GENERAL NOTES

- THE CONTRACTOR SHALL VERIFY AND FAMILIARIZE THEMSELVES WITH THE EXISTING SITE CONDITIONS AND THE PROPOSED SCOPE OF WORK (INCLUDING DIMENSIONS, LAYOUT, ETC.) PRIOR TO INITIATING THE IMPROVEMENTS IDENTIFIED WITHIN THESE DOCUMENTS. SHOULD ANY DISCREPANCY BE FOUND BETWEEN THE EXISTING SITE CONDITIONS AND THE PROPOSED WORK, THE CONTRACTOR SHALL NOTIFY STONEFIELD ENGINEERING & DESIGN, LLC PRIOR TO THE START OF CONSTRUCTION.
- THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS AND ENSURE THAT ALL REQUIRED APPROVALS HAVE BEEN OBTAINED PRIOR TO THE START OF CONSTRUCTION. COPIES OF ALL REQUIRED PERMITS AND APPROVALS SHALL BE KEPT ON SITE AT ALL TIMES DURING CONSTRUCTION.
- ALL CONTRACTORS WILL, TO THE FULLEST EXTENT PERMITTED BY LAW, INDEMNIFY AND HOLD HARMLESS STONEFIELD ENGINEERING & DESIGN, LLC, AND ITS SUB-CONSULTANTS FROM AND AGAINST ANY DAMAGES AND LIABILITIES INCLUDING ATTORNEY'S FEES ARISING OUT OF CLAIMS BY EMPLOYEES OF THE CONTRACTOR IN ADDITION TO CLAIMS CONNECTED TO THE PROJECT AS A RESULT OF NOT CARRYING THE PROPER INSURANCE FOR WORKERS COMPENSATION, LIABILITY INSURANCE, AND LIMITS OF COMMERCIAL GENERAL LIABILITY INSURANCE.
- THE CONTRACTOR SHALL NOT DEViate FROM THE PROPOSED IMPROVEMENTS IDENTIFIED WITHIN THIS PLAN SET UNLESS APPROVAL IS PROVIDED IN WRITING BY STONEFIELD ENGINEERING & DESIGN, LLC.
- THE CONTRACTOR IS RESPONSIBLE TO DETERMINE THE MEANS AND METHODS OF CONSTRUCTION.
- THE CONTRACTOR SHALL NOT PERFORM ANY WORK OR CAUSE DISTURBANCE ON A PRIVATE PROPERTY NOT CONTROLLED BY THE PERSON OR ENTITY WHO HAS AUTHORIZED THE WORK WITHOUT PRIOR WRITTEN CONSENT FROM THE OWNER OF THE PRIVATE PROPERTY.
- THE CONTRACTOR IS RESPONSIBLE TO RESTORE ANY DAMAGED OR UNDERMINED STRUCTURE OR SITE FEATURE THAT IS IDENTIFIED TO REMAIN ON THE PLAN SET. ALL REPAIRS SHALL USE NEW MATERIALS TO RESTORE THE FEATURE TO ITS EXISTING CONDITION AT THE CONTRACTOR'S EXPENSE.
- CONTRACTOR IS RESPONSIBLE TO PROVIDE THE APPROPRIATE SHOP DRAWINGS, PRODUCT DATA, AND OTHER REQUIRED SUBMITTALS FOR REVIEW. STONEFIELD ENGINEERING & DESIGN, LLC, WILL REVIEW THE SUBMITTALS IN ACCORDANCE WITH THE DESIGN INTENT AS REFLECTED WITHIN THE PLAN SET.
- THE CONTRACTOR IS RESPONSIBLE FOR TRAFFIC CONTROL IN ACCORDANCE WITH MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES, LATEST EDITION.
- THE CONTRACTOR IS REQUIRED TO PERFORM ALL WORK IN THE PUBLIC RIGHT-OF-WAY IN ACCORDANCE WITH THE APPROPRIATE GOVERNING AUTHORITY AND SHALL BE RESPONSIBLE FOR THE PROCUREMENT OF STREET OPENING PERMITS.
- THE CONTRACTOR IS REQUIRED TO RETAIN AN OSHA CERTIFIED SAFETY INSPECTOR TO BE PRESENT ON SITE AT ALL TIMES DURING CONSTRUCTION & DEMOLITION ACTIVITIES.
- SHOULD AN EMPLOYEE OF STONEFIELD ENGINEERING & DESIGN, LLC, BE PRESENT ON SITE AT ANY TIME DURING CONSTRUCTION, IT DOES NOT RELIEVE THE CONTRACTOR OF ANY OF THE RESPONSIBILITIES AND REQUIREMENTS LISTED IN THE NOTES WITHIN THIS PLAN SET.



PRELIMINARY SITE PLAN

MMD

PROPOSED CAR WASH

PARCEL ID: 25-12-304-010  
29448 JOHN R ROAD  
CITY OF MADISON HEIGHTS  
OAKLAND COUNTY, MICHIGAN

J. REID COOKSEY, P.E.  
MICHIGAN LICENSE No. 6201069428  
LICENSED PROFESSIONAL ENGINEER



SCALE: 1" = 30' PROJECT ID: DET-220036

TITLE:  
PRELIMINARY  
SITE PLAN

DRAWING:

C-1

# **Appendix E**

## **Documentation of Eligibility**



# REPORT

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## Phase II Environmental Site Assessment

29488 John R Road Property  
Madison Heights, Michigan

---

Moschouris Management Company, LLC

29448 John R Road

Madison Heights, MI 48067

July 20, 2022

NTH Project No. 22000306-01

NTH Consultants, Ltd.  
41780 Six Mile Road, Suite 200  
Northville, MI 48168





**NTH Consultants, Ltd.**

Infrastructure Engineering  
and Environmental Services

41780 Six Mile Road, Suite 200  
Northville, MI 48168  
248.553.6300  
248.324.5179 Fax

Item 3.

Mr. Nikolaos Moschouris  
Moschouris Management Company, LLC  
29448 John R Road  
Madison Heights, Michigan 48067

July 20, 2022  
NTH Project No. 22000306-01

**RE: Report on Phase II Environmental Site Assessment  
29488 John R Road Property  
Madison Heights, Michigan**


Dear Mr. Moschouris:

NTH Consultants, Ltd. (NTH) is pleased to submit this report on Phase II Environmental Site Assessment (ESA) for the above referenced property. This study was performed at your request in accordance with the scope of services presented our accepted proposal (NTH Proposal No. 22000306-PHII) dated June 10, 2022.

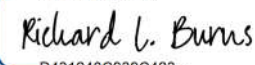
We appreciate the opportunity to assist you with this project. Should you have any questions or require additional information on this study, please call us at 248-662-2740.

Sincerely,

NTH Consultants, Ltd.

DocuSigned by:  
  
CC62C3695D554CC...

Cliff J. Andrews  
Principal Professional

DocuSigned by:  
  
D431240C939C423...

Richard L. Burns  
Senior Vice President

CJA/RLB/mlk

Attachments

cc: Larry Campbell – Century 21 Campbell Realty, Inc.  
John Byl -Warner Norcross & Judd LLP



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<b>BORING LOCATION PLAN</b>	
<b>LOG OF GEOPROBES</b>	
<b>SUMMARY OF SOIL AND GROUNDWATER ANALYSIS</b>	<b>APPENDIX A</b>
<b>SOIL AND GROUNDWATER LABORATORY DATA</b>	<b>APPENDIX B</b>



## 1.0 EXECUTIVE SUMMARY

This report presents the results of a Phase II Environmental Site Assessment (ESA) for the property located at 29488 John R Road in Madison Heights, Michigan. The subject property is approximately 4.9 acres. The northern portion of the property contains a Senior Center building, storage building, asphalt-paved driveways and parking lot, and landscaped areas. The southern portion of the property is the Jaycees VitaCourse Park and contains an open-sided picnic pavilion, concrete shuffleboard court, asphalt-paved walking paths, and landscaped areas.

NTH Consultants, Ltd. (NTH) conducted this Phase II ESA to evaluate the recognized environmental conditions identified at the property during the recently completed Phase I ESA. The Phase II assessment consisted of geoprobe soil borings and collection and analysis of soil and groundwater samples.

The results of soil and groundwater sample analysis identified certain heavy metals and naphthalene in soil samples and arsenic in groundwater samples above Michigan Department of Environment, Great Lakes, and Energy (EGLE's) Part 201 generic residential cleanup criteria (GRCC). Thus, based upon these results, the property is a "*facility*" as defined by 1994 P.A. 451, Part 201, as amended.

Mercury, ethylbenzene, naphthalene, and 1,2,4-trimethylbenzene were detected above EGLE's Residential Volatilization to Indoor Pathway (VIAP) Screening Levels, dated September 4, 2020.

This executive summary should not be reviewed separately from the remainder of the report as it provides a brief overview of the assessment results; it is not a substitute for a thorough review of the entire report.



## 2.0 INTRODUCTION

NTH Consultants, Ltd. (NTH) was retained by Moschouris Management Company, LLC (MMC) to perform a Phase II Environmental Site Assessment (ESA) for the John R Road property located in Madison Heights, Oakland County, Michigan.

NTH conducted a Phase I ESA at the property, and the results of that study were presented to EMDC in a report dated June 21, 2022. The Phase I ESA revealed the following evidence recognized environmental conditions (RECs) in connection with the property:

- The property was formerly used for landfilling and results of previous subsurface investigations have identified the property as a *facility*, as defined by 1994 P.A. 451, Part 201, as amended.
- Presence of buried waste fill consisting of dump refuse, incinerator ash, and unburned refuse at the property.
- Residential-type structures were previously located along John R Road. The environmental status and origin/source of backfill soil used during demolition of the former structures are unknown.
- The northern-adjacent property was formerly operated as a landfill (Royal Oak Dump), and Southeastern Oakland County Resource Recovery Authority's (SOCCRA) former transfer station and incinerator.

The objective of this Phase II ESA was to evaluate the above-identified RECs to the extent possible and where accessible.

### 3.0 SCOPE OF SERVICES

The scope of services for the Phase II ESA comprised the following key tasks:

- Soil borings to evaluate the Phase I ESA-identified RECs, and to facilitate the collection of soil samples for analyses.
- Screened soil samples in the field for the presence of total volatile organic compounds (VOCs) using a portable photoionization detector (PID).
- NTH submitted representative soil and groundwater samples were submitted our subcontracted laboratory for analyses.
- Evaluated information gathered during the Phase II ESA as summarized in this report.

### 4.0 FIELD INVESTIGATION

Terra Probe Environmental, Inc. (TPE), retained by NTH, drilled eight (8) geoprobe soil borings, designated as GP-101 through GP-108 on June 28, 2022, under the observation of Mr. Zach Moriarty of NTH. TPE advanced the borings to approximate depths up to 15 feet. The approximate locations of the borings are depicted on the Boring Location Plan in Appendix A.

The geoprobe drilling technique involves mechanically driving or pushing a 2-inch outside diameter stainless steel sampling tool, with a disposable clear acetate liner, to a desired sampling depth. This technique does not generate soil cuttings because the geoprobe rods push soils away from the rods as the tool string advances through the hole. TPE steam-cleaned the geoprobe equipment/tools prior to use and between each successive boring location to minimize the possibility of cross-contamination. Upon completion of drilling



activities and after collecting samples, TPE backfilled the boreholes with excavated soil and then topped with asphalt or concrete patch.

We field-screened soil samples retrieved from the borings were screened with a RAE Systems MiniRae™ PID. The PID can detect total VOCs, which include many petroleum-related substances, to a detection level of one part per million (ppm). The field PID measurements on the soil samples are shown on the boring logs in Appendix B. As indicated on the logs, the VOC readings ranged from less than the detection limit of the PID to 15.8 ppm. Petroleum odors were noted in the soil samples GP-102 S-1, and GP-3 S-1.

## **5.0 SUBSURFACE DATA**

Subsurface conditions observed in each boring are presented on the Log of Geoprobe Borings in Appendix B. The stratification shown on the boring logs represents the approximate boundary between soil types; the actual transition may be more gradual. In addition, the soil layers are described based on field classification of observed soil samples; accordingly, the soil layer descriptions are considered generalized.

The subsurface conditions at the boring locations comprised of up to 9 feet of sandy and clayey fill soil mixed with pieces of brick, concrete, glass, and metal. The fill soil is underlain by native clayey soils to the explored depths. Groundwater was encountered in GP-101, GP-102, GP-103, GP-104, GP-106, GP-107, and GP-108 at depths between 4 and 5.5 feet.

## **6.0 ANALYTICAL TESTING**

NTH selected soil samples for analysis based on the results of the field screening including visual and olfactory observations, and PID measurements.

We collected groundwater samples from GP-101, GP-102, GP-103, GP-106, GP-107, and GP-108. We were unable to collect groundwater samples from GP-104 because available

water volumes were not sufficient. Our staff collected groundwater samples directly from the boreholes by installing a temporary one-inch diameter polyvinyl chloride well assembly with 5-foot long well screens. The groundwater was extracted from the temporary wells using a peristaltic pump and flexible vinyl tubing. Due to the high turbidity and suspended solids content, a portion of the water samples for metal analyses were filtered in the field using disposable 0.45-micron filters prior to sample preservation. New well supplies were used at each temporary well location.

We placed the soil and groundwater samples in laboratory-supplied containers and stored in coolers packed with ice. We released the samples to Fibertec Environmental Services (FES) laboratory in accordance with NTH's chain-of-custody procedures.

FES analyzed soil and groundwater samples for VOCs, semi-VOCs (SVOCs), and the Michigan 10 metals (arsenic, barium, cadmium, chromium, copper, lead, mercury, selenium, silver and zinc). Soil samples from GP-102 S-1, and GP-3 S-1 exhibiting petroleum odors were also analyzed for polychlorinated biphenyls (PCBs). The soil samples were prepared in the field for VOC analysis using Michigan-modified methanol preservation (EPA Method 5035).

Laboratory data for the soil and water sample analysis are included in Appendix B.

## 7.0 EVALUATION OF ANALYTICAL DATA

### *Soil Analytical Data*

NTH compared the soil analytical data to the EGLE's - Revised Part 201 Generic Cleanup Criteria and Screening Levels –Table 2; Soil: Residential, published on December 30, 2013, and updated on June 25, 2018. Specifically, we compared soil analytical results compared to Part 201 generic residential cleanup criteria (GRCC) including direct contact (DC), drinking water protection (DWP), groundwater/surface water interface protection (GSIP), soil volatilization to indoor air (SVIIC), infinite source soil volatilization to ambient air (VSIC), particulate soil

inhalation (PSIC), soil saturation concentration screening levels (SSCSL). For metals, we compared analytical results to the statewide default background (SWDB) concentrations, as established by EGLE. We only compared results of metals analysis to GRCC if the concentrations exceeded the SWDB.

### ***Groundwater Analytical Data***

NTH compared the groundwater analytical data to the EGLE's - Revised Part 201 Generic Cleanup Criteria and Screening Levels – Table 1; Groundwater: Residential and Nonresidential, published on December 30, 2013, and updated on June 25, 2018. Specifically, groundwater results to the Part 201 generic residential drinking water (DW) criteria, groundwater/surface water interface (GSI) criteria, groundwater volatilization to indoor air (GVIIC) criteria, water solubility (WS), and flammability and explosivity screening levels (FESL).

We also compared soil and groundwater data to the EGLE's Residential Volatilization to Indoor Pathway (VIAP) Screening Levels, dated September 4, 2020.

### **7.1 Volatile Organic Compounds (VOCs)**

VOCs in the samples were either not detected above laboratory method detection limits (MDLs) or where detected, the reported levels were below Part 201 GRCC, except for the following:

Contaminant	Boring / Sample Location	Media	GRCC Exceeded
Naphthalene	GP-102	Soil	GSIP

Ethylbenzene, naphthalene, and 1,2,4-trimethylbenzene were detected above EGLE's Residential VIAP Screening Levels.

### **7.2 Semi-Volatile Organic Compounds (SVOCs)**

The analyzed SVOCs in the samples were either not detected above laboratory MDLs or where detected, the reported levels were below Part 201 GRCC.

### 7.3 Heavy Metals

The following heavy metals were detected in the samples above Part 201 GRCC:

Metal	Boring / Sample Location	Media	GRCC Exceeded
Arsenic	GP-101, GP-103, and GP-105	Soil	DWP, GSIP, and DC
	GP-102 and GP-103	Water	DW and GSI
Barium	GP-101	Soil	GSIP
Cadmium	GP-101	Soil	DWP and GSIP
Chromium	GP-103, and GP-105	Soil	GSIP
	GP-101	Soil	DWP and GSIP
Copper	GP-101 and GP103	Soil	GSIP
Lead	GP-101	Soil	DWP and DC
Mercury	GP-101	Soil	GSIP
Selenium	GP-101 and GP-103	Soil	GSIP
Silver	GP-101 and GP-103	Soil	GSIP
Zinc	GP-101 and GP-103	Soil	GSIP

Mercury was detected above EGLE's Residential VIAP Screening Levels.

### 7.4 Polychlorinated Biphenyls (PCBs)

PCBs were not detected above laboratory MDLs.

## 8.0 CONCLUSIONS

NTH's Phase II ESA at the property comprised of drilling of eight soil borings, and collection and analysis of soil and groundwater samples to evaluate the RECs identified during the Phase I ESA. We identified the following analytical parameters above Part 201 GRCC in the analyzed samples:

The following heavy metals were detected in the samples above Part 201 GRCC:

Metal	CAS Nos.	Boring / Sample Location	Media	GRCC Exceeded
Arsenic	7440-38-2	GP-101, GP-103, and GP-105	Soil	DWP, GSIP, and DC
		GP-102 and GP-103	Water	DW and GSI
Barium	7440-39-3	GP-101	Soil	GSIP
Cadmium	7440-43-9	GP-101	Soil	DWP and GSIP
Chromium	7440-47-3	GP-103, and GP-105	Soil	GSIP
		GP-101	Soil	DWP and GSIP
Copper	7440-50-8	GP-101 and GP103	Soil	GSIP
Lead	7439-92-1	GP-101	Soil	DWP and DC
Mercury	7439-97-6	GP-101	Soil	GSIP





Metal	CAS Nos.	Boring / Sample Location	Media	GRCC Exceeded
Selenium	7782-49-2	GP-101 and GP-103	Soil	GSIP
Silver	7440-22-4	GP-101 and GP-103	Soil	GSIP
Zinc	7440-66-6	GP-101 and GP-103	Soil	GSIP
Naphthalene	91-20-3	GP-102	Soil	GSIP

Based on the above data, the property is a *facility*, as defined by 1994 P.A. 451, Part 201, as amended. *According to Section 20101(1)(s) of Part 201 of NREPA (1994 P.A. 451, as amended), “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.”*

Mercury, ethylbenzene, naphthalene, and 1,2,4-trimethylbenzene were detected above EGLE’s Residential VIAP Screening Levels. The exceedance of the VIAP Screening Levels is indicative of potential vapor intrusion or indoor air quality risk. As such, further evaluation consisting of soil gas sampling and analysis is recommended for the future residential and commercial development plans for the property.

Moschouris Management Company, LLC intends to purchase the property. Accordingly, this new owner is eligible to submit a Baseline Environmental Assessment (BEA) report to EGLE, provided this report is prepared within 45 days of acquiring or operating on the property. The BEA provides certain statutory protection to the new (non-labile) owners and operators of the *facility* against cleanup liability for pre-existing subsurface contamination under Michigan law.

Under Section 20107a of Part 201, a person who owns or operates property that he/she has knowledge is a *facility* has the following due care obligations:

1. Prevent exacerbation of the existing contamination.



2. Prevent unacceptable human exposure and mitigate fire and explosion hazards to allow for the intended use of the facility in a manner that protects the public health and safety.
3. Take reasonable precautions against the reasonably foreseeable acts or omissions of a third party.
4. Provide reasonable cooperation, assistance, and access to the persons that are authorized to conduct response activities at the property.
5. Comply with any land use or resource use restrictions established or relied on in connection with the response activities.
6. Not impede the effectiveness or integrity of any land use or resource use restriction.

A Plan for Due Care Compliance meeting the above obligations should be completed for the new owner and revised once future use or development plans are finalized.

## **9.0 LIMITATIONS**

The evaluations and conclusions presented in this report have been made to assist Moschouris Management Company, LLC in making a reasonable assessment of risk with respect to subsurface contamination at the property from the RECs identified during the Phase I ESA. Considering the limited scope of the present investigation, data collection and testing, our findings should not be construed as absolute certainties, but rather as probabilities based on our professional judgment. NTH cannot offer any form of warranty or guarantee with respect to the type and extent of hazardous substances on the property, other than those identified and discussed in this report.



This report is for the use and benefit of, and may be relied upon by Moschouris Management Company, LLC, and any of their respective affiliates, successors and assigns, in connection with a commercial real estate transaction involving the subject property, and in accordance with the terms and conditions in place between NTH and Moschouris Management Company, LLC for this project.

This report presents NTH's opinion of the property as of the report's publication date, based on the results of this assessment and on the information provided by the client during the course of the work. The results of our assessment may not be relied upon by parties other than those identified above without the prior knowledge and written consent of NTH.

Any authorized third-party agrees by accepting this report that any use or reliance on this report shall be limited by the exceptions and limitations in this report, and with the acknowledgment that actual site conditions may change with time, and that hidden conditions may exist at the property that were not discovered within the authorized scope of the assessment.

Any use by or distribution of this report to any unauthorized third parties, without the express written consent of NTH is at the sole risk and expense of such third party. In the absence of a written agreement with NTH granting such rights, no third parties shall have rights of recourse or recovery whatsoever under any course of action against NTH or its officers, employees, vendors, affiliates successors or assigns. Any such unauthorized user shall be responsible to protect, indemnify and hold NTH and its respective officers, employees, affiliates, successors and assigns harmless from any and all claims, damages, losses, liabilities, expenses including attorneys' fees and costs attributable to such use. Unauthorized use of this report shall constitute acceptance of and commitment to these responsibilities, which shall be irrevocable and shall apply regardless of the cause of action or legal theory pled or asserted.

# APPENDIX



Boring Location Plan;

Log of Geoprobes;

Summary of Soil and Groundwater Analysis





FIGURE:

BORING LOCATION PLAN

29488 JOHN R ROAD PROPERTY  
MADISON HEIGHTS, MI



PROJECT NO: 22000306-01

NTH CONSULTANTS, LTD.

SHEET 1 OF 4

**LOG OF GEOPROBE BORINGS**

GP NO.	GROUND SURFACE ELEV.	DEPTH (FT)	SOIL DESCRIPTION	DISCRETE SAMPLE INFO.			
				SAMPLE NO.	DEPTH (FT)		PID READING (PPM)
					FROM	TO	
GP-101	N/A	0-0.25	ASPHALT PAVEMENT		0.25	2.0	<1.0
		0.25-2.5	FILL: BROWN SAND WITH PIECES CRUSHED STONE		2.0	4.0	<1.0
		2.5-5.0	FILL: BLACK SAND WITH PIECES OF GLASS	S-1*	4.0	5.0	<1.0
		5.0-9.0	FILL: BROWN AND GREY SAND WITH PIECES OF METAL		5.0	7.0	--
					7.0	9.0	--
		9.0-10.0	BROWN SAND WITH CLAY		9.0	10.0	--
		10.0-15.0	BROWN CLAY		10.0	12.0	<1.0
					12.0	14.0	<1.0
					14.0	15.0	<1.0
			GROUNDWATER ENCOUNTERED AT 5.5 (GW-1)				
GP-102	N/A	0-0.5	ASPHALT PAVEMENT				
		0.5-1.5	FILL: BROWN SANDY CLAY WITH PIECES OF CRUSHED STONE		0.5	2.0	6.1
		1.5-3.5	FILL: BROWN SAND WITH PIECES OF BRICK AND GLASS		2.0	4.0	13.7
		3.5-5.5	FILL: BLACK AND BROWN SAND WITH PIECES OF CLAY, GLASS AND PETROLEUM ODORS	S-1*	4.0	5.5	14.3
		5.5-12.5	BROWN SANDY CLAY		5.5	7.5	--
					7.5	9.5	--
					11.5	12.5	--
		12.5-15.0	BROWN AND GREY CLAY		12.5	14.5	12.0
					14.5	15.0	12.2
			GROUNDWATER ENCOUNTERED AT 5.5' (*GW-1)				

**NOTES:**

- BORINGS BACKFILLED WITH SOIL CUTTINGS & HYDRATED BENTONITE PELLETS AFTER OBTAINING SOIL AND/OR WATER SAMPLES.
- BORINGS OBSERVED BY Z. MORIARTY OF NTH CONSULTANTS, LTD.
- SOIL CLASSIFICATION BASED SOLELY ON VISUAL OBSERVATION.
- \* SAMPLE SUBMITTED FOR ANALYTICAL TESTING.

DRILLED BY: TERRA PROBE ENVIRONMENTAL

DATE: JUNE 28, 2022

FIGURE NO: 2

PROJECT NO: 22000306-01

NTH CONSULTANTS, LTD.

SHEET 2 OF 4

**LOG OF GEOPROBE BORINGS**

GP NO.	GROUND SURFACE ELEV.	DEPTH (FT)	SOIL DESCRIPTION	DISCRETE SAMPLE INFO.		
				SAMPLE NO.	DEPTH (FT) FROM TO	PID READING (PPM)
GP-103	N/A	0-0.5	<b>ASPHALT PAVEMENT</b>		0.5 2.0	
		0.5-3.5	<b>FILL: BROWN SAND</b> WITH PIECES OF CONCRETE		2 3.5	8.6
		3.5-5.0	<b>FILL: BLACK AND BROWN CLAYEY SAND</b> WITH PIECES OF METAL AND PETROLEUM ODOR	S-1*	3.5 5.0	4.8
		5.0-10.0	BROWN AND GREY <b>CLAYEY SAND</b>		5.0 7.0	--
					7.0 9.0	--
					9.0 10.0	9.9
		10.0-15.0	BROWN AND GREY <b>CLAY</b>		10.0 12.0	
					12.0 14.0	
					14.0 15.0	
			GROUNDWATER ENCOUNTERED AT 5.5' (*GW-1)			
GP-104	N/A	0-0.25	<b>TOPSOIL: BROWN SAND</b>		0 0.25	7.4
		0.25-2.5	<b>FILL: BROWN AND GREY SANDY CLAY</b>	S-1	2.25 2.5	5.7
		2.5-3.0	DARK BROWN <b>SAND</b>		2.5 3.0	6.7
		3.0-5.0	BROWN <b>SAND</b>		3.0 5.0	8.7
		5.0-5.5	BROWN <b>SAND</b>		5.0 5.5	7.5
					5.5 7.5	--
		5.5-8.0	BROWN <b>SAND</b>		7.5 8.0	--
		8.0-10.0	BROWN AND GREY <b>CLAY</b>		8.0 10.0	6.3
			GROUNDWATER ENCOUNTERED AT 5.5' (INSUFFICIENT AMOUNTS FOR SAMPLING PURPOSES)			

**NOTES:**

- BORINGS BACKFILLED WITH SOIL CUTTINGS & HYDRATED BENTONITE PELLETS AFTER OBTAINING SOIL AND/OR WATER SAMPLES.
- BORINGS OBSERVED BY Z. MORIARTY OF NTH CONSULTANTS, LTD.
- SOIL CLASSIFICATION BASED SOLELY ON VISUAL OBSERVATION.
- \* SAMPLE SUBMITTED FOR ANALYTICAL TESTING.

DRILLED BY: TERRA PROBE ENVIRONMENTAL

DATE: JUNE 28, 2022

FIGURE NO: 2



PROJECT NO: 22000306-01

NTH CONSULTANTS, LTD.

SHEET 3 OF 4

**LOG OF GEOPROBE BORINGS**

GP NO.	GROUND SURFACE ELEV.	DEPTH (FT)	SOIL DESCRIPTION	DISCRETE SAMPLE INFO.		
				SAMPLE NO.	DEPTH (FT) FROM TO	PID READING (PPM)
GP-105	N/A	0-0.25	<b>TOPSOIL: BROWN SAND</b>		0 0.25	14.0
		0.25-3.5	<b>FILL: BROWN CLAYEY SAND</b>	S-1	0.25 1.5	5.6
					1.5 3.5	5.9
		3.5-4.5	<b>FILL: BROWN SANDY CLAY</b> WITH PIECES OF TILE	S-2*	3.5 4.5	7.1
		4.5-10.0	<b>BROWN AND GREY CLAY</b>		4.5 6.0	3.0
					6.0 8.0	7.5
					8.0 10.0	2.6
			No GROUNDWATER ENCOUNTERED			
GP-106	N/A	0-0.5	<b>ASPHALT PAVEMENT</b>		0 0.5	12.4
		0.5-2.5	<b>FILL: GREY SANDY CLAY</b> WITH PIECES OF BRICK	S-1	0.5 2.5	15.8
		2.5-4.0	<b>FILL: BLACK CLAYEY SAND</b>	S-2*	2.5 4.0	13.0
					4.0 6.0	--
		4.0-8.0	<b>BROWN SAND</b>		6.0 8.0	--
		8.0-10.0	<b>BROWN AND GRAY CLAY</b>		8.0 10.0	12.7
			GROUNDWATER ENCOUNTERED AT 4.0' (*GW-1)			

**NOTES:**

- BORINGS BACKFILLED WITH SOIL CUTTINGS & HYDRATED BENTONITE PELLETS AFTER OBTAINING SOIL AND/OR WATER SAMPLES.
- BORINGS OBSERVED BY Z. MORIARTY OF NTH CONSULTANTS, LTD.
- SOIL CLASSIFICATION BASED SOLELY ON VISUAL OBSERVATION.
- \* SAMPLE SUBMITTED FOR ANALYTICAL TESTING.

DRILLED BY: TERRA PROBE ENVIRONMENTAL

DATE: JUNE 28, 2022

FIGURE NO: 2



PROJECT NO: 22000306-01

NTH CONSULTANTS, LTD.

SHEET 4 OF 4

**LOG OF GEOPROBE BORINGS**

GP NO.	GROUND SURFACE ELEV.	DEPTH (FT)	SOIL DESCRIPTION	DISCRETE SAMPLE INFO.			
				SAMPLE NO.	DEPTH (FT)		PID READING (PPM)
					FROM	TO	
GP-107	N/A	0-0.25	TOPSOIL: BROWN SAND		0	2.0	9.4
		0.25-1.5	FILL: DARK BROWN SAND WITH GRAVEL		2.0	4.0	8.9
		1.5-8.0	LIGHT BROWN SAND	S-1	4.0	5.0	10.0
					5.0	7.0	--
					7.0	8.0	--
		8.0-10.0	BROWN AND GREY CLAY		8.0	10.0	8.7
			GROUNDWATER ENCOUNTERED AT 5' (*GW-1)				
GP-108	N/A	0-0.25	TOPSOIL: BROWN SAND		0	2.0	6.2
		0.25-3.75	BROWN AND GRAY SANDY CLAY WITH GRAVEL		2.0	3.75	5.3
		3.75-5.25	FILL: BROWN SAND WITH PIECES OF BRICK AND CONCRETE	S-1*	3.75	5.25	6.4
		5.25-7.0	BROWN SAND		5.25	7.0	--
		7.0-10.0	BROWN AND GREY CLAY		7.0	9.0	5.2
					9.0	10.0	4.1
			GROUNDWATER ENCOUNTERED AT 5.25' (*GW-1)				
			</				

**NOTES:**

- BORINGS BACKFILLED WITH SOIL CUTTINGS & HYDRATED BENTONITE PELLETS AFTER OBTAINING SOIL AND/OR WATER SAMPLES.
- BORINGS OBSERVED BY Z. MORIARTY OF NTH CONSULTANTS, LTD.
- SOIL CLASSIFICATION BASED SOLELY ON VISUAL OBSERVATION.
- \* SAMPLE SUBMITTED FOR ANALYTICAL TESTING.

DRILLED BY: TERRA PROBE ENVIRONMENTAL

DATE: JUNE 28, 2022

FIGURE NO: 2

Table 1: SUMMARY OF CHEMICAL ANALYSES- SOIL  
Madison Heights Property  
NTH Project No. 22000306-01

Sample Designation	Sample Depth (ft)	Collect Date	Michigan 10 Metals										VOCs				SVOCs / PNAs												
			Arsenic	Barium	Cadmium	Chromium, Total	Copper	Lead	Mercury, Total	Selenium	Silver	Zinc	Ethylbenzene	Naphthalene	1,2,4-Trimethylbenzene	Xylenes	Anthracene	Benzo(a)anthracene	Benzo(a)pyrene	Benzo(b)fluoranthene	Benzo(g,h,i)perylene	Benzo(k)fluoranthene	Chrysene	Fluoranthene	Indeno(1,2,3-cd)pyrene	Phenanthrene	Pyrene		
			7440-38-2	7440-39-3	7440-43-9	7440-47-3	7440-50-8	7439-92-1	7439-97-6	7782-49-2	7440-22-4	7440-66-6	100-41-4	91-20-3	95-63-6	1330-20-7	120-12-7	56-55-3	50-32-8	205-99-2	191-24-2	207-08-9	218-01-9	206-44-0	193-39-5	85-01-8	129-00-0		
GP-101 S-1	(4' - 5')	06/28/22	360,000	780,000	6,700	70,000	1,500,000	1,200,000	630	1,300	4,100	2,700,000	<50	<330	<100	<150	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330		
GP-102 S-1	(4' - 5.5')	06/28/22	3,300	81,000	340	12,000	18,000	36,000	<50	200	120	74,000	55	14,000	280	160	380	1,100	810	1,100	470	460	1,000	2,100	500	1,400	1,900		
GP-103 S-1	(3.5' - 5')	06/28/22	9,900	240,000	1,400	22,000	100,000	330,000	91	570	1,100	800,000	<50	<330	<100	<150	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330		
GP-105 S-2	(3.4' - 4.5')	06/28/22	8,000	64,000	220	19,000	16,000	14,000	<50	220	<100	58,000	<50	<330	<100	<150	<390	<390	<390	<390	<390	<390	<390	<390	<390	<390	<390		
GP-106 S-2	(2.5' - 4')	06/28/22	2,000	17,000	120	6,500	2,800	5,400	<50	350	<100	20,000	<50	<330	<100	<150	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330		
GP-108 S-1	3.75' - 5.25	06/28/22	3,200	120,000	170	9,300	49,000	210,000	<50	<200	<100	130,000	<50	<330	<100	<150	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330	<330		
PART 201 RESIDENTIAL SOIL CLEANUP CRITERIA		SWDB	5,800	75,000	1,200	18,000	32,000	21,000	130	410	1,000	47,000	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
		DWP	4,600	1.3E+06	6,000	30,000	5.8E+06	7.0E+05	1,700	4,000	4,500	2.4E+06	1,500	35,000	2,100	5,600	41,000	NLL	NLL	NLL	NLL	NLL	NLL	7.3E+05	NLL	56,000	4.8E+05		
		GSIP	4,600	4.4E+05(G)	3,000(G,X)	3,300	75,000(G)	2.5E+06(G,X)	50 (M); 1.2	400	100 (M); 27	1.7E+05(G)	360	730	570	980	ID	NLL	NLL	NLL	NLL	NLL	NLL	5,500	NLL	2,100	ID		
		SVIIC	NLV	NLV	NLV	NLV	NLV	NLV	48,000	NLV	NLV	NLV	87,000	2.5E+05	4.3E+06	6.3E+06	1.0E+09	NLV	NLV	ID	NLV	NLV	ID	1.0E+09	NLV	2.8E+06	1.0E+09		
		VSIC	NLV	NLV	NLV	NLV	NLV	NLV	52,000	NLV	NLV	NLV	7.2E+05	3.0E+05	2.1E+07	4.6E+07	1.4E+09	NLV	NLV	ID	NLV	NLV	ID	7.4E+08	NLV	1.6E+05	6.5E+08		
		VSIC 5M	NLV	NLV	NLV	NLV	NLV	NLV	52,000	NLV	NLV	NLV	1.0E+06	3.0E+05	5.0E+08	6.1E+07	1.4E+09	NLV	NLV	ID	NLV	NLV	ID	7.4E+08	NLV	1.6E+05	6.5E+08		
		VSIC 2M	NLV	NLV	NLV	NLV	NLV	NLV	52,000	NLV	NLV	NLV	2.2E+06	3.0E+05	5.0E+08	1.3E+08	1.4E+09	NLV	NLV	ID	NLV	NLV	ID	7.4E+08	NLV	1.6E+05	6.5E+08		
		PSIC	7.2E+05	3.3E+08	1.7E+06	2.6E+05	1.3E+08	1.0E+08	2.0E+07	1.3E+08	6.7E+06	ID	1.0E+10	2.0E+08	8.2E+10	2.9E+11	6.7E+10	ID	1.5E+06	ID	ID	ID	9.3E+09	ID	6.7E+06	6.7E+09			
		DC	7,600	3.7E+07	5.5E+05	2.5E+06	2.0E+07	4.0E+05	1.6E+05	2.6E+06	2.5E+06	1.7E+08	2.2E+07	1.6E+07	3.2E+07	4.1E+08	2.3E+08	20,000	2,000	20,000	2.5E+06	2.0E+05	2.0E+06	4.6E+07	20,000	1.6E+06	2.9E+07		
		SSCSL	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1.4E+05	NA	1.1E+05	1.5E+05	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
RESIDENTIAL VOLATILIZATION TO INDOOR AIR PATHWAY SCREENING LEVELS			NA	NA	NA	NA	NA	NA	22(M)	NA	NA	NA	12(M)	67(M)	150(JT)	280(J)	1.3E+07	1.6E+05 (MM)	NA	NA	NA	NA	NA	NA	NA	1,700	2.5E+07		

NOTES:

[1] PART 201 CRITERIA EFFECTIVE DATE: JUNE 25, 2018

[2] SAMPLES COLLECTED BY NTH CONSULTANTS PERSONNEL AND ANALYZED BY FIBERTEC ENVIRONMENTAL SERVICES OF HOLT, MICHIGAN.

[3] ALL VALUES PRESENTED AS µG/KG - MICROGRAMS PER KILOGRAM (≈ PARTS PER BILLION).

[4] ID - INADEQUATE DATA TO DEVELOP CRITERION

[5] NLV - CHEMICAL IS NOT LIKELY TO VOLATILIZE UNDER MOST CONDITIONS

[6] NA - NOT APPLICABLE

[7] ND - NOT DETECTED ABOVE LABORATORY REPORTED METHOD DETECTION LIMITS

[8] SWDB - STATE-WIDE DEFAULT BACKGROUND

[9] DWP - RESIDENTIAL DRINKING WATER PROTECTION CRITERIA

[10] GSIP - GROUNDWATER / SURFACE WATER INTERFACE PROTECTION CRITERIA.

[11] SVIIC - SOIL VOLATILIZATION TO INDOOR AIR INHALATION CRITERIA.

[12] VSIC - VOLATILE SOIL INHALATION CRITERIA (AMBIENT AIR; INFINITE SOURCE).

[13] VSIC 5M - FINITE VSIC FOR 5 METER SOURCE THICKNESS

[14] VSIC 2M - FINITE VSIC FOR 2 METER SOURCE THICKNESS

[15] PSIC - PARTICULATE SOIL INHALATION CRITERIA

[16] DC - DIRECT CONTACT CRITERIA

[17] SSCSL - SOIL SATURATION CONCENTRATION SCREENING LEVELS

[18] G - AQUATIC TOXICITY IS PROPORTIONAL TO WATER HARDNESS AND/OR pH OF THE RECEIVING SURFACE WATER; THESE GSI VALUES HAVE BEEN CALCULATED BASED ON DEFAULT WATER HARDNESS OF 150 PPM AS A REASONABLE ESTIMATE FOR MOST SURFACE WATER BODIES IN MICHIGAN.

[19] X - THE GSI CRITERION LISTED MAY NOT BE PROTECTIVE FOR SURFACE WATER THAT IS USED AS A DRINKING WATER SOURCE. FOR SOIL THAT MAY LEACH AND RESULT IN A IN CLOSE GROUNDWATER DISCHARGE TO THE GREAT LAKES AND THEIR CONNECTING WATERS OR DISCHARGE IN CLOSE PROXIMITY TO A WATER SUPPLY INTAKE IN INLAND SURFACE WATERS, THE GENERIC GSI CRITERION WOULD BE THE RESIDENTIAL DWP LISTED IN THE TABLE.

[20] - REPORTED CONCENTRATION EXCEEDS ONE OR MORE APPLICABLE PART 201 CRITERIA

[21] - REPORTED CONCENTRATION EXCEEDS VAPOR INTRUSION SCREENING LEVELS

**Table 2: SUMMARY OF CHEMICAL ANALYSES-GROUNDWATER**  
**Madison Heights Property**  
**NTH Project No. 22000306-01**

Sample Designation	Collect Date	Michigan 10 Metals				VOCs
		Arsenic	Barium	Copper	Zinc	Toluene
		7440-38-2	7440-39-3	7440-50-8	7440-66-6	108-88-3
GP-102 GW-1	06/28/22	70	380	<4.0	110	<1.0
GP-103 GW-1	06/28/22	14	430	<4.0	<50	<1.0
GP-106 GW-1	06/28/22	<5.0	470	<4.0	<50	1.0
GP-107 GW-1	06/28/22	<5.0	250	6.2	73	<1.0
GP-108 GW-1	06/28/22	<5.0	260	<4.0	55	<1.0
PART 201 RESIDENTIAL GROUNDWATER CLEANUP CRITERIA	DW	10	2,000	1,000	2,400	790
	GSI	10	670(G)	13(G)	170(G)	270
	GVIIC	NLV	NLV	NLV	NLV	5.3E+05
	WS	NA	NA	NA	NA	5.3E+05
	FESL	ID	ID	ID	ID	61,000
RESIDENTIAL VOLATILIZATION TO INDOOR AIR PATHWAY SCREENING LEVELS		NA	NA	NA	NA	300(FF)

## NOTES:

- [1] 201 CRITERIA EFFECTIVE DATE: JUNE 25, 2018
- [2] SAMPLES COLLECTED BY NTH CONSULTANTS PERSONNEL AND ANALYZED BY FIBERTEC ENVIRONMENTAL SERVICES OF HOLT, MICHIGAN.
- [3] ALL VALUES PRESENTED AS µG/L - MICROGRAMS PER LITER (≈ PARTS PER BILLION).
- [4] ND - NOT DETECTED AT OR ABOVE LABORATORY REPORTED METHOD DETECTION LIMIT (SEE LABORATORY DATA REPORT FOR PARAMETER/SAMPLE SPECIFIC DETECTION LIMITS).
- [5] ID - INADEQUATE DATA TO DEVELOP CRITERION
- [6] NLL - CHEMICAL IS NOT LIKELY TO LEACH UNDER MOST SOIL CONDITIONS.
- [7] NLV - CHEMICAL IS NOT LIKELY TO VOLATILIZE UNDER MOST CONDITIONS.
- [8] DW - CONCENTRATION IN GROUNDWATER, IF NOT EXCEEDED, IS CONSIDERED SAFE FOR EXPOSURE.
- [9] NRDW - NONRESIDENTIAL DRINKING WATER CRITERIA
- [10] GSI - PRESENTED ONLY TO ESTABLISH GROUNDWATER CRITERIA WHICH ARE PROTECTIVE OF SURFACE WATER.
- [11] GVIIC - GROUNDWATER VOLATILIZATION TO INDOOR AIR INHALATION CRITERIA.
- [12] NRGVIIC - NONRESIDENTIAL GROUNDWATER VOLATILIZATION TO INDOOR AIR INHALATION CRITERIA.
- [13] WS - WATER SOLUBILITY
- [14] FESL - FLAMMABILITY AND EXPLOSIVITY SCREENING LEVEL
- [15]   - REPORTED CONCENTRATION EXCEEDS ONE OR MORE APPLICABLE PART 201 CRITERIA
- [16]   REPORTED CONCENTRATION EXCEEDS VAPOR INTRUSION SCREENING LEVELS

# TABLES

# **Table 1**

## **Eligible Activity Cost Schedule**

**Table 1: Eligible Activities Cost Estimates**

Item/Activity	Total Request
<b>Work Plan Exempt Activities</b>	
Phase I ESA	\$ 3,000
Phase II ESA/BEA	\$ 37,700
Hazardous Materials Survey	\$ 10,000
<b>Work Plan Exempt Activities Sub-Total</b>	<b>\$ 50,700</b>
<b>Department Specific Activities</b>	
Vapor Barrier Design	\$ 35,000
Vapor Barrier Installation	\$ 174,250
Contaminated Soil Transport, Disposal and Backfill	\$ 187,130
Contaminated Groundwater Management	\$ 179,700
Utility Corridor Migration Barriers	\$ 21,000
Utility Gasketing	\$ 60,000
Surface Cover (demarcation barrier, clean fill etc.)	\$ 55,400
Oversight, Sampling and Reporting by Environmental Professional	\$ 97,750
<b>Department Specific Activities Sub-Total</b>	<b>\$ 810,230</b>
<b>Demolition</b>	
Building Demolition Activities (selective internal)	\$ 75,000
Site Demolition Activities	\$ 36,750
Fill/Compaction/Rough Grading to Balance Site where Bldg. was Located	\$ 5,750
<b>Demolition Sub-Total</b>	<b>\$ 117,500</b>
<b>Asbestos and Lead Activities</b>	
Asbestos Abatement, Oversight, Air Monitoring and Reporting	\$ 10,000
Asbestos Abatement	\$ 20,000
<b>Asbestos and Lead Activities Sub-Total</b>	<b>\$ 30,000</b>
<b>Infrastructure Improvements</b>	
Urban Storm Water Management Systems (Traditional versus Low Impact Design)	\$ 500,000
<b>Infrastructure Sub-Total</b>	<b>\$ 500,000</b>
<b>Site Preparation</b>	
Temporary Erosion Control	\$ 2,925
Temporary Site Control (fencing, gates, signage and/or lighting)	\$ 4,550
Grading (including reasonable mass grading of entire project site)	\$ 40,000
Fill Relating to Other Eligible Activities	\$ 200,000
<b>Site Preparation Sub-Total</b>	<b>\$ 247,475</b>
<b>Preparation of Brownfield Plan and Act 381 Workplan</b>	
Brownfield Plan	\$ 20,000
Brownfield Plan Implementation	\$ 10,000
<b>Brownfield Plan and Act 381 Workplan Sub-Total</b>	<b>\$ 30,000</b>
<b>Eligible Activities Sub-Total</b>	<b>\$ 1,785,905</b>
15% Contingency*	\$ 255,781
<b>Developer Eligible Reimbursement Total</b>	<b>\$ 2,041,686</b>
TIF Capture for Local Brownfield Revolving Fund	\$ -
Administrative Fee	\$ 75,000
<b>Total</b>	<b>\$ 2,116,686</b>

\*15% Contingency excludes preparation of Brownfield Plan/381 Work Plan and Pre-Approved Activities

## **Table 2**

### **Tax Increment Revenue Capture Estimates**

Table 2  
Tax Increment Capture Estimates

BROWNFIELD ONLY		Value (TV) Increase Rate:		2.00%		Multiplier		1.020																					
Madison Heights																													
Brownfield Plan Year				1		2		3		4		5		6		7		8		9		10		11		12		13	
Calendar Year		2024		2025		2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		2036		2037	
Parent Parcel	Base Taxable Value	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	Ad Valorem			\$	1,200,000	\$	1,224,000	\$	1,248,480	\$	1,273,450	\$	1,298,919	\$	1,324,897	\$	1,351,395	\$	1,378,423	\$	1,405,991	\$	1,434,111	\$	1,462,793	\$	1,492,049	\$	1,521,890
	Incremental Difference (New TV - Base TV)			\$	1,200,000	\$	1,224,000	\$	1,248,480	\$	1,273,450	\$	1,298,919	\$	1,324,897	\$	1,351,395	\$	1,378,423	\$	1,405,991	\$	1,434,111	\$	1,462,793	\$	1,492,049	\$	1,521,890
School Capture		Millage																											
State Education Tax (SET)		6.0000		\$	7,200	\$	7,344	\$	7,491	\$	7,641	\$	7,794	\$	7,949	\$	8,108	\$	8,271	\$	8,436	\$	8,605	\$	8,777	\$	8,952	\$	9,131
School Operating		18.0000		\$	21,600	\$	22,032	\$	22,473	\$	22,922	\$	23,381	\$	23,848	\$	24,325	\$	24,812	\$	25,308	\$	25,814	\$	26,330	\$	26,857	\$	27,394
School Brownfield Capturable Total		24.0000		\$	28,800	\$	29,376	\$	29,964	\$	30,563	\$	31,174	\$	31,798	\$	32,433	\$	33,082	\$	33,744	\$	34,419	\$	35,107	\$	35,809	\$	36,525
Local Capture																													
City Operating		12.8746		\$	15,450	\$	15,759	\$	16,074	\$	16,395	\$	16,723	\$	17,058	\$	17,399	\$	17,747	\$	18,102	\$	18,464	\$	18,833	\$	19,210	\$	19,594
Solid Waste		2.4976		\$	2,997	\$	3,057	\$	3,118	\$	3,181	\$	3,244	\$	3,309	\$	3,375	\$	3,443	\$	3,512	\$	3,582	\$	3,653	\$	3,727	\$	3,801
Road Improvement		1.8882		\$	2,266	\$	2,311	\$	2,357	\$	2,405	\$	2,453	\$	2,502	\$	2,552	\$	2,603	\$	2,655	\$	2,708	\$	2,762	\$	2,817	\$	2,874
Senior Citizens		0.4484		\$	538	\$	549	\$	560	\$	571	\$	582	\$	594	\$	606	\$	618	\$	630	\$	643	\$	656	\$	669	\$	682
Fire Stations BO		0.0000		\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
County Gen Fund		3.9686		\$	4,762	\$	4,858	\$	4,955	\$	5,054	\$	5,155	\$	5,258	\$	5,363	\$	5,470	\$	5,580	\$	5,691	\$	5,805	\$	5,921	\$	6,040
Oakland Comm College		1.4891		\$	1,787	\$	1,823	\$	1,859	\$	1,896	\$	1,934	\$	1,973	\$	2,012	\$	2,053	\$	2,094	\$	2,136	\$	2,178	\$	2,222	\$	2,266
OISD Allocated		0.1881		\$	226	\$	230	\$	235	\$	240	\$	244	\$	249	\$	254	\$	259	\$	264	\$	270	\$	275	\$	281	\$	286
OISD Voted		2.9777		\$	3,573	\$	3,645	\$	3,718	\$	3,792	\$	3,868	\$	3,945	\$	4,024	\$	4,105	\$	4,187	\$	4,270	\$	4,356	\$	4,443	\$	4,532
Lanphere Sinking		2.9297		\$	3,516	\$	3,586	\$	3,658	\$	3,731	\$	3,805	\$	3,882	\$	3,959	\$	4,038	\$	4,119	\$	4,202	\$	4,286	\$	4,371	\$	4,459
Oakland Transit		0.95000		\$	1,140	\$	1,163	\$	1,186	\$	1,210	\$	1,234	\$	1,259	\$	1,284	\$	1,310	\$	1,336	\$	1,362	\$	1,390	\$	1,417	\$	1,446
H-C Metroparks		0.20700		\$	248	\$	253	\$	258	\$	264	\$	269	\$	274	\$	280	\$	285	\$	291	\$	297	\$	303	\$	309	\$	315
County Park & Rec		0.34310		\$	412	\$	420	\$	428	\$	437	\$	446	\$	455	\$	464	\$	473	\$	482	\$	492	\$	502	\$	512	\$	522
Local Brownfield Capturable Total		30.7621		\$	36,915	\$	37,653	\$	38,406	\$	39,174	\$	39,957	\$	40,757	\$	41,572	\$	42,403	\$	43,251	\$	44,116	\$	44,999	\$	45,899	\$	46,817
Non-Capturable Millages																													
Zoo Authority		0.0945		\$	113	\$	116	\$	118	\$	120	\$	123	\$	125	\$	128	\$	130	\$	133	\$	136	\$	138	\$	141	\$	144
Art Institute		0.1945		\$	233	\$	238	\$	243	\$	248	\$	253	\$	258	\$	263	\$	268	\$	273	\$	279	\$	285	\$	290	\$	296
P & F Pension		7.0000		\$	8,400	\$	8,568	\$	8,739	\$	8,914	\$	9,092	\$	9,274	\$	9,460	\$	9,649	\$	9,842	\$	10,039	\$	10,240	\$	10,444	\$	10,653
Chap 20 Drain		0.8200		\$	984	\$	1,004	\$	1,024	\$	1,044	\$	1,065	\$	1,086	\$	1,108	\$	1,130	\$	1,153	\$	1,176	\$	1,199	\$	1,223	\$	1,248
Total Non-Capturable Taxes		8.1090		\$	9,731	\$	9,925	\$	10,124	\$	10,326	\$	10,533	\$	10,744	\$	10,958	\$	11,178	\$	11,401	\$	11,629	\$	11,862	\$	12,099	\$	12,341
State and Local Total		62.8711		\$	75,445	\$	76,954	\$	78,493	\$	80,063	\$	81,664	\$	83,298	\$	84,964	\$	86,663	\$	88,396	\$	90,164	\$	91,967	\$	93,807	\$	95,683
State and Local Total Capturable		54.7621		\$	65,715	\$	67,029	\$	68,369	\$	69,737	\$	71,132	\$	72,554	\$	74,005	\$	75,485	\$	76,995	\$	78,535	\$	80,106	\$	81,708	\$	83,342



Table 2  
Tax Increment Capture Estimates

Item 3.

14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	TOTAL
2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 1,552,328	\$ 1,583,375	\$ 1,615,042	\$ 1,647,343	\$ 1,680,290	\$ 1,713,895	\$ 1,748,173	\$ 1,783,137	\$ 1,818,800	\$ 1,855,176	\$ 1,892,279	\$ 1,930,125	\$ 1,968,727	\$ 2,008,102	\$ 2,048,264	\$ 2,089,229	\$ 2,131,014	
\$ 1,552,328	\$ 1,583,375	\$ 1,615,042	\$ 1,647,343	\$ 1,680,290	\$ 1,713,895	\$ 1,748,173	\$ 1,783,137	\$ 1,818,800	\$ 1,855,176	\$ 1,892,279	\$ 1,930,125	\$ 1,968,727	\$ 2,008,102	\$ 2,048,264	\$ 2,089,229	\$ 2,131,014	
\$ 9,314	\$ 9,500	\$ 9,690	\$ 9,884	\$ 10,082	\$ 10,283	\$ 10,489	\$ 10,699	\$ 10,913	\$ 11,131	\$ 11,354	\$ 11,581	\$ 11,812	\$ 12,049	\$ 12,290	\$ 12,535	\$ 12,786	\$ 292,090
\$ 27,942	\$ 28,501	\$ 29,071	\$ 29,652	\$ 30,245	\$ 30,850	\$ 31,467	\$ 32,096	\$ 32,738	\$ 33,393	\$ 34,061	\$ 34,742	\$ 35,437	\$ 36,146	\$ 36,869	\$ 37,606	\$ 38,358	\$ 876,271
\$ 37,256	\$ 38,001	\$ 38,761	\$ 39,536	\$ 40,327	\$ 41,133	\$ 41,956	\$ 42,795	\$ 43,651	\$ 44,524	\$ 45,415	\$ 46,323	\$ 47,249	\$ 48,194	\$ 49,158	\$ 50,141	\$ 51,144	\$ 1,168,361
\$ 19,986	\$ 20,385	\$ 20,793	\$ 21,209	\$ 21,633	\$ 22,066	\$ 22,507	\$ 22,957	\$ 23,416	\$ 23,885	\$ 24,362	\$ 24,850	\$ 25,347	\$ 25,854	\$ 26,371	\$ 26,898	\$ 27,436	\$ 626,757
\$ 3,877	\$ 3,955	\$ 4,034	\$ 4,114	\$ 4,197	\$ 4,281	\$ 4,366	\$ 4,454	\$ 4,543	\$ 4,633	\$ 4,726	\$ 4,821	\$ 4,917	\$ 5,015	\$ 5,116	\$ 5,218	\$ 5,322	\$ 121,587
\$ 2,931	\$ 2,990	\$ 3,050	\$ 3,111	\$ 3,173	\$ 3,236	\$ 3,301	\$ 3,367	\$ 3,434	\$ 3,503	\$ 3,573	\$ 3,644	\$ 3,717	\$ 3,792	\$ 3,868	\$ 3,945	\$ 4,024	\$ 91,921
\$ 696	\$ 710	\$ 724	\$ 739	\$ 753	\$ 769	\$ 784	\$ 800	\$ 816	\$ 832	\$ 848	\$ 865	\$ 883	\$ 900	\$ 918	\$ 937	\$ 956	\$ 21,829
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 6,161	\$ 6,284	\$ 6,409	\$ 6,538	\$ 6,668	\$ 6,802	\$ 6,938	\$ 7,077	\$ 7,218	\$ 7,362	\$ 7,510	\$ 7,660	\$ 7,813	\$ 7,969	\$ 8,129	\$ 8,291	\$ 8,457	
\$ 2,312	\$ 2,358	\$ 2,405	\$ 2,453	\$ 2,502	\$ 2,552	\$ 2,603	\$ 2,655	\$ 2,708	\$ 2,763	\$ 2,818	\$ 2,874	\$ 2,932	\$ 2,990	\$ 3,050	\$ 3,111	\$ 3,173	\$ 72,492
\$ 292	\$ 298	\$ 304	\$ 310	\$ 316	\$ 322	\$ 329	\$ 335	\$ 342	\$ 349	\$ 356	\$ 363	\$ 370	\$ 378	\$ 385	\$ 393	\$ 401	\$ 9,157
\$ 4,622	\$ 4,715	\$ 4,809	\$ 4,905	\$ 5,003	\$ 5,103	\$ 5,206	\$ 5,310	\$ 5,416	\$ 5,524	\$ 5,635	\$ 5,747	\$ 5,862	\$ 5,980	\$ 6,099	\$ 6,221	\$ 6,346	\$ 144,959
\$ 4,548	\$ 4,639	\$ 4,732	\$ 4,826	\$ 4,923	\$ 5,021	\$ 5,122	\$ 5,224	\$ 5,329	\$ 5,435	\$ 5,544	\$ 5,655	\$ 5,768	\$ 5,883	\$ 6,001	\$ 6,121	\$ 6,243	\$ 142,623
\$ 1,475	\$ 1,504	\$ 1,534	\$ 1,565	\$ 1,596	\$ 1,628	\$ 1,661	\$ 1,694	\$ 1,728	\$ 1,762	\$ 1,798	\$ 1,834	\$ 1,870	\$ 1,908	\$ 1,946	\$ 1,985	\$ 2,024	\$ 46,248
\$ 321	\$ 328	\$ 334	\$ 341	\$ 348	\$ 355	\$ 362	\$ 369	\$ 376	\$ 384	\$ 392	\$ 400	\$ 408	\$ 416	\$ 424	\$ 432	\$ 441	\$ 10,077
\$ 533	\$ 543	\$ 554	\$ 565	\$ 577	\$ 588	\$ 600	\$ 612	\$ 624	\$ 637	\$ 649	\$ 662	\$ 675	\$ 689	\$ 703	\$ 717	\$ 731	\$ 16,703
\$ 47,753	\$ 48,708	\$ 49,682	\$ 50,676	\$ 51,689	\$ 52,723	\$ 53,777	\$ 54,853	\$ 55,950	\$ 57,069	\$ 58,210	\$ 59,375	\$ 60,562	\$ 61,773	\$ 63,009	\$ 64,269	\$ 65,554	\$ 1,497,551
\$ 147	\$ 150	\$ 153	\$ 156	\$ 159	\$ 162	\$ 165	\$ 169	\$ 172	\$ 175	\$ 179	\$ 182	\$ 186	\$ 190	\$ 194	\$ 197	\$ 201	\$ 4,600
\$ 302	\$ 308	\$ 314	\$ 320	\$ 327	\$ 333	\$ 340	\$ 347	\$ 354	\$ 361	\$ 368	\$ 375	\$ 383	\$ 391	\$ 398	\$ 406	\$ 414	\$ 9,469
\$ 10,866	\$ 11,084	\$ 11,305	\$ 11,531	\$ 11,762	\$ 11,997	\$ 12,237	\$ 12,482	\$ 12,732	\$ 12,986	\$ 13,246	\$ 13,511	\$ 13,781	\$ 14,057	\$ 14,338	\$ 14,625	\$ 14,917	\$ 340,772
\$ 1,273	\$ 1,298	\$ 1,324	\$ 1,351	\$ 1,378	\$ 1,405	\$ 1,434	\$ 1,462	\$ 1,491	\$ 1,521	\$ 1,552	\$ 1,583	\$ 1,614	\$ 1,647	\$ 1,680	\$ 1,713	\$ 1,747	\$ 39,919
\$ 12,588	\$ 12,840	\$ 13,096	\$ 13,358	\$ 13,625	\$ 13,898	\$ 14,176	\$ 14,459	\$ 14,749	\$ 15,044	\$ 15,344	\$ 15,651	\$ 15,964	\$ 16,284	\$ 16,609	\$ 16,942	\$ 17,280	\$ 394,760
\$ 97,597	\$ 99,548	\$ 101,539	\$ 103,570	\$ 105,642	\$ 107,754	\$ 109,910	\$ 112,108	\$ 114,350	\$ 116,637	\$ 118,970	\$ 121,349	\$ 123,776	\$ 126,252	\$ 128,777	\$ 131,352	\$ 133,979	\$ 3,060,672
\$ 85,009	\$ 86,709	\$ 88,443	\$ 90,212	\$ 92,016	\$ 93,857	\$ 95,734	\$ 97,648	\$ 99,601	\$ 101,593	\$ 103,625	\$ 105,698	\$ 107,812	\$ 109,968	\$ 112,167	\$ 114,411	\$ 116,699	\$ 2,665,912

# **Table 3**

## **Tax Increment Reimbursement Estimates**



Table 3  
Tax Increment Reimbursement Estimates

Item 3.

15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTAL
\$48,708	\$49,682	\$50,676	\$51,689	\$52,723	\$53,777	\$54,853	\$55,950	\$57,069	\$58,210	\$59,375	\$60,562	\$61,773	\$63,009	\$64,269	\$65,554	\$1,497,551
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$75,000
\$46,208	\$47,182	\$48,176	\$49,189	\$50,223	\$51,277	\$52,353	\$53,450	\$54,569	\$55,710	\$56,875	\$58,062	\$59,273	\$60,509	\$61,769	\$63,054	\$1,422,551
\$46,208	\$47,182	\$48,176	\$49,189	\$50,223	\$51,277	\$52,353	\$53,450	\$54,569	\$55,710	\$56,875	\$58,062	\$59,273	\$60,509	\$61,769	\$63,054	\$ 1,422,551
\$1,440,808	\$1,393,626	\$1,345,450	\$1,296,261	\$1,246,038	\$1,194,760	\$1,142,407	\$1,088,957	\$1,034,388	\$978,678	\$921,803	\$863,741	\$804,467	\$743,958	\$682,189	\$619,135	
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
\$46,208	\$47,182	\$48,176	\$49,189	\$50,223	\$51,277	\$52,353	\$53,450	\$54,569	\$55,710	\$56,875	\$58,062	\$59,273	\$60,509	\$61,769	\$63,054	\$1,422,551
\$1,440,808	\$1,393,626	\$1,345,450	\$1,296,261	\$1,246,038	\$1,194,760	\$1,142,407	\$1,088,957	\$1,034,388	\$978,678	\$921,803	\$863,741	\$804,467	\$743,958	\$682,189	\$619,135	
\$46,208	\$47,182	\$48,176	\$49,189	\$50,223	\$51,277	\$52,353	\$53,450	\$54,569	\$55,710	\$56,875	\$58,062	\$59,273	\$60,509	\$61,769	\$63,054	\$1,422,551
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**\*\*\*Draft\*\*\***

## **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT ("Agreement"), is entered into as of the last date ascribed to below, by and between the CITY OF MADISON HEIGHTS, a Michigan municipal corporation, with offices located at 300 West Thirteen Mile Road, Madison Heights, Michigan 48071, ("City"), and MOSCHOURIS MANAGEMENT COMPANY, LLC whose address is 28454 Woodward Ave., Royal Oak, MI 48067 ("Developer").

### **WITNESSETH:**

WHEREAS, the Developer owns a parcel of real property in the City of Madison Heights and legally described on the attached **Exhibit A**, attached hereto and incorporated by reference, which will be collectively referred to within this Agreement as the "Property," and

WHEREAS, Developer wishes to make improvements to the Property; and

WHEREAS, the improvements Developer wishes to make to the Property include the demolition of the existing building and the parking lot west of this building, infrastructure (including storm water) improvements, landscaping, and other activities/improvements identified on **Exhibit B**, attached hereto, and incorporated by reference (the "Project").

WHEREAS, the City requires that Developer's Project comply with the City of Madison Heights Code of Ordinances; and

WHEREAS, the City will agree to issue permits for the Project contingent upon Developer agreeing to the Development Criteria set forth in this Agreement; and

NOW, THEREFORE, in consideration of the above recitals, the parties agree as follows:

1. RECITALS. The foregoing recitals are incorporated in and form a part of this Agreement.
2. DEFINITIONS. The following definitions shall apply to the provisions of this Agreement:
  - A. “Commencement of the Project” means that permits for the Project have been issued, and actual physical Development activity is underway.
  - B. “Substantial Completion of the Project” means sufficient work has been completed showing that a financial commitment as well as the Developer’s intent and ability to satisfactorily complete each applicable Phase of the Development within the time frames established in this Agreement. The City, in its reasonable discretion, shall determine whether the Developer has Substantially Completed each phase of the development.
  - C. “Completion of the Project” means that the improvements to the Property required by this Agreement have been satisfied and the Project is fully completed.
3. DEVELOPMENT CRITERIA.
  - A. PERMIT ISSUANCE: To obtain issuance of permits for the Project, Developer agrees to the following:
    - i. To meet the conditions contained in this Agreement;
    - ii. To complete the Project within the deadlines provided in this Agreement;
    - iii. To comply with the site plan attached as **Exhibit B** for making the improvements set forth in this Agreement within the time periods established by this Agreement; and
    - iv. To complete all Proposed Site Activities and Future Site Activities as identified on **Exhibit B** within the time periods established by this Agreement.

B. IMPROVEMENTS AND INVESTMENTS:

- a. All activities/improvements for the Project including, but not limited to all Site Plan Requirements identified in **Exhibit B** and all Proposed Site Activities and Future Site Activities as identified in **Exhibit B**, shall be completed by ~~XXXXXXXX-XX-XXXX~~. The City acknowledges that the Property is contaminated, and that Developer's objective is to capture constituents of concern in the soil and groundwater and to perform remediation actions. If Developer fails to complete the Project by ~~XXXXXXXX-XX-XXXX~~, or as may otherwise be extended through an amendment to this Agreement, then Developer shall furnish a cash deposit or proof of funds evidencing the same with the City in the amount of One Hundred Thousand (\$100,000.00) Dollars which is intended to cover the cost of the remaining activities/improvements for the Project listed on **Exhibits B**. Said deposit shall be refunded to Developer within ten (10) days after completion of the Project and issuance of a certificate of occupancy. The Developer shall request a release of the deposit prior to issuance. This section in no way shall be interpreted to circumvent or misconstrue the City's policy regarding bond requirements.
- b. Developer agrees to invest a minimum of \$3.1 million (three million, one-hundred thousand U.S. dollars) for all activities/improvements for the Project including, but not limited to all Site Plan Requirements identified in **Exhibit B** and all Proposed Site Activities and Future Site Activities as identified in **Exhibit B**.

- C. INSPECTIONS. The Developer shall permit inspections of the Property as needed by the City, and the City shall provide reasonable notice to the Developer unless an emergency arises, in which case, the City will make a good faith attempt to contact the Developer.

- D. PERMIT ISSUANCE. Upon the execution of this Agreement, the City shall issue permits necessary to complete the Project, and the other activities/improvements required by this Agreement, provided, however, the required Architecturally or

Engineered stamped, construction drawings shall be submitted to the City by State Licensed Contractors and be in compliance with all applicable State of Michigan and International Codes, and comply with the City of Madison Heights current site standards. Further, upon submission of any future permit applications by Developer during the term of this Agreement, the City shall issue permits necessary to complete any activities/improvements to the Project, provided, however, the required Architecturally or Engineered stamped, construction drawings are submitted to the City by State Licensed Contractors and are in compliance with all applicable State of Michigan and International Codes and comply with the City of Madison Heights site standards.

4. **DEFAULT BY DEVELOPER.** Developer shall be deemed to be in default of this Agreement if Developer materially fails to comply with any covenant, clause, provision, requirement, or agreement herein contained. However, Developer shall not be in default of this Agreement if Developer's failure to comply with any covenant, clause, provision, requirement, or agreement herein contained is caused by any act(s), event(s) or combination thereof that are beyond the reasonable control of Developer, and Developer promptly initiates and continues best efforts to cure Developer's failure to comply with such covenant, clause, provision, requirement or agreement. Upon default by Developer, the City shall be entitled to seek any legal or equitable remedy available under the law, including, but not necessarily limited to, money damages or specific performance. The Developer shall be entitled to thirty (30) days' written notice of any default and the opportunity to cure same. If any default has not been cured within thirty (30) days of the delivery of the notice to the address of Developer specified in this Agreement, or such additional time as may be reasonably required considering the circumstances of the default, the City may revoke the Brownfield Plan and Reimbursement Agreement and initiate an action for any legal or equitable remedy available. If Developer is in default, no past or future payments that may be due to the developer for completed Eligible Activities shall be payable by the City unless the default is cured.



5. **BINDING EFFECT.** This Agreement binds the parties, and their respective successors, legal representatives, and assigns.
6. **NON-DISCRIMINATION REQUIREMENT.** The Developer, its successors and assigns, and every successor in interest to the Property or any part thereof, shall not discriminate upon the basis of race, color, religion, sex, or national origin in the rental or in the use or occupancy of the Property or any improvements to be erected thereon, or any part thereof.
7. **MODIFICATION.** The promises, covenants, terms, and conditions herein contained shall not be modified, altered, or extended without the mutual written consent of the parties.
8. **NOTICE.** Except as otherwise specified herein, all notices, consents, approvals, requests, and other communications (collectively called “Notices”) required or permitted under this Agreement shall be given in writing and are effective on delivery. Delivery may be effectuated by personal service with receipt obtained; certified mail or first-class mail with delivery proof; or nationally recognized overnight courier delivery service with next business day delivery. Notices shall be addressed as follows:

If to the City, to:      City of Madison Heights  
    300 West Thirteen Mile Road  
    Madison Heights, Michigan 48071  
    Attn: Community & Economic Development

If to Developer, to:    Moschouris Management Company, LLC  
    28454 Woodward Ave.  
    Royal Oak, MI 48067  
    Attn: William Gershenson or Nick Moschouris

9. **INDEMNIFICATION.** Developer shall assume all liability for and protect, indemnify, defend, and hold harmless the City, its officers, directors, employees, volunteers, invitees, agents and representatives (hereinafter collectively “Indemnitees”) from and against all actions, claims, demands, judgments, losses, expenses, suits or actions, (including attorney fees) for any injury or death of any person or persons, and loss or damage to property of any person or persons whomsoever, arising either out of this Agreement or the intentional

or negligent acts, errors or omissions of the Developer or its agents, contractors, subcontractors, and employees. However, Developer shall not be required to indemnify the City for such injury, death, loss, or damage to the extent caused by the City's negligence. Developer's obligation to indemnify the City shall survive termination and/or expiration of this Agreement.

10. **INSURANCE.** During the period this Agreement is in effect and until the Developer completes the Project, Developer and its consultants/contractors/subcontractors who perform any activities/improvements for the Project shall maintain general liability insurance in amounts of at least \$1,000,000 per occurrence and \$2,000,000 aggregate. The insurance shall list the City as an additional insured, as its interest may appear. The Developer shall provide the City with a certificate of insurance evidencing such insurance coverage as provided for herein. Said insurance coverage shall protect the City from claims for bodily injury, death, property damage, and pollution liability which may arise or occur from the activities/improvements undertaken for the Project or because of this Agreement. All certificates of insurance shall be provided to the City for approval prior to commencement of the Project. The City may review the policies from time to time to assure itself of its terms, and that the insurer is financially responsible.
11. **SEVERABILITY.** If any one or more provisions of this Agreement, or in any instrument or other document delivered pursuant to this Agreement, or the application thereof to any person or circumstance is, to any extent, declared or determined to be invalid or unenforceable, the validity, legality, and enforceability of the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, will not be affected or impaired thereby, and each provision of this Agreement is valid and enforceable to the fullest extent of the law.
12. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which is deemed an original document, but together constitute one instrument.

13. **GOVERNING LAW AND INTERPRETATION.** The laws of the State of Michigan govern this Agreement and the venue for all proceedings in connection with this Agreement shall be Oakland County, Michigan. All captions, headings, paragraph and subparagraph numbers and letters are solely for reference purposes and do not supplement, limit, or otherwise vary the text of this Agreement.
14. **LEGAL REPRESENTATION.** It is acknowledged that each party to this Agreement had the opportunity to be represented by counsel in the preparation of this Agreement and, accordingly, the rule that a contract shall be interpreted strictly against the party preparing same shall not apply due to the joint contribution of both parties.
15. **WAIVER.** The failure of the City to exercise any right given hereunder or to insist upon strict compliance regarding any provision of this Agreement, at any time, shall not constitute a waiver of such provision or the right by such at any time to avail itself of such remedies as it may have for any breach or breaches of such provision.
16. **ENTIRE AGREEMENT.** This Agreement and any Exhibits attached hereto represent the entire agreement between the parties regarding its subject matter and supersedes and cancels all prior discussions, negotiations, proposals, undertakings, understandings, and agreements, whether written or oral, regarding this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

THE CITY OF MADISON HEIGHTS

By \_\_\_\_\_  
Roslyn Grafstein  
Mayor

STATE OF MICHIGAN       )  
  )ss  
COUNTY OF MADISON HEIGHTS       )

The foregoing instrument was acknowledged before me, this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Roslyn Grafstein, Mayor of the City of Madison Heights, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_, Notary Public  
Madison Heights County, Michigan  
My commission expires \_\_\_\_\_

THE CITY OF MADISON HEIGHTS

By \_\_\_\_\_  
Cheryl Rottmann  
City Clerk

STATE OF MICHIGAN       )  
  )ss  
COUNTY OF MADISON HEIGHTS       )

The foregoing instrument was acknowledged before me, this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Cheryl Rottmann, the City Clerk of the City of Madison Heights, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_, Notary Public  
Madison Heights County, Michigan  
My commission expires \_\_\_\_\_

MOSCHOURIS MANAGEMENT COMPANY, LLC

By: \_\_\_\_\_

William Gershenson

Its: Vice President of Real Estate

STATE OF MICHIGAN )

)ss

COUNTY OF MADISON HEIGHTS )

The foregoing instrument was acknowledged before me, this \_\_\_\_ day of \_\_\_\_\_, 2024, by William Gershenson, as Member, on behalf of Moschouris Management Company, LLC.

\_\_\_\_\_, Notary Public

Madison Heights County, Michigan

My commission expires \_\_\_\_\_

## EXHIBIT A – DESCRIPTION OF REAL PROPERTY

Real property commonly known as 29448 John R Road in the City of Madison Heights, County of Madison Heights, State of Michigan, which is more particularly described as:

Parcel Number: 44-25-12-304-010

Address: 29448 John R Road

Acres: 4.91

Legal Description:

T1N, R11E, SEC 12, N 3 ACRES OF S 6 ACRES OF NW 1/4 OF SW 1/4 EXC E 690 FT, ALSO PART OF NW 1/4 OF SW 1/4 BEG AT SW SEC COR, TH E 672.6 FT, TH N 95.9 FT, TH W 672.2 FT, TH S 95.9 FT TO BEG, ALSO PART OF SW 1/4 OF SW 1/4 BEG AT PT DIST N 00-10-00 E 1205.19 FT FROM SW SEC COR, TH N 00-10-00 E 80.39 FT, TH S 89-29-00 E 1374.18 FT, TH S 00-26-00 W 79.89 FT, TH N 89-58-00 W 1373.81 FT TO BEG EXC W 60 FT OF EACH TAKEN FOR RD, ALSO EXC PART OF SW 1/4 BEG AT PT DIST S 00-02-18 W 1161.72 FT & S 89-51-16 E 60 FT FROM W 1/4 COR, TH S 89-51-16 E 613.92 FT, TH S 00-18-28 E 14.24 FT, TH N 89-50-41 W 614 FT, TH N 00-02-18 E 14.14 FT TO BEG 4.91 A 08/04/08 FR 006

**\*\*\*INCLUDE OTHER PARCELS IF LOT SPLIT IS COMPLETED PRIOR TO BROWNFIELD PLAN ADOPTION\*\*\***

## EXHIBIT B – SITE PLAN

Attached



**\*\*\*DRAFT\*\*\***

## **REIMBURSEMENT AGREEMENT**

\_\_\_\_\_;

RECITALS:

Owner owns two parcels of land situated in the City of Madison Heights, Oakland County, Michigan (the “City”), as more particularly described on the attached Exhibit A and, together with personal property located thereon, is hereinafter referred to as the “Subject Property,” that qualifies as an Eligible Property under Section 2 of the Brownfield Redevelopment Financing Act, 1996 PA 381, as amended (“Act 381”).

The BRA was created by the City under Act 381, to promote the revitalization of environmentally distressed areas through the implementation of Brownfield plans for certain eligible property under Act 381.

To induce and facilitate the proposed redevelopment of the Subject Property (the “Project”), on ~~XXXXXX XX, 2024~~ the BRA adopted, and on ~~XXXXXX XX, 2024~~ the Madison Heights City Council approved, a Brownfield Plan (the “Plan” or “Brownfield Plan”) attached hereto as Exhibit B, for the Subject Property, under which the Owner may receive, subject to this Agreement, the benefit of reimbursement from Tax Incremental Revenues for the cost of Eligible Activities undertaken by the Owner on the Subject Property.

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

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. Definitions. Capitalized terms shall have those definitions provided under Act 381 unless otherwise provided by this Agreement or unless inconsistent with the context in which the term is used. However, notwithstanding the definitions provided under Act 381, for purposes of this Agreement, Tax Increment Revenues shall only mean and include such Tax Increment Revenues generated from the sources specified in Section 3 hereof.

2. The Plan. The approved Brownfield Plan, Attached hereto as Exhibit B, is fully incorporated herein and made a part of this Agreement. To the extent that any provisions of the Brownfield Plan conflict with this Agreement, the terms, and conditions of this Agreement control. To the extent any provisions of the Brownfield Plan, this Agreement, or the Development Agreement conflict with Act 381, then Act 381 shall control.

3. Sources and Uses of Tax Increment Revenues.

(a) The following Tax Increment Revenues attributable to the levies of ad valorem taxes and Specific Taxes upon the Subject Property that are eligible for capture by the BRA under Act 381, will comprise the sources of Tax Increment Revenues available to the BRA for purposes of the Plan and to make the reimbursement payments required under this Agreement:

- (i) All local and operating millages, with the exception of the Detroit Institute of Arts ("DIA") and Detroit Zoo Operating Millages, any Debt Millages and School Operating and Debt Millages; and
- (ii) Levies of the Oakland Intermediate School District.

(b) The BRA shall not be required by this Agreement to use Tax Increment Revenues attributable to the levies by the State of Michigan of the State Education Tax or by the Madison School District. However, this Agreement shall not prohibit BRA, in its sole discretion, from capturing or using Tax Increment Revenues attributable to the Subject Property for any purpose authorized by Act 381.

4. Determination of Eligible Activities Qualified for Reimbursement.

(a) All costs of Eligible Activities attributable to the Subject Property for which the Owner seeks reimbursement from Tax Increment Revenues shall satisfy each of the following applicable qualifications:

- (i) The Eligible Activity and the cost of the Eligible Activity is included in the Brownfield Plan, or any amendment or supplement thereto approved by the BRA or its designee, and the Eligible Activity is conducted in accordance with the Brownfield Plan, this Agreement, Act 381, and all applicable local, state, and federal laws and regulations.
- (ii) The Eligible Activity has not occurred on or before the effective date of approval of the Plan by the Madison Heights City Council, XXXXX XX, 2024

(the “Effective Date”), unless expressly approved as an element of the Brownfield Plan.

(b) Owner understands and agrees that any reimbursement by or on behalf of the BRA of any expenses for approved activities shall be only for “Eligible Activities” as defined in Act 381 and the Brownfield Plan or for which reimbursement is authorized under this Agreement. It is further understood and agreed that any reimbursement to or on behalf of Owner shall only occur to the extent that Tax Increment Revenues are generated from the Subject Property and those Tax Increment Revenues or other revenue is available under Act 381 and this Agreement for the making of reimbursements to the Owner.

#### 5. BRA Reimbursement Payments to Owner.

(a) From time to time, but not more frequently than quarterly without approval of the BRA, Owner may submit to the BRA prior to completion of Eligible Activities a certification of costs of Eligible Activities paid or incurred for which reimbursement is sought in accordance with this Agreement and the Brownfield Plan. Such certification shall include a narrative of the approved activities performed showing that such activities qualify for reimbursement under this Agreement, a representation and warranty of the Owner that all activities for which reimbursement is sought qualify as Eligible Activities under Act 381 and this Agreement, copies of all documents or reports for whose preparation payment is requested, a copy of invoices for the work described in such certification, and any substantiating documentation for such invoices that is reasonably requested by the BRA.

(b) Within thirty (45) days of its receipt of such certification and supporting invoices, the BRA shall complete its review of the submission to confirm that such activities qualify for reimbursement under this Agreement and the Brownfield Plan and advise Owner in writing (“Written Determination”) of its confirmation, or if any activities do not so qualify, the specific reasons why the BRA believes that such activities do not so qualify.

(c) To the extent that such submission is approved, the BRA shall cause Owner to be paid the amounts approved within forty-five (45) days after the date of submission of the statement by Owner, but only to the extent that Tax Increment Revenues attributable to the Subject Property are available. If sufficient Tax Increment Revenues attributable to the Subject Property are not available at the time a submission for costs of Eligible Activities is approved and payment is due, the approved amount shall be paid from Tax Increment Revenues attributable to the Subject Property that are next received by the BRA.

(d) To the extent that any portion of such submission is not approved within the thirty (45) day review period, an authorized representative of the BRA and Owner shall, upon the written request of either party within fourteen (14) days after receipt of the Written Determination, meet promptly to discuss the reasons the submission (or any portion thereof) was not approved and the conditions pursuant to which Owner can obtain approval of such disallowed request and Owner and BRA agree to work cooperatively and diligently to resolve and or comply with any such conditions.

(e) The Owner shall notify the BRA of the completion of Eligible Activities for which reimbursement may be sought under this Agreement. The Owner shall provide the BRA with a final certification of costs of Eligible Activities within ninety (90) days after the date of

completion of the Eligible Activities for which reimbursement is sought under this Agreement. The Owner shall receive progress payments under paragraph 5(c) for costs incurred for Eligible Activities prior to final certification.

(f) No interest or other similar charge shall accrue or attach to any reimbursement payment agreed to by BRA under this Agreement.

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

(h) The BRA shall not be required to capture Tax Increment Revenues to be used to reimburse the Owner pursuant to this Agreement after **XXXXXX XX, 20XX**. If the BRA has not fully reimbursed the Owner for the costs of Eligible Activities by such date, the BRA reimbursement obligation shall terminate unless the BRA and the City Council agree to extend capture of Tax Increment Revenues beyond such date. The BRA or the City shall not be responsible for reimbursing any costs of Eligible Activities if Tax Increment Revenues throughout the duration of the Plan are insufficient to cover said costs. The BRA will reimburse the Owner for Eligible Activities for a not-to-exceed amount of two-million, forty-one thousand, six hundred and eighty-six dollars (\$2,041,686).

#### 6. BRA Review Fees.

All legal or other consulting fees related to the BRA review of the Plan and this Agreement shall be payable from Tax Increment Revenues in the first year for which Tax Increment Revenues are available for capture. The BRA shall collect two-thousand five-hundred dollars (\$2,500) annually from the Tax Increment Revenues throughout the duration of the Plan as an administrative fee to cover ongoing expenses associated with managing the Plan.

#### 7. Indemnification.

(a) Owner indemnifies and holds harmless BRA, and any and all of its past present and future members, officials, employees, representatives, agents and consultants, from any and all losses, demands, claims, actions, causes of action, assessments, suits, judgments, damages, liabilities, penalties, costs and expenses (including without limitation the fees and expenses of attorneys and other consultants) which are asserted against, or are imposed upon or incurred by BRA or an above listed person and which are resulting from, relating to, or arising out of any of the following:

- (i) Any order of the State, any agency thereof, or a court of competent jurisdiction, under the process described in Paragraph 7(a)(vi) below, requiring that the State of Michigan or any other taxing jurisdiction be repaid or refunded any levy captured as Tax Increment Revenues and paid to Owner as a reimbursement payment under this Agreement made in excess of the amount

of Tax Increment Revenues the BRA is determined by the State, any agency thereof, or a court to be allowed by law to use for such reimbursement.

- (ii) Any act or omission of the Owner, after taking title to the Subject Property, with respect to the conduct of a baseline environmental assessment, due care activity or additional response or remedial activity for the Subject Property, including any failure by the Owner to take any affirmative action required by law to prevent the release of a hazardous substance or any other contaminant or the exacerbation of an existing environmental condition.
- (iii) Any release of a hazardous substance or any other contaminant on the Subject Property or an exacerbation of an existing environmental condition, any adverse effects on the environment, or any violation of any State or federal environmental law or regulation caused or due to an act or omission by the Owner, except if caused by an act or omission of the BRA or City or any of its past, present and future members, officers, employees, representatives, agents and consultants.
- (iv) The Eligible Activities for the Subject Property.
- (v) The operation of the business of the Owner on the Subject Property.
- (vi) In the event any person challenges or otherwise asserts that the State of Michigan or any other taxing jurisdiction must be repaid or refunded any levy captured as Tax Increment Revenues and paid to Owner as a reimbursement payment under this Agreement, the BRA shall provide written notice of such challenge or assertion and provide the Owner with the opportunity to defend such challenge or assertion and Owner shall not be required to repay or reimburse any such funds until a court order addressing such issue has been issued and no right of appeal remains.

(b) The BRA may, at its discretion and without the consent of the Owner, set off any amount owing to the Owner under this Agreement to satisfy any indemnification obligation of the Owner under this Section 7.

(c) The Owner shall obtain and maintain throughout the term of this Agreement, at its cost, and require its contractors engaged in Eligible Activities to obtain and maintain commercial general liability insurance against claims of any and all persons, firms and corporations for personal injury, death or property damage occurring upon, in or about the Subject Property and, at the time the Owner executes this Agreement, shall provide the BRA with a certificate evidencing such insurance and that the Owner has the statutorily required workers' compensation insurance. The liability policies shall name the City and the BRA and their officers, employees, and agents as additional insured. All policies shall be provided by insurers qualified to write the respective insurance in the State of Michigan, be in such form and include such provisions as are generally considered standard provisions for the type of insurance involved, prohibit cancellation or substantial modification without at least thirty (30) days written notice to the BRA or its authorized agent. Any loss or damage against which the BRA is indemnified under

Section 7(a) above that is recovered by such insurance shall offset the liability of the Owner to BRA under this Agreement.

(d) Anything contained in this Agreement to the contrary notwithstanding all indemnity obligations under this Section 7 shall expire and be completely extinguished one (1) year after the date of the final reimbursement of approved Eligible Activities, except with respect to any bona fide claim which is asserted, and with respect to which an action against Owner is commenced in the Circuit Court of Oakland County, Michigan (and the summons and complaint relating to such action is received by Owner) on or before such expiration date.

8. Loss of Revenue from a Taxing Jurisdiction. It is understood that the Brownfield Plan, as approved, is intended to capture Tax Increment Revenues from several taxing jurisdictions. In the event that a taxing jurisdiction, or any other party, challenges the capture of any tax revenues and the State, an agency thereof, or a court of competent jurisdiction issues an order preventing the capture and use of those revenues and requiring the refund or repayment of any captured Tax Increment Revenue previously paid to Owner pursuant to this Agreement, the Owner agrees to repay to the BRA the captured Tax Increment Revenues previously paid to Owner pursuant to this Agreement.

9. Effective Date. This Agreement shall take effect upon its execution by the BRA and City.

10. Owner Obligations, Representations and Warranties; Termination and Enforcement.

(a) Owner represents and warrants the following:

(i) With respect to the Subject Property, Owner is not a party liable under section 20126 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.20126.

(ii) The Subject Property qualifies as Eligible Property under Act 381.

(b) The BRA may terminate this Agreement should Owner: (1) fail to fulfill in a timely and proper manner any of its obligations under paragraphs 5(e) and 5(g); or (2) violate a representation or warranty in paragraph 10(a); provided that before such termination the BRA shall deliver to the Owner a written notice of termination specifically describing the breach causing issuance of the notice of termination, and the Owner shall have thirty (30) days after delivery of the notice to cure such breach; provided however, if the nature of the breach is such that 30 days is not a reasonable time to complete the cure, then provided Owner has commenced activities to cure the breach and is diligently pursuing the cure of the breach, Owner shall have a reasonable time to cure the breach, provided, however, in no event shall such cure period exceed 90 days without the prior written consent of BRA. If the Owner cures within the time allowed (as may be extended), then this Agreement shall not be terminated for the breach. If the Owner does not cure, then the termination shall be effective on the 31st day after the notice of termination is delivered unless the cure period is extended pursuant to this Section.

(c) Upon the effective date of the termination of this Agreement, the BRA shall have no further obligation under this Agreement to make any payments to Owner in reimbursement of any costs of Eligible Activities incurred or to be incurred by the Owner.

(d) In lieu of termination, the BRA may seek to enforce and compel performance with the terms of this Agreement in a court of competent jurisdiction by specific performance or mandatory injunction and may pursue any other remedy that may be available to it at law or equity.

(e) Agreements Not to Contest

(i) The Owner agrees not to contest the terms and conditions of this Agreement.

(ii) The Owner acknowledges that the City may program and incorporate in its Capital Improvement Plan, reconstruction of the roadways adjacent to the Owner's property. If this does occur, the Owner agrees not to oppose any lawful Special Assessment imposed against the real property of the Owner as deemed necessary by the City in its sole discretion for reconstruction of said roadways.

iii) Owner may contest invoiced costs under this Agreement if it believes:

(a) The cost documentation contains clerical, mathematical, or accounting errors.

(iv) In the event any real, personal, or special property tax dispute concerning properties owned, leased, or controlled by the Owner, the Owner shall make a bona fide effort to resolve such dispute with the City Administration before hiring outside consulting firms or filing suit in the Michigan Tax Tribunal.

11. Miscellaneous.

(a) This Agreement shall be binding upon and inure to the benefit of Owner and the BRA, and their respective heirs, successors, assigns and transferees. The Owner may freely assign its rights hereunder, but its obligations may only be assigned to an entity not affiliated with the Owner if such transfer or assignment is approved in advance by the BRA, which approval shall not be unreasonably withheld, delayed, or conditioned. In the event of any assignment or transfer of any right or obligation hereunder such transfer or assignment shall not be effective unless a written notice by certified mail is provided to the other party. This Agreement shall not be affected or altered in any way by any sale, lease or other disposition or sale of all or a portion of the Subject Property.

(b) This Agreement shall be interpreted and construed in accordance with Michigan law and shall be subject to interpretation and enforcement only in Michigan courts whether federal or state.

(c) This Agreement may be signed in counterparts.



(d) In no event shall the provisions of this Agreement be deemed to inure to the benefit of or be enforceable by any third party.

(e) Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by any other party.

(f) This Agreement constitutes the entire agreement of the parties and integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

(g) A party may waive any default, condition, promise, obligation, or requirement applicable to any other party hereunder, provided that any such waiver shall apply only to the extent expressly given and shall not be deemed or construed to waive any such or other default, condition, promise, obligation, or requirement in any past or future instance. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of the waiving party, and all amendments hereto must be in writing and signed by the appropriate officers of all the parties.

(h) In the event of any conflict or inconsistency between the terms of this Agreement and the terms of any other agreement, document or understanding of the parties, this Agreement shall control.

(i) All notices, certificates or communications required by this Agreement to be given shall be sufficiently given and shall be deemed delivered when personally served or sent by facsimile (promptly confirmed in writing) or when mailed by express courier or registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties at the addresses listed below:

If to the BRA:

City of Madison Heights  
Community and Economic Development  
300 W. Thirteen Mile Road  
Madison Heights, MI 48071  
Phone: (248) 583-0831  
Fax: (248) 588-4143

If to the Proposed Owner:

Moschouris Management Company, LLC  
28454 Woodward Avenue  
Royal Oak, MI 48067  
Phone: (313) 580-2261

**MADISON CENTER OWNER,**  
a Limited Liability Company

By: \_\_\_\_\_

William Gershenson

Its: Vice President of Real Estate

STATE OF MICHIGAN            )  
  ) ss.  
COUNTY OF OAKLAND        )

The foregoing Agreement was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2024, by William Gershenson, Vice President of Real Estate of Moschouris Management Company (a limited liability company).

\_\_\_\_\_  
Notary Public

\_\_\_\_\_ County, Michigan

My Commission Expires: \_\_\_\_\_

**CITY OF MADISON HEIGHTS BROWNFIELD  
REDEVELOPMENT AUTHORITY,**  
a Michigan municipal corporation

By: \_\_\_\_\_

Michael Van Buren

Its: Chairman

STATE OF MICHIGAN            )  
  ) ss.  
COUNTY OF OAKLAND        )

The foregoing Agreement was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2024 by Michael Van Buren, the Chairman of the City of Madison Heights Brownfield Redevelopment Authority, of the City of Madison Heights, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_ County, Michigan

My Commission Expires: \_\_\_\_\_

**CITY OF MADISON HEIGHTS,**  
a Michigan municipal corporation

By: \_\_\_\_\_  
Roslyn Grafstein

Its: Mayor

STATE OF MICHIGAN            )  
  ) ss.  
COUNTY OF OAKLAND        )

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by Brian C. Hartwell, the Mayor of the City of Madison Heights, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County, Michigan  
My Commission Expires: \_\_\_\_\_

**CITY OF MADISON HEIGHTS,**  
a Michigan municipal corporation

By: \_\_\_\_\_  
Cheryl Rottmann

Its: City Clerk

STATE OF MICHIGAN            )  
  ) ss.  
COUNTY OF OAKLAND        )

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by Cheryl Printz, the City Clerk of the City of Madison Heights, a Michigan municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public  
\_\_\_\_\_ County, Michigan  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**LEGAL DESCRIPTION OF SUBJECT PROPERTY**

**Legal Description**

**29448 John R Road, Madison Heights, Wayne County, Michigan:**

Parcel: 44-25-12-304-010

T1N, R11E, SEC 12, N 3 ACRES OF S 6 ACRES OF NW ¼ OF SW ¼ EXC 690 FT, ALSO PART OF NW ¼ OF SW ¼ BEG AT SW SEC COR, TH E 672.6 FT, TH 95.9 FT, TH W 672.2FT, TH S 95.9 FT TO BEG, ALSO PART OF SW ¼ OF SW ¼ BEG AT PT DIST N 00-10-00 E 1205.19 FT FROM SW SEC COR, TH N 00-10-00 E 80.39 FT, TH S 89-29-00 E 1374.18 FT, TH S 00-26-00 W 79.89 FT, TH N89-58-00 W 1373.81 FT TO BEG EXC W 60 FT OF EACH TAKEN FOR RD, ALSO EXC PART OF SW ¼ BEG AT PT DIST S 00-02-18 W 1161.72 FT & S 89-51-16 E 60 FT FROM W ¼ COR, TH S 89-51-16 E 613.92FT, TH S 00-18-28 E 14.24

**\*\*\*INCLUDE OTHER PARCELS IF LOT SPLIT IS COMPLETED PRIOR TO  
BROWNFIELD PLAN ADOPTION\*\*\***

**EXHIBIT B**  
**BROWNFIELD PLAN**

## Downtown Development Authority of City of Madison Heights

### Memorandum

**Date:** December 27, 2023

**To:** Downtown Development Authority Board Members

**From:** Giles Tucker, Community Development Director

**Subject:** MHDDA FY 24-25 Budget

In January of each year the MHDDA needs to adopt a budget for the next FY to be included in the City's overall budget process. The following is a breakdown of some of the notable expenditures included in this year's proposed budget:

- **248-863-818-0000 Contractual Services \$20,000:**
  - Clocktower Maintenance \$5,000: What were the last costs associated with the clock-tower?
  - Tree Planting \$5,000: Each Year the DDA contributes towards the costs of tree planting throughout the DDA area. Speaking with DPS, there were no new plantings in 2023, but they are intended to plant this Spring. As of Spring 2022, around 66 tree locations that have been identified remain to complete DDA area planting.
  - MHHP Chamber \$10,000: Beginning in Fall 2022 the DDA and the City each contributed \$10,000 to the MHHP Chamber for support in marking, promotion, and business development related activities. The City has indicated that it will continue its contribution to the MHHP in the coming FY and it is proposed that the DDA do the same.
- **248-863-955-8640 Conferences & Workshop \$1,500:** to pay for costs associated with attending conferences, workshops, or other training.
- **248-863-958-0000 Membership & Dues \$1,045:** This includes \$820 Moody's Analytics (formerly CPIX) and proposed costs include \$125 in MDA membership and \$100 towards their lobbying efforts in Lansing.
- **248-863-987-0000 Improvements \$20,000:** This line items is reserved for larger projects for physical improvements downtown including wayfinding & gateways, banners, other improvements.
- **248-863-987-0006 11 Mile/John R Road Improvements \$400,000:** We are nearing completion of the 11 Mile Streetscape Brownfield Plan project. Once completed these funds are being set aside for our anticipated match for a future SEMCOG Transportation Alternatives Program grant.

**Staff Recommended Action:**

Staff recommends the DDA board adopt the proposed budget as presented.

12/22/2023

BUDGET REPORT FOR CITY OF MADISON HEIGHTS  
Calculations as of 06/30/2024

GL NUMBER	DESCRIPTION	2021-22 ACTIVITY	2022-23 ACTIVITY	2023-24 AMENDED BUDGET THRU 06/30/24	2023-24 ACTIVITY	2023-24 PROJECTED ACTIVITY	2024-25 DEPT REQ BUDGET	2025-26 DEPT REQ BUDGET
ESTIMATED REVENUES								
Dept 000 - NA								
248-000-673-5008	FIXED ASSET CLEARING ACCOUNT							
Totals for dept 000 - NA								
Dept 011 - PROPERTY TAXES								
248-011-402-4030	TAXES REAL OPERATING	103,615	176,156	168,166	249,077		173,211	
248-011-410-4160	TAXES PERSONAL OPERATING	2,995	8,124	6,382	16,905		6,573	
248-011-411-0000	DELINQUENT/MTT TAX REFUNDS - GENERAL	4	946		2			
248-011-437-0000	TAXES IFT ACT 198							
248-011-573-4159	PPT REIMBURSEMENT - STATE	584	2,551					
Totals for dept 011 - PROPERTY TAXES		107,198	187,777	174,548	265,984		179,784	
Dept 023 - STATE SHARED REVENUES								
248-023-573-0000	LOCAL COMMUNITY STABILIZATION SHARING	33,662	37,216	39,077	19,867		40,249	
Totals for dept 023 - STATE SHARED REVENUES		33,662	37,216	39,077	19,867		40,249	
Dept 025 - COUNTY SHARED REVENUES								
248-025-588-1000	COUNTY GRANT	7,320						
Totals for dept 025 - COUNTY SHARED REVENUES		7,320						
Dept 044 - MISCELLANEOUS REVENUE								
248-044-665-5000	INTEREST EARNED	(720)	494	250	31		250	
248-044-674-0000	DONATIONS/PRIVATE CONTRIBUTIONS		1,075					
248-044-680-6701	MISCELLANEOUS REVENUE		35		4			
Totals for dept 044 - MISCELLANEOUS REVENUE		(720)	1,604	250	35		250	
Dept 048 - TRANSFERS IN								
248-048-699-0000	TRANFERS IN (FROM GEN FUND)							
248-048-699-0244	TRANSFERS IN EDG							
248-048-699-6000	TRANSFERS IN (FROM SAD)							
Totals for dept 048 - TRANSFERS IN								
Dept 053 - PRIOR YEARS FUND BALANCE								
248-053-692-6970	USE OF FUND BALANCE			(17,270)			(77,921)	
Totals for dept 053 - PRIOR YEARS FUND BALANCE				(17,270)			(77,921)	
TOTAL ESTIMATED REVENUES		147,460	226,597	196,605	285,886		142,362	



APPROPRIATIONS						
Dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY						
248-863-729-0000	FORMS AND PRINTING			500		500
248-863-730-0000	POSTAGE					
248-863-766-0000	TOOLS AND SUPPLIES	22,550				
248-863-807-0000	AUDIT FEES	1,907	6,153	2,383	2,701	2,503
248-863-817-0000	EVENTS			500		500
248-863-818-0000 * *	CONTRACTUAL SERVICES	14,762	8,369	74,395	23,532	20,000
248-863-818-0001	DDA MARKET ANALYSIS					
248-863-818-5000	BLIGHT REMOVAL - SIGN GRANT PROGRAM		5,148	5,000		5,000
248-863-818-5001	BLIGHT REMOVAL - FACADE IMPROVEMENT	5,000		10,000		10,000
248-863-818-5002	BLIGHT PROPERTY					
248-863-818-5003	BLIGHT REMOVAL - PROPERTY ACQUI					
248-863-818-5004	PERM ID PROGRAM					
248-863-826-0000	LEGAL FEES					
248-863-826-2000	HOURLY RATE-LEGAL					
248-863-832-1000	MAINTENANCE-BERM AREA	16,462	17,178	17,500	11,452	17,500
248-863-832-1001	MAINTENANCE - ROW TRASH	5,087	2,160	3,500	1,320	3,500
248-863-921-0000	ELECTRIC	552	461	1,000	244	1,025
248-863-944-0000	MOTOR POOL CHARGES					
248-863-944-1000	DEPT OF PUBLIC SERVICES CHARGES					
248-863-955-8640 * *	CONFERENCES AND WORKSHOPS	330		1,500		1,500
248-863-958-0000 * *	MEMBERSHIPS AND DUES	860	975	1,045	820	1,045
248-863-960-9570	SUBSCRIPTIONS AND MAGAZINES					
248-863-981-0000	COMPUTER EQUIPMENT					
248-863-987-0000 * *	IMPROVEMENTS		15,112	20,605	1,982	20,000
248-863-987-0001	ALLEY IMPROVEMENTS					
248-863-987-0002	PROPERTY ACQUIS/DEMO			35,000		35,000
248-863-987-0003	PATINA PLACE - BRA STREETSCAPE IMPRVMNT					
248-863-987-0004	MADISON TOWN CTR - BRA ST IMPROV					
248-863-987-0006 * *	11 MILE/JOHN R ROAD IMPROVEMENTS					400,000
248-863-987-0011	IMPROVEMENTS - BICYCLE RACK PROGRAM					
248-863-987-0012	DDA BUSINESS GRANT					
Totals for dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY		67,510	55,556	172,928	42,051	518,073
* NOTES TO BUDGET: DEPARTMENT 863 DOWNTOWN DEVELOPMENT AUTHORITY						

818-0000	CONTRACTUAL SERVICES					
	FOOTNOTE AMOUNTS:					5,000
	(2017-18 To 2024-25) CLOCKTOWER MAINTENANCE					
	FOOTNOTE AMOUNTS:					5,000
	(2023-24 To 2024-25) TREE PLANTING					
	FOOTNOTE AMOUNTS:					10,000
	(2023-24 To 2024-25) MHHP CHAMBER OF COMMERCE SERVICE AGREEMENT					
	ACCOUNT '818-0000' TOTAL					20,000

955-8640	CONFERENCES AND WORKSHOPS						
	FOOTNOTE AMOUNTS: (2023-24 To 2024-25) MICHIGAN DOWNTOWN ASSOCIATION CONFERENCE					1,500	
958-0000	MEMBERSHIPS AND DUES						
	FOOTNOTE AMOUNTS: (2023-24 To 2024-25) COMMERCIAL PROPERTY INFORMATION EXCHANGE					820	
	FOOTNOTE AMOUNTS: (2023-24 To 2024-25) MICHIGAN DOWNTOWN ASSOCIATION					225	
	ACCOUNT '958-0000' TOTAL					1,045	
987-0000	IMPROVEMENTS						
	FOOTNOTE AMOUNTS: (2023-24 To 2024-25) BANNERS, GATEWAY OR OTHER PROJECTS					20,000	
987-0006	11 MILE/JOHN R ROAD IMPROVEMENTS						
	FOOTNOTE AMOUNTS: (2024-25 To ?) STREETSCAPING PROJECTS (SEMCOG GRANT MATCH)					400,000	
	DEPT '863' TOTAL					442,545	
Dept 965 - TRANSFERS OUT							
248-965-995-2272	TRANSFER TO LOCAL ST						
248-965-995-4000	TRANSFER TO SAD REVOLVING						
248-965-995-6000 * *	TRANSFER TO GENERAL FUND	22,053	21,869	23,677	23,677		24,289
248-965-995-9991	TRANSFER TO MAJOR STREETS						
248-965-998-9990	PAYING AGENT FEES						
Totals for dept 965 - TRANSFERS OUT		22,053	21,869	23,677	23,677		24,289
* NOTES TO BUDGET: DEPARTMENT 965 TRANSFERS OUT							
995-6000	TRANSFER TO GENERAL FUND						
	FOOTNOTE AMOUNTS: (2023-24 To 2024-25) ALLOCATION OF ECONOMIC DEVELOPMENT DIRECTOR					24,289	
	DEPT '965' TOTAL					24,289	
TOTAL APPROPRIATIONS		89,563	77,425	196,605	65,728		542,362

NET OF REVENUES/APPROPRIATIONS - FUND 248	57,897	149,172		220,158	(400,000)	
BEGINNING FUND BALANCE	221,308	279,204	480,668	480,668	480,668	80,668
FUND BALANCE ADJUSTMENTS		52,292				
ENDING FUND BALANCE	279,205	480,668	480,668	700,826	480,668	80,668

**Downtown Development Authority of City of Madison Heights****Memorandum**

**Date:** January 11, 2024  
**To:** Downtown Development Authority Board Members  
**From:** Giles Tucker, Community Development Director  
**Subject:** Update on Ongoing Projects

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**11 Mile Rd Streetscape Plan Progress**

City staff have been able to reach ten of the fourteen property owners directly impacted by the proposed streetscape project. The remaining four property owners have not responded to phone calls and emails about the project. To ensure that the plan is completed in time to be ready for grant opportunities Nowak Fraus and MKSK are continuing their work on the plan and expect to have a completed project in February 2024.

Meanwhile, staff will continue to attempt to contact property owners and gather feedback on the plan. Responses have generally been positive. A few property owners have outright expressed their full support, while others supported the project in general, but have identified concerns specific to their parcel. Staff will send the completed plan to each property owner via certified mail. Any modifications that are needed to accommodate property owners will be included later as the project approaches the implementation phase.

A meeting has been scheduled with grant coordinator Brian Pawlik from SEMCOG on Friday, January 19<sup>th</sup> to discuss the Transportation Alternatives Program (TAP) grant application. City staff anticipates having a complete and competitive application submitted for this grant opportunity in June 2024.

**Update to Façade and Sign Grant Guidelines and Application**

The Economic Vitality Committee met at City Hall on January 9<sup>th</sup> to discuss changes to the Façade and Sign Grant guidelines. All recommended changes have been recorded and a new reformatted guidelines and application for both grant programs will be presented to the DDA board for approval on the February 20<sup>th</sup> DDA meeting.

**Downtown Development Authority of City of Madison Heights****Memorandum**

**Date:** January 12, 2024  
**To:** Downtown Development Authority Board Members  
**From:** Giles Tucker, Community Development Director  
**Subject:** Finance Report & Cash Summary

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There are not significant expenditures that have occurred since the last Finance Reports was provided to the DDA board in November 2023. The only major expenses that the DDA has incurred that have not reached the revenue and expenditure report are the payments due to Nowak & Fraus for the 11 Mile Streetscape Plan project. To date, the DDA has been billed \$40,200 for this project.

01/11/2024 02:46 PM  
User: Gtucker  
DB: Madison Heights

REVENUE AND EXPENDITURE REPORT FOR CITY OF MADISON HEIGHTS  
PERIOD ENDING 01/31/2024

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Item 6.

GL NUMBER	DESCRIPTION	2023-24 AMENDED BUDGET	YTD BALANCE 01/31/2024 NORMAL (ABNORMAL)	ACTIVITY FOR MONTH 01/31/2024 INCREASE (DECREASE)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Revenues						
Dept 000 - NA						
248-000-673-5008	FIXED ASSET CLEARING ACCOUNT	0.00	0.00	0.00	0.00	0.00
Total Dept 000 - NA		0.00	0.00	0.00	0.00	0.00
Dept 011 - PROPERTY TAXES						
248-011-402-4030	TAXES REAL OPERATING	168,166.00	249,826.89	750.20	(81,660.89)	148.56
248-011-410-4160	TAXES PERSONAL OPERATING	6,382.00	16,943.33	37.87	(10,561.33)	265.49
248-011-411-0000	DELINQUENT/MTT TAX REFUNDS - GENERAL	0.00	2.39	0.00	(2.39)	100.00
248-011-437-0000	TAXES IFT ACT 198	0.00	0.00	0.00	0.00	0.00
248-011-573-4159	PPT REIMBURSEMENT - STATE	0.00	0.00	0.00	0.00	0.00
Total Dept 011 - PROPERTY TAXES		174,548.00	266,772.61	788.07	(92,224.61)	152.84
Dept 023 - STATE SHARED REVENUES						
248-023-573-0000	LOCAL COMMUNITY STABILIZATION SHARING	39,077.00	19,866.79	0.00	19,210.21	50.84
Total Dept 023 - STATE SHARED REVENUES		39,077.00	19,866.79	0.00	19,210.21	50.84
Dept 025 - COUNTY SHARED REVENUES						
248-025-588-1000	COUNTY GRANT	0.00	0.00	0.00	0.00	0.00
Total Dept 025 - COUNTY SHARED REVENUES		0.00	0.00	0.00	0.00	0.00
Dept 044 - MISCELLANEOUS REVENUE						
248-044-665-5000	INTEREST EARNED	250.00	31.20	0.00	218.80	12.48
248-044-674-0000	DONATIONS/PRIVATE CONTRIBUTIONS	0.00	0.00	0.00	0.00	0.00
248-044-680-6701	MISCELLANEOUS REVENUE	0.00	191.27	187.36	(191.27)	100.00
Total Dept 044 - MISCELLANEOUS REVENUE		250.00	222.47	187.36	27.53	88.99
Dept 048 - TRANSFERS IN						
248-048-699-0000	TRANFERS IN (FROM GEN FUND)	0.00	0.00	0.00	0.00	0.00
248-048-699-0244	TRANSFERS IN EDG	0.00	0.00	0.00	0.00	0.00
248-048-699-6000	TRANSFERS IN (FROM SAD)	0.00	0.00	0.00	0.00	0.00
Total Dept 048 - TRANSFERS IN		0.00	0.00	0.00	0.00	0.00
Dept 053 - PRIOR YEARS FUND BALANCE						
248-053-692-6970	USE OF FUND BALANCE	(17,270.00)	0.00	0.00	(17,270.00)	0.00
Total Dept 053 - PRIOR YEARS FUND BALANCE		(17,270.00)	0.00	0.00	(17,270.00)	0.00
TOTAL REVENUES		196,605.00	286,861.87	975.43	(90,256.87)	145.91
Expenditures						
Dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY						
248-863-729-0000	FORMS AND PRINTING	500.00	0.00	0.00	500.00	0.00

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PERIOD ENDING 01/31/2024

Item 6.

GL NUMBER	DESCRIPTION	2023-24 AMENDED BUDGET	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BDGT USED
			01/31/2024 NORMAL (ABNORMAL)	MONTH 01/31/2024 INCREASE (DECREASE)	BALANCE NORMAL (ABNORMAL)	
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Expenditures						
248-863-730-0000	POSTAGE	0.00	0.00	0.00	0.00	0.00
248-863-766-0000	TOOLS AND SUPPLIES	0.00	0.00	0.00	0.00	0.00
248-863-807-0000	AUDIT FEES	2,383.00	2,700.51	0.00	(317.51)	113.32
248-863-817-0000	EVENTS	500.00	0.00	0.00	500.00	0.00
248-863-818-0000	CONTRACTUAL SERVICES	74,395.00	23,532.16	0.00	50,862.84	31.63
248-863-818-0001	DDA MARKET ANALYSIS	0.00	0.00	0.00	0.00	0.00
248-863-818-5000	BLIGHT REMOVAL - SIGN GRANT PROGRAM	5,000.00	0.00	0.00	5,000.00	0.00
248-863-818-5001	BLIGHT REMOVAL - FACADE IMPROVEMENT	10,000.00	0.00	0.00	10,000.00	0.00
248-863-818-5002	BLIGHT PROPERTY	0.00	0.00	0.00	0.00	0.00
248-863-818-5003	BLIGHT REMOVAL - PROPERTY ACQUI	0.00	0.00	0.00	0.00	0.00
248-863-818-5004	PERM ID PROGRAM	0.00	0.00	0.00	0.00	0.00
248-863-826-0000	LEGAL FEES	0.00	0.00	0.00	0.00	0.00
248-863-826-2000	HOURLY RATE-LEGAL	0.00	0.00	0.00	0.00	0.00
248-863-832-1000	MAINTENANCE-BERM AREA	17,500.00	11,451.68	0.00	6,048.32	65.44
248-863-832-1001	MAINTENANCE - ROW TRASH	3,500.00	1,320.00	0.00	2,180.00	37.71
248-863-921-0000	ELECTRIC	1,000.00	243.80	0.00	756.20	24.38
248-863-944-0000	MOTOR POOL CHARGES	0.00	0.00	0.00	0.00	0.00
248-863-944-1000	DEPT OF PUBLIC SERVICES CHARGES	0.00	0.00	0.00	0.00	0.00
248-863-955-8640	CONFERENCES AND WORKSHOPS	1,500.00	0.00	0.00	1,500.00	0.00
248-863-958-0000	MEMBERSHIPS AND DUES	1,045.00	820.00	0.00	225.00	78.47
248-863-960-9570	SUBSCRIPTIONS AND MAGAZINES	0.00	0.00	0.00	0.00	0.00
248-863-981-0000	COMPUTER EQUIPMENT	0.00	0.00	0.00	0.00	0.00
248-863-987-0000	IMPROVEMENTS	20,605.00	1,981.60	0.00	18,623.40	9.62
248-863-987-0001	ALLEY IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
248-863-987-0002	PROPERTY ACQUIS/DEMO	35,000.00	0.00	0.00	35,000.00	0.00
248-863-987-0003	PATINA PLACE - BRA STREETSCAPE IMPRVMNT	0.00	0.00	0.00	0.00	0.00
248-863-987-0004	MADISON TOWN CTR - BRA ST IMPROV	0.00	0.00	0.00	0.00	0.00
248-863-987-0006	11 MILE/JOHN R ROAD IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
248-863-987-0011	IMPROVEMENTS - BICYCLE RACK PROGRAM	0.00	0.00	0.00	0.00	0.00
248-863-987-0012	DDA BUSINESS GRANT	0.00	0.00	0.00	0.00	0.00
Total Dept 863 - DOWNTOWN DEVELOPMENT AUTHORITY		172,928.00	42,049.75	0.00	130,878.25	24.32
Dept 965 - TRANSFERS OUT						
248-965-995-2272	TRANSFER TO LOCAL ST	0.00	0.00	0.00	0.00	0.00
248-965-995-4000	TRANSFER TO SAD REVOLVING	0.00	0.00	0.00	0.00	0.00
248-965-995-6000	TRANSFER TO GENERAL FUND	23,677.00	23,677.00	0.00	0.00	100.00
248-965-995-9991	TRANSFER TO MAJOR STREETS	0.00	0.00	0.00	0.00	0.00
248-965-998-9990	PAYING AGENT FEES	0.00	0.00	0.00	0.00	0.00
Total Dept 965 - TRANSFERS OUT		23,677.00	23,677.00	0.00	0.00	100.00
TOTAL EXPENDITURES		196,605.00	65,726.75	0.00	130,878.25	33.43
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES		196,605.00	286,861.87	975.43	(90,256.87)	145.91
TOTAL EXPENDITURES		196,605.00	65,726.75	0.00	130,878.25	33.43
NET OF REVENUES & EXPENDITURES		0.00	221,135.12	975.43	(221,135.12)	100.00

CASH SUMMARY BY FUND FOR CITY OF MADISON HEIGHTS  
FROM 07/01/2023 TO 01/11/2024  
FUND: 248  
CASH AND INVESTMENT ACCOUNTS

Item 6.

Fund	Description	Beginning Balance 07/01/2023	Total Debits	Total Credits	Ending Balance 01/11/2024
248	DOWNTOWN DEVELOPMENT AUTHORITY	476,265.11	288,568.58	72,691.61	692,142.08

Fund 248 DOWNTOWN DEVELOPMENT AUTHORITY

GL Number	Description	Balance
*** Assets ***		
248-000-001-1000	CLAIM ON CASH	638,969.28
248-000-001-1003	CASH - CHASE SAVINGS	0.00
248-000-003-0000	INVESTMENTS	53,960.87
248-000-040-0391	ACCOUNTS RECEIVABLE-MISC	0.00
248-000-041-1000	DELINQUENT RECEIVABLE	8,873.13
248-000-078-0680	DUE FROM STATE GOVERNMENT	0.00
Total Assets		701,803.28
*** Liabilities ***		
248-000-202-0000	ACCOUNTS PAYABLE	0.00
248-000-211-2100	CONTRACTS/RETAINAGE PAYABLE	0.00
248-000-214-2150	DUE TO OTHER FUNDS	0.00
248-000-268-0000	ESCHEATED FUNDS	0.00
248-000-299-9999	SUSPENSE	0.00
248-863-211-2100	CONTRACTS PAYABLE	0.00
Total Liabilities		0.00
*** Fund Balance ***		
248-000-390-0000	FUND BALANCE	480,668.16
248-000-398-0000	ASSIGNED-SUBSEQUENT YRS EXP	0.00
Total Fund Balance		480,668.16
Beginning Fund Balance		480,668.16
Net of Revenues VS Expenditures		221,135.12
Ending Fund Balance		701,803.28
Total Liabilities And Fund Balance		701,803.28

Fund 248 DOWNTOWN DEVELOPMENT AUTHORITY

GL Number	Description	Balance
*** Assets ***		
248-000-001-1000	CLAIM ON CASH	422,335.44
248-000-001-1003	CASH - CHASE SAVINGS	0.00
248-000-003-0000	INVESTMENTS	53,929.67
248-000-040-0391	ACCOUNTS RECEIVABLE-MISC	408.22
248-000-041-1000	DELINQUENT RECEIVABLE	8,873.13
248-000-078-0680	DUE FROM STATE GOVERNMENT	0.00
Total Assets		485,546.46
*** Liabilities ***		
248-000-202-0000	ACCOUNTS PAYABLE	4,878.30
248-000-211-2100	CONTRACTS/RETAINAGE PAYABLE	0.00
248-000-214-2150	DUE TO OTHER FUNDS	0.00
248-000-268-0000	ESCHEATED FUNDS	0.00
248-000-299-9999	SUSPENSE	0.00
248-863-211-2100	CONTRACTS PAYABLE	0.00
Total Liabilities		4,878.30
*** Fund Balance ***		
248-000-390-0000	FUND BALANCE	331,496.49
248-000-398-0000	ASSIGNED-SUBSEQUENT YRS EXP	0.00
Total Fund Balance		331,496.49
Beginning Fund Balance		279,204.49
Net of Revenues VS Expenditures		149,171.67
Fund Balance Adjustments		52,292.00
Ending Fund Balance		480,668.16
Total Liabilities And Fund Balance		485,546.46