CITY OF PLYMOUTH
BROWNFIELD REDEVELOPMENT AUTHORITY
MEETING AGENDA
February 28, 2019
8:00 a.m.
PLYMOUTH CITY HALL
201 S. Main
Plymouth, MI 48170

1) Call to Order – Colleen Pobur, Chair

2) Approval of Minutes – December 7, 2018

3) MDEQ Grant and Loan Support – 100 S. Mill Street

4) Other Matters

5) Adjournment
1. CALL TO ORDER
Chair Colleen Pobur called the meeting to order at 8:00 a.m.

PRESENT: Chairperson and Commissioner Colleen Pobur, Member Dennis Bila, Member Alan
Deal, Member Jennifer Kehoe, Member John Townsend, Member and City Manager Paul Sincock

ALSO PRESENT: Community Development Director John Buzvis, Pulte Representative Adam
Patton, Pulte Representative Chris Plumb, Finance Director John Scanlon and one citizen

2. APPROVAL OF MINUTES – MAY 15, 2018
It was moved by Sincock and seconded by Townsend to approve the minutes of the May 15, 2018
meeting.

MOTION PASSED

3. 100 S. MILL ST. (MILL STREET TOWNS) PROJECT OVERVIEW AND DISCUSSION
Pobur gave a lead-in to the project. Chris Plumb from Pulte gave a brief overview of the site and its
environmental challenges. Environmental expert Adam Patton discussed the due care plan.

4. CONSIDERATION OF RESOLUTION OF SUPPORT FOR MDEQ LOAN AND GRANT
Community Development Director John Buzvis introduced the MEDQ loan and grant for the Brownfield site
at 100 S. Mill St. After a discussion regarding the acceptance of a Brownfield redevelopment loan and grant
by the City of Plymouth from the Michigan Department of Environmental Quality pursuant to and in
accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended,
Biza made the following motion, seconded by Sincock:

WHEREAS At their regularly scheduled meeting on October 10, 2018, The City of Plymouth Planning
Commission approved the final site-plan and granted final PUD approval for 76 attached, single-family,
townhomes to be developed by Pulte of Michigan at 100 S. Mill Street “Project”), and

WHEREAS The City of Plymouth, submitted a grant and loan proposal to the Michigan Department of
Environmental Quality (MDEQ), and

WHEREAS The City of Plymouth was notified on November 5, 2018 that MDEQ was supportive of the Project
and is willing to provide a $600,000 Brownfield Redevelopment Grant and a $1 million Brownfield
Redevelopment Loan for the eligible environmental activities, and

WHEREAS MDEQ has requested that the City of Plymouth submit a formal application to be returned within
60 days of the notification of funding, and
WHEREAS The City of Plymouth have reviewed this matter and have determined that it is financially able and willing to accept a loan of up to $1,000,000 and a grant of up to $600,000 from the MDEQ secured with a Letter of Credit from Pulte of Michigan, in addition to the future tax increment revenues that may be captured through the Brownfield Plan, and

WHEREAS The developer is in the process of finalizing a Brownfield Plan and Reimbursement Agreement for the Project and will provide that to the City of Plymouth Brownfield Redevelopment Board for its review, consideration and approval, and

WHEREAS The Project is consistent with local development plans and zoning ordinances, and

WHEREAS The City of Plymouth supports the loan and grant application to the MDEQ, for a $1,000,000 loan and a $600,000 grant for the site located at 100 South Mill Street and Project,

NOW THEREFORE BE IT RESOLVED THAT the City of Plymouth hereby accepts and commits to repay a loan up to $1,000,000 secured through a Letter of Credit by Pulte of Michigan, and future tax increment revenues that may be captured through a Brownfield Plan, for the site and Project, described above, with funds to be issued and managed by the City of Plymouth

NOW BE IT FURTHER RESOLVED THAT The City of Plymouth hereby accepts grant funding of up to $600,000 secured through a Letter of Credit by Pulte of Michigan, and future tax increment revenues that may be captured through a Brownfield Plan, for the Project described above, with funds to be issued and managed by the City of Plymouth

NOW BE IT FURTHER RESOLVED THAT the City of Plymouth will terminate this support and acceptance of Loan and Grant funding for the project described absent an approved Brownfield Plan and Reimbursement Agreement on or by February 28, 2019

MOTION PASSED

6. OTHER MATTERS
None

7. ADJOURNMENT
Hearing no further discussion, Pobur asked for a motion to adjourn. A motion to adjourn was made by Sincock and seconded by Townsend for adjournment of the meeting at 9:12 a.m.

MOTION PASSED

Respectfully submitted,

Paul J. Sincock
Recording Secretary

5:\Manager\Sincock Files\Brownfield Board\Meeting Minutes 12-07-2018.docx
Administrative Recommendation

To: Paul J. Sincock, City Manager
From: John Buzuvis, Community Development Director
       John Scanlon, Finance Director
CC: S:\City\Brownfield Redevelopment Authority\100 S. Mill St. - Pulte\MDEQ Grant and Loan Information
Date: 2/27/2019
Re: MDEQ Updated Grant and Loan Resolution of Support- 100 S. Mill St.

BACKGROUND: As you will recall Pulte Homes of Michigan, LLC. received site-plan and final PUD approval from the Planning Commission on October 10, 2018 to re-develop a portion of the long-vacant property located at 100 S. Mill St. and commonly referred to as the "Bathey Property." Pulte Homes of Michigan is proposing/planning to build 76 attached single-family town homes on approximately 10 acres of the fifteen (15) acre site.

The site requires significant environmental remediation due to its former industrial uses and Pulte Homes of Michigan is currently finalizing their multi-million-dollar Brownfield Plan for the site. As part of the process the City of Plymouth submitted a proposal for grant and loan funding from the Michigan Department of Environmental Quality. On November 5, 2018 the MDEQ notified the City of Plymouth that they were supportive of the project and will provide a $600,000 Brownfield Redevelopment Grant as well as a $1,000,000 Brownfield Redevelopment loan for the project and request the City make official application on or before January 5, 2019. The City submitted the formal/final application on January 5, 2019.

The loan and the grant would be made to and administered by the City of Plymouth Brownfield Redevelopment Authority with support and required approval by the City Commission. The loan is a fifteen (15) year term loan at 1.5% with the first five years interest free and no pre-payment penalties. The grant is payable in quarterly reimbursements.

As part of the formal application the City was required to provide a resolution of support/acceptance of the loan and grant and that resolution was reviewed and approved by both the Brownfield Redevelopment Authority Board and the City Commission in December of 2018. The resolutions of support adopted in December contained specific dollar amount for the grant and loan as well as a support termination date of February 28, 2019 should the required Brownfield Plan and Reimbursement Agreement not be approved by the City on or by that date.
This project has many moving parts related to the environmental clean-up as MDEQ is intimately involved in the pre-planning for the remediation efforts. As such the development of the Brownfield Plan and the PUD Agreement are interrelated and have taken longer than usual to develop. Additionally, the City was notified in late January 2019 that the MDEQ committed, after reviewing the formal application materials, to awarding an additional $400,000 of grant funding for the project. This additional funding will increase the grant amount to $1,000,000 and loan amount to $1,000,000. This unexpected additional grant funding required the project team to redo the project plan and cost allocation of individual work items that has taken a significant amount of additional time that will push us past the previously agreed to, and voted on, deadline for termination of support for the grant and loan of February 28, 2019.

Despite the interrelated nature of all these items, and the delays caused by the critical increase in grant funding, the administration anticipates the final site-plan, PUD rezoning, PUD agreement, Brownfield Plan and Reimbursement Agreement to be forwarded to the City Commission for review and approval in early to mid-spring 2019.

Enclosed you will find an updated MDEQ Grant and Loan application package that has been submitted to the MDEQ reflective of the increased grant funding, as well as a grant and loan fact sheet. Additionally, a proposed resolution of support for the grant and loan that mirrors the increased grant funding and extends the date for termination of support to May 6, 2019. The administration feels it's important for the City to have a date for termination of support in place to safeguard in the unlikely event that the developer does not meet their requirements either with MDEQ and/or the City.

Important to note that the end of February date was identified by the project team, at the time the original resolution was passed, as a realistic goal date with built-in cushion for unexpected delays in the finalization of the plan and other documents and was in no way required by the MDEQ and will not impact the status of the grant and loan award. From a project management standpoint the $400,000 increase in grant funding was not even a faint possibility and as such the adjustments necessary to account for it took a significant amount of time and we will not meet the self-imposed date for termination of support for the grant and loan.

At this time the staff, in conjunction with the project team, have identified May 6, 2019 as a reasonable date to terminate the support of the City for the grant and loan in the unlikely event that the developer does not follow-through on the necessary items related to the site-remediation and other brownfield activities.

The resolution, assuming it is adopted, will be forwarded to the MDEQ for their records as well as kept in the City’s files to provide historical context of how the project has evolved.

**RECOMMENDATION:**

The administration recommends that the City of Plymouth City Commission review and approve the enclosed resolution to update the grant amount from $600,000 to $1,000,000 as well as extend the date for the termination of grant and loan support. The resolution has been reviewed and approved by the City’s Brownfield attorney.

Please feel free to contact John Scanlon or myself prior to the meeting if you have any questions.
Mill Street Towns: Developer and Project Summary

- PulteGroup (PHM) is an $8 billion Fortune 500 company that operates in 50 of the largest housing markets across the United States.

- Pulte Homes of Michigan, a subsidiary of PulteGroup, has operated in the Detroit market for more than 70 years; we currently have ~$170M invested in land, development, and new home construction across the Detroit and Ann Arbor markets.

- We are 100% self-funded and will not require additional outside capital or lender participation.

- We have received preliminary approval from our Corporate Asset Management Committee to invest in the redevelopment of Mill Street Towns and received Final Site Plan approval from the City of Plymouth’s Planning Commission in early October.

- Final internal approval for the project is contingent upon obtaining Brownfield redevelopment incentives given the level of up-front investment required to redevelop the site.
Mill Street Towns Site Plan: 76 For-Sale Townhomes
Product Renderings: Front and Rear
This application may be used for brownfield redevelopment funding under the Department of Environmental Quality’s (DEQ’s) Brownfield Redevelopment Grant and Loan Program. Grants and loans are provided to communities under this program encourage reuse of brownfield properties for projects that will create jobs, and result in community investment. As the balance of state funds available for brownfield projects has decreased, the criteria for awarding grants have become more rigorous. **It is possible that a project that qualifies for funding may not be recommended for a grant if the applicant does not demonstrate that these criteria will be met.** Criteria are described below under Application Evaluation.

**Applicants are required to complete a project proposal prior to submitting an application.** A DEQ grant/loan coordinator should be contacted prior to applying for a grant or loan to determine whether a project is eligible and likely to be recommended for funding. A map of the state showing the grant/loan coordinator assigned to each region is located [HERE](#) or you may call 517-284-5113 for assistance. Applicants will be notified immediately if further information is required before the DEQ makes a funding decision.

For selected projects, the DEQ may offer a grant and a low-interest loan, or a loan without a grant, unless the applicant can demonstrate compelling reasons to offer a grant only. Staff will work with applicants to ensure that funding levels are acceptable before the funding package is recommended for approval. Please contact the DEQ for current loan rates and terms. **Borrowers must provide financial assurance to the DEQ to ensure loan repayment.**

For more information on the DEQ’s Brownfield Redevelopment Grant and Loan Program, please see our web page, [HERE](#), call 517-284-5113, or contact us by e-mail at [DEQBrownfields@michigan.gov](mailto:DEQBrownfields@michigan.gov)
ELIGIBILITY AND FUNDING

Applicant: The applicant may be a county, city, village or township, a Brownfield Redevelopment Authority, or other public body created by, or pursuant to, state law. The proposed project must be in the applicant’s jurisdiction. The applicant or its governing body is required to have passed a financial audit within the past 24 months.

The application form asks for the names of two people. The Applicant’s Representative is the person who is ultimately responsible for ensuring the applicant’s compliance with the terms of the grant or loan. This person should be a person in authority who is directly affiliated with the applicant (such as a mayor or Brownfield Redevelopment Authority [BRA] director) and should sign the certification at the end of this application form. This person will also be expected to sign the contract between the DEQ and the applicant.

The person who will be the Project Contact for the grant/loan project may be either the Applicant’s Representative or another direct employee of the applicant (such as a city manager or planning or economic development staff). This person will typically be responsible for general project coordination, overseeing contractors hired to work on the grant/loan project, signing payment requests, and ensuring that the provisions of the grant/loan contracts are fulfilled. The applicant should not use a contractor for its Project Contact.

Eligible uses of grant and loan funds: Grants and loans can be used only for environmental response activities as defined by Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA):

- Interim response activities.
- Evaluation.
- Feasibility study.
- Preparation of a baseline environmental assessment (BEA).
- Due care planning and activities.
- Remedial action.
- Demolition, in some instances.
- Environmental Review Professional

Grant and loan funds may not be used to pay for office equipment or furnishings, including telephones and computers, taxes, replacement of equipment, drinking water replacement, operation and maintenance, legal fees, permit fees, or other fees unless expressly permitted in the grant or loan contract. Funds MAY be used for administration of the grant or loan either by the applicant or by a consultant. If administrative fees will be charged to the project, please be sure to include a budget in the Sources of Project Funding Table in the application form. Grant/loan administrative fees are limited to three (3) percent of the grant or loan award.

When the response activities will be performed by the consulting firm used by the project developer, the DEQ expects that the applicant will hire its own environmental oversight professional. Exceptions will be considered in low-risk situations on a case-by-case basis and must be requested in writing. The environmental oversight professional’s fees are eligible for reimbursement with the proposed grant or loan. Please include an environmental oversight professional in the budget if applicable. The environmental oversight professional is not limited to 3% of the grant or loan.
Liability: Grants and loans may not be used to pay for environmental costs that benefit someone who is responsible for causing contamination at the project site, unless the following conditions are met.

1. A loan may be used when
   • Response activities are related to redevelopment, or due care is necessary to facilitate redevelopment, AND
   • The party responsible for the contamination is a local unit of government, AND
   • There is a proposed redevelopment with measurable economic benefit, AND
   • The local unit of government provides a minimum of 50% project match

2. A grant or loan may be used to pay for due care activities needed to facilitate the redevelopment, provided that the responsible party is not the developer

3. A loan may be used when
   • The responsible party is not the seller or the developer of the property where the loan will be used
   • The proposed response activities are appropriate for the development project

Liable parties are defined in Part 201, Sections 20101 and 20126, and Part 213, Section 21323a of the NREPA. If the DEQ believes, based on available information, that there may be a liable party that could benefit from the proposed grant or loan, the DEQ may request information needed to make a liability determination from the applicant or other project participants as a condition of funding.

Local Match: Local match is not required for any Brownfield Redevelopment Grant. Local match is required by statute when the local unit of government is responsible for contamination, as described above. However, projects with local funds dedicated to eligible activities are a higher priority for funding. Unless the applicant can demonstrate that there are no local resources available, the applicant should expect to be asked to make a financial commitment to the project. Local financial commitments may be through a local brownfield revolving fund, tax increment financing through a BRA, a Brownfield Redevelopment Loan through the DEQ, or another source.

Financial Assurance for Loans: Borrowers must demonstrate financial assurance to guarantee a DEQ loan. The financial assurance may be a pledge of revenue sharing, an escrow account or letter of credit in an amount equal to the loan principle and interest, or another mechanism negotiated with the DEQ. The financial assurance may be provided by the applicant, the applicant’s governing body, the developer, or another party. However, the applicant’s governing body must pass a resolution committing to repay the loan; the developer will not be responsible for payments even if developer funds are put into escrow for payments.

Projects: In order to qualify for a Brownfield Redevelopment Grant or Loan, the grant or loan must be used for appropriate environmental response activities for the site’s future use, and result in economic benefit.
   • Eligible economic outcomes can include the creation of new jobs (permanent part-time and full-time) within the next five years, investment of private funds, and/or an increased tax base. Construction and other temporary jobs are not considered in application evaluations.
   • The environmental activities for which grant or loan funds are requested must be appropriate and necessary for the desired site reuse. The property must be a known or suspected facility (an area, place, or property where a hazardous substance in excess of the
concentrations described in Part 201, Section 20120a(1)(a) or (17), of the NREPA, has been released, deposited, disposed of, or otherwise comes to be located). Grants and loans are contingent on the applicant’s access to the property to conduct response activities.

**Application Evaluation:** Because limited grant funds remain in the Brownfield Redevelopment Grant and Loan Program, applications are being carefully reviewed and prioritized. In order to be competitive, proposed projects need to demonstrate significant return on the DEQ’s investment of grant or loan dollars. The following criteria will increase the project’s priority when the DEQ makes a recommendation that includes a grant. Applications that do not meet any of these criteria may be offered loans without any grant funding.

- The applicant can demonstrate a significant local commitment to funding the project. An applicant that is able but unwilling to accept a loan, finance a portion of the response activity costs through tax increment financing, or is not contributing to the redevelopment in other ways, will be required to explain why.

- Project financing and a purchase agreement are in place. This provides greater assurance that the project will move forward without significant delays and meet statutory requirements for jobs, private investment, and/or increased tax base. Grant dollars are unlikely to be committed in the absence of project financing and a purchase agreement.

- The applicant can demonstrate that other statewide objectives, such as placemaking; pollution prevention; green roofs or parking lots; nonpoint source pollution controls; “green” building or Leadership in Energy and Environmental Design (LEED) building concepts; placemaking; open space preservation; outdoor recreation that is accessible to people with disabilities; growth management; walkable communities concepts; traditional downtown redevelopment; and so on have been or will be incorporated into redevelopment plans.

- The project is in a targeted area such as a Renaissance Zone, Michigan Main Street, or Core Community. A list of Core Communities can be found [HERE](#).

- The applicant can demonstrate that no other funds are available to pay for all or part of the needed response activities. For example, the project site may be in a Renaissance Zone where there are no taxes available for capture to repay a loan. There may be an excess of inexpensive greenspace available for redevelopment in the community making brownfield redevelopment difficult without significant subsidization.

- The applicant will use “green cleanup” or “green remediation” techniques promoted by the U.S. Environmental Protection Agency (U.S. EPA). A green cleanup is one in which all environmental effects (such as energy use and waste generation) of the remedial action are considered, and options are incorporated to maximize the net environmental benefits of a grant or loan. Further information can be found [HERE](#).

**Timing:** There is no deadline for submitting an application. Applicants will be notified promptly if an application is incomplete.

The DEQ application process, from the time of receipt to funding approval, takes about three months. Grant administrative staff will maintain regular contact with applicants during the review
process. Applicants will be notified when their applications are approved and will receive regular status reports in the interim.

AFTER A GRANT OR LOAN IS AWARDED

Before grant- or loan-funded work can begin, the recipient will be required to:

- Sign a grant or loan contract. Costs incurred prior to signing a contract will not be reimbursed.
- Submit qualifications of the recipient’s preferred environmental or other contractor to the DEQ for approval.
- Provide a work plan describing the specific tasks to be completed, the cost, and the schedule for performing the tasks to the DEQ for approval. The DEQ will review the work plan and request changes or provide approval within 30 days. All expenditures must be approved in advance, in writing, by the DEQ, or the costs may not be reimbursed.
- Inform your community about the grant/loan award through local press, your social media, your website, the developer’s website or social media, or other means. This is a condition of the grant or loan award.

After funding is awarded, the DEQ’s grant/loan coordinator may request a meeting with the project participants to view the project site and to discuss procedures under the Brownfield Redevelopment Grant and Loan Program.

Grant funding will be available on a reimbursement basis (costs must be incurred AND paid by the grant recipient before the expenses will be paid by the DEQ). Grantees and borrowers are required to submit progress reports and invoices with verification of all expenditures each calendar quarter. If progress reports are not submitted quarterly, the DEQ may withhold payment of invoices or take other actions, including canceling the grant or loan. Ten percent of the grant will be retained from the final invoice(s) pending the DEQ’s final review of the project.

Loan checks will be issued after a work plan and budget are approved by the DEQ.
### Applicant and Project Information

| Name and address of the project (please include zip code) | Mill Street Towns  
100 S Mill Street, Plymouth, MI 48170 | Amount of funding requested | $1,000,000 Loan  
$1,000,000 Grant |
|---|---|---|---|
| Applicant name and address (please include zip code) | City of Plymouth Brownfield Redevelopment Authority  
201 South Main  
Plymouth, MI 48170 | Applicant's Federal Identification Number | 38-6004726 |
| Applicant representative's name, title, phone, and email address (see pages 1-2 of the instructions) | John Scanlon  
Finance Director  
734-453-1234 ext. 209  
jscanlon@ci.plymouth.mi.us | Applicant project contact's name, title, phone, and email address (see pages 1-2 of the Instructions) | John Buzuvis  
Community Development Director  
jbuzuvis@ci.plymouth.mi.us |
<p>| State House of Representative's district number where the project site is located | District 20 | State Senate district number where the project site is located | District 7 |
| Permanent jobs created | 0 | Private investment | $18-20 Million |</p>
<table>
<thead>
<tr>
<th>Proposed new use</th>
<th>For-Sale Multi-Family Residential Community</th>
<th>Known contaminants</th>
<th>Volatile Organic Compounds, PNAs, Naphthalene, Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did the applicant cause or contribute to contamination that is known or may be discovered at the project site?</td>
<td>To the best of my knowledge, the applicant:</td>
<td>Did not cause or contribute to contamination</td>
<td>May have caused or contributed to contamination</td>
</tr>
<tr>
<td>Did the developer cause or contribute to contamination that is known or may be discovered at the project site?</td>
<td>To the best of my knowledge, the developer:</td>
<td>Did not cause or contribute to contamination</td>
<td>May have caused or contributed to contamination</td>
</tr>
</tbody>
</table>

### Environmental Outcomes

<table>
<thead>
<tr>
<th>Latitude and longitude of the project site, to eight digits after the period</th>
<th>42.370960 -83.460560</th>
<th>Size of the property</th>
<th>Approximately 10 acres of the total 15.36-acre property. Please see attached figure for reference.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the property a facility under Part 201 or a site under Part 213?</td>
<td>Yes</td>
<td>Who is the owner of the property and when was the property was acquired?</td>
<td>The property is currently owned by MCPT SMILL LLC; acquired 4/5/2013. Pulte Homes of Michigan, LLC is the proposed future owner of the property and anticipate closing in Q1 of 2019.</td>
</tr>
<tr>
<td>Is the current owner also the operator of the property?</td>
<td>No. The property is not currently in use.</td>
<td>List current and historical uses of the property, with dates if known</td>
<td>First developed use was a lumber yard and canning factory (1914). Lumber and Coal Yard (until between 1967 and 1972). Sales and garage building (1927), Manufacturing building, Precision Products Co (1943) Bathey Manufacturing Co</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If the property was acquired after June 5, 1995, was a BEA completed by the current owner?</td>
<td>No. However, the current owner is not a responsible party. The proposed developer will complete a BEA upon closing on the property.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How was the property acquired? For example, voluntary purchase, inheritance, condemnation, or tax reversion</td>
<td>Voluntary Purchase/Conventional Sale. The proposed purchase is anticipated to be a voluntary purchase.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The requested funds are needed for the following eligible activities:

- [ ] Phase I/Phase II Investigation
- [ ] Baseline Environmental Assessment
- [ ] Due Care Planning
- [ ] Implementation of a Due Care Response Activity
- [ ] Vapor Mitigation
- [ ] Other Environmental Response Actions
- [ ] Interim Response Action
- [ ] Demolition

1. Describe the known or suspected environmental condition of the property, including whether contamination is confirmed or suspected and the presence of any underground storage tanks.

   The Property was occupied by Precision Products Co., an electro plating operation in 1943, and Bathey Manufacturing Co., a manufacturer, from at least 1950 until 2002. Based upon review of the previous site investigations, soil contamination is present which exceeds the current Part 201 Residential Generic Cleanup Criteria (GRCC). Based on these analytical results, the Property is a "facility," as defined by Part 201 of P.A. 451 of the Michigan Natural Resources Environmental Protection Act (NREPA), as amended.

   No underground storage tanks (USTs) are currently known to be present on the Property.

2. Describe the response activities that are believed to be necessary for redevelopment and reuse of the property. Include an estimated cost for each item in the Sources of Project Funding Table on page 5.

   Design and installation of a Vapor Barrier Systems that are compatible with the compounds identified in soil and groundwater will be installed beneath the proposed buildings to prevent soil gas from entering the buildings and prevent potential inhalation exposures to occupants.

   A soil and groundwater management plan will be prepared and implemented, outlining means and methods for managing, properly characterizing, relocating, and disposing of contaminated media during redevelopment activities. Associated management activities will include proper characterization of soil and groundwater prior to movement or relocation onsite (i.e. in accordance with Section 20c of Part 201), offsite disposal at a licensed disposal facility, or discharge to the sanitary sewer (water only) under permit with
the City of Plymouth; implementing soil erosion and sedimentation controls, and fugitive
dust control procedures; and implementing equipment decontamination procedures.

Gasketing associated with utilities installed during construction will also be evaluated and
specified to be compatible with the soil and groundwater contaminants present onsite.

Sub-grade utility trenches associated with utilities installed in areas with soil and
groundwater contamination will be evaluated and those that are determined to represent
potential preferential migration pathways will be equipped with bentonite/cement migration
barriers to prevent migration of existing contamination to offsite locations.

Storm water detention basins will be constructed with infiltration barriers, which will be
evaluated and specified to be compatible with the soil and groundwater contaminants
present onsite.

Environmental Professional Oversight, Management, Sampling and Reporting.

3. If grant or loan funds are requested for building demolition, describe the condition of the
building. Does it present a health or safety threat? Does the structure impede the
proposed response activities?

Not applicable to the grant and loan request. The property is currently unoccupied with
minimal remnants from previous structures. Demolition is being sought for reimbursement
through Brownfield TIF.

4. Will nonpoint source pollution controls be used on the site? Please describe.

A soil erosion and sedimentation control plan will be prepared and implemented as
applicable by the contractor performing the site redevelopment work. Control measures
including, but not limited to, silt fencing and track-out control procedures will be
implemented per the soil erosion and sedimentation control plan to minimize nonpoint
source discharges.

5. Provide an approximate schedule for conducting response activities and implementing the
proposed or projected economic development. Include any deadlines or factors affecting
implementation of the project, such as other grants or developer deadlines.

It is anticipated that construction activities will commence in Spring 2019 with a completion
goal of early 2022.
### Economic Outcomes

| Is a developer committed to the project? Name of developer, if any | Yes, Pulte Homes of Michigan, LLC | Projected number of permanent jobs created by the new development (do not include construction or other temporary jobs) | Full-time: 0  
Part-time: 0 |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed new development or development type</td>
<td>Multi-Family Residential Community</td>
<td>Projected amount of private investment created by the new development</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Current State Equalized Value (SEV)</td>
<td>$961,800</td>
<td>Projected SEV</td>
<td>$13,406,400</td>
</tr>
</tbody>
</table>

1. Describe the redevelopment or potential for redevelopment and how it will result in new jobs, investment of private funds in improving or reusing the property, and/or an increase in the community's tax base.

   The proposed redevelopment includes the construction of 76 new residential townhomes with an approximately $20,000,000 investment. As the property is currently vacant and has been for approximately 30 years, the proposed redevelopment will bring the property to safe and successful reuse, increase the taxable value of the Property and will subsequently increase the taxable values of surrounding properties. Additionally, this will create construction jobs. The project is anticipated to break ground in the spring of 2019. The project recently received unanimous Planning Commission site plan approval in October 2018.

2. Describe the status of the developer’s financing for the project.

   The project is 100% self-funded and will not require additional outside capital or lender participation. All Pulte projects are presented to the company’s Corporate Asset Management Committee (including the CFO). This group is responsible for allocating capital for new projects across the company. The project was granted Preliminary Funding Approval, by Pulte’s Corporate Asses Management Team, in late Q3 2018. The only remaining contingency is to receive Final Site Plan/PUD Approval for the project and development along with the approved Brownfield incentives requested. It is anticipated all of this is to be achieved by Spring 2019.

3. Indicate whether there is a purchase agreement or a development agreement, and the terms of the agreement, especially in regard to release of grant or loan dollars for the project.
A loan agreement associated with this application and a reimbursement agreement and development agreement associated with the Act 381 Brownfield Plan and Work Plan will be in place with the Plymouth BRA and the Developer as part of this project.

4. If a developer is committed to the project, provide a brief summary of the developer’s business experience, including any other businesses, terms and conditions of their participation in the project, bankruptcies, and civil or criminal enforcement actions related to environmental violations.

PulteGroup is an $8 billion Fortune 500 company that operates in 50 of the largest housing markets across the United States. Pulte Homes of Michigan, a subsidiary of PulteGroup, has operated in the Detroit market for more than 70 years; currently has approximately $170 million invested in land, development, and new home construction across the Detroit and Ann Arbor markets. As of the quarter-ended September 30, PulteGroup had approximately $7.5B invested in current and future projects and $759M in cash on hand.

5. Are there any known legal, access, or title issues, liable party actions, or liens or easements on the property that could affect the proposed economic development?

There are no known legal, access, or title issues, liable party actions, or liens or easements on the property that could affect the proposed economic development.

<table>
<thead>
<tr>
<th>Community Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Is existing infrastructure used?</strong></td>
</tr>
<tr>
<td><strong>Are Smart Growth, green building, or placemaking concepts used?</strong></td>
</tr>
<tr>
<td><strong>Current zoning of the property</strong></td>
</tr>
<tr>
<td><strong>Projected zoning</strong></td>
</tr>
<tr>
<td><strong>Property tax ID(s)</strong></td>
</tr>
</tbody>
</table>
1. Describe how the proposed development fits into the community’s development plans, and how it will affect the community as a whole and the area immediately surrounding the project site. Will the project result in any social or community benefits? Is the community in which the project is located economically disadvantaged or depressed?

The City of Plymouth has advocated strongly for support of the proposed project. According to the city’s Master Plan, residents are in support of new home construction and stated that new homes enhance property values, modernize the city, and assist in maintaining a thriving downtown. The current property is a well-known eyesore of the community, hinders nearby property values, and causes a significant break in continuity between Plymouth downtown and Old Town. Additionally, the project includes significant and critical environmental cleanup and creation of much-needed residential housing stock. In fact, the environmental remediation of this parcel is considered a “public benefit” and was a key component of site-plan approval from the Planning Commission. The development incorporates pedestrian and bike trails throughout the site to help further the connection of downtown and Old Town. The paths also offer connectivity to Hines Drive. The effective integration of these features will help connect Plymouth’s main nodes of commercial activity and also encourage non-motorized transportation options, an overarching goal of the City as evidenced in the Community Master Plan. The property is located within a city undergoing Redevelopment Ready Certifications (RRC) and has a traditional downtown.

2. Describe the neighborhood around the property. Are there other viable commercial businesses nearby? Is there a large amount of vacant, developable land in the community and/or the neighborhood, or is the supply of developable land relatively low? Is the demand for property in the community and/or neighborhood high? If the site is in or within walking distance of a traditional downtown or a Michigan Main Street please describe how the development will enhance the neighborhood.

The Project is located adjacent to the Main Street corridor and is characterized by a variety of uses, including light industrial properties to the south, residences and condominium complexes to the east and west, commercial and, multi-family and single-family properties to the north. Developable land in this vicinity is limited. The juxtaposition of this parcel allows for prime connection between the downtown corridor and the City’s Old Village. Beyond the townhome construction, the remainder of the Property will consist of communal greenspace, walkways, parking and areas for seating and bike parking. The connection between Main Street and downtown will be via a walking path and to Hines Park via a pedestrian crossing, encouraging non-motorized transportation, an overarching goal of the City. This proposed redevelopment will safely and successfully reuse the property, increase taxable value, and will subsequently increase the taxable value of surrounding properties as the current state of the property is a well-known eyesore.

3. If applicable, describe how the project demonstrates the principles of site reuse, greenspace preservation, smart growth, reduction of storm water runoff, walkability, outdoor recreation that is accessible to people with disabilities, placemaking, LEED building standards, green roofs or parking, green remediation, or other sustainable development concepts, and how it will protect human health and the environment.

The reuse of this previously developed property will assist the City in meeting their goals of improving mobility, connectivity, and safety between corridors as evidenced in the Master Plan. Further goals of enhancing the tree canopy and promoting a welcoming environment will be met through the incorporation of walking paths, bike lanes, as well as
carefully planned landscaping and tree planting plan that will create a park-like setting throughout the development. The buildings will be designed with a transitional urban feel to assist in tying into the surrounding area.

4. Describe how you will announce and promote the grant/loan project. The MDEQ's contribution to the project must be acknowledged either in social media (the applicant's and/or the developer's), the local press, signage at the property, or other methods.

The MDEQ's logo will be included on signage at the site and a statement of support received will be included as part of any future press releases as future project announcements are made.

**Local Commitment**

Describe the local government's financial commitment to the project. Is the applicant willing to accept a grant and loan, or loan funding only? Include any federal, state (other than the proposed grant), or local incentives offered to the developer as part of the project. If the local government is unable to make a financial commitment to the project, explain why. Include amounts in the Sources of Project Funding table below.

The city of Plymouth anticipates supporting the use of tax increment financing (TIF) under Public Act 381, as amended. In conjunction with the proposed grant and loan from the MDEQ. This is estimated at $2,622,222. A portion of this is anticipated to payback the requested loan. The applicant is willing to accept a loan as a portion of this proposal.
Sources of Project Funding

List sources, uses, and amount of all funds committed to or anticipated for the economic development implementation project.

In the BRA Funds column, please list any dollars committed by the BRA that will NOT be used to repay a Brownfield Redevelopment Loan.

In the OTHER column, include federal dollars, other state grants, future sale proceeds, liable party contributions, etc.

<table>
<thead>
<tr>
<th>USES OF FUNDS</th>
<th>MDEQ Brownfield Loan</th>
<th>MDEQ Brownfield Grant</th>
<th>Developer Funds (private)</th>
<th>TIF Funds (non-brownfield loan)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investigation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$41,000</td>
</tr>
<tr>
<td>Baseline Environmental Assessment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$116,396</td>
</tr>
<tr>
<td>Due Care</td>
<td>$150,000</td>
<td>$425,500</td>
<td></td>
<td></td>
<td>$295,000</td>
</tr>
<tr>
<td>Other environmental response actions</td>
<td>$690,000</td>
<td>$574,500</td>
<td></td>
<td></td>
<td>$482,240</td>
</tr>
<tr>
<td>Demolition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$400,000</td>
</tr>
<tr>
<td>Grant/Loan administration (up to 3% of the grant/loan award)</td>
<td>$60,000</td>
<td></td>
<td></td>
<td></td>
<td>$60,000</td>
</tr>
<tr>
<td>Third-party environmental oversight professional*</td>
<td>$100,000</td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>Contingency (up to 15% of grant/loan amount)</td>
<td></td>
<td></td>
<td></td>
<td>$317,586</td>
<td>$317,586</td>
</tr>
<tr>
<td>Brownfield Plan/Act 381 Work Plan</td>
<td></td>
<td></td>
<td></td>
<td>$30,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Non-environmental costs, such as infrastructure and construction</td>
<td></td>
<td></td>
<td>$16,000,000</td>
<td></td>
<td>$16,000,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,000,000</strong></td>
<td><strong>$1,000,000</strong></td>
<td><strong>$16,000,000</strong></td>
<td><strong>$1,882,222</strong></td>
<td><strong>$19,682,222</strong></td>
</tr>
</tbody>
</table>

*NOTE: When the response activities will be performed by the consulting firm used by the project developer, the DEQ expects that the applicant will hire its own environmental oversight professional. Exceptions will be considered in low-risk situations on a case-by-case basis and must be requested in writing. The environmental oversight professional's fees are eligible for reimbursement with the proposed grant or loan. Please include an environmental oversight professional in the budget if applicable.
Please attach the following to the completed funding application:

1. **For loans only:** A resolution adopted by the applicant’s governing body, verifying that the project will be undertaken if funding is awarded, and that the development is consistent with local development and redevelopment plans and zoning ordinances. Resolutions must indicate whether the applicant is willing to accept a loan, an amount up to which the applicant is willing to borrow, and the governing body must commit to repayment of the loan. If the applicant is a BRA, the resolution must be from the county or city under which the BRA was formed. The resolution should state the method of financial assurance being used to secure the loan (revenue sharing, escrow, letter of credit, or other method approved by the DEQ).

2. **For grants:** A letter from the chief executive officer or highest ranking appointed official indicating that the local unit of government supports the brownfield project and that the brownfield project complies with all local zoning and planning ordinances.

3. A map or maps showing the location of the project area, site boundaries, buildings (please identify buildings or portions of buildings to be demolished), areas to be capped if known, proposed greenspace, new construction, and other site features or improvements.

4. High quality, publishable digital photos of the site. **Please provide these electronically in jpg format.**

5. A final or draft development agreement, reimbursement agreement, or other agreement between the applicant and developer, describing reimbursement of TIF to the developer (if applicable), developer guarantees, development schedule, loan security (if applicable), and other terms and conditions associated with the project.

6. If the property is not owned by the applicant, a final or draft enforceable agreement between the property owner and the applicant that commits the property owner to cooperate with the applicant, including a commitment to allow access to the property to complete, at a minimum, the proposed eligible activities. Example Attached.
Certification

The undersigned, as the representative of the applicant, certifies that the applicant will comply with all applicable state and federal statutes and regulations, including those associated with the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, its administrative rules, and those statutes related to civil rights, equal opportunity, labor standards, environmental protection, and historic preservation.

The undersigned, as the representative of the applicant, certifies that the property(ies) at which grant or loan funds will be used are within the jurisdiction of the applicant.

The undersigned, as the representative of the applicant, certifies that within the last 24 months, the applicant has not had a grant from the Department of Environmental Quality (DEQ) revoked or terminated, and has not been determined by the DEQ to be unable to manage a grant.

The undersigned, as the representative of the applicant, certifies that a source of funding for ongoing maintenance and operation of the proposed project, if required, has been identified.

The undersigned, as the representative of the applicant, verifies that the applicant passed its most recent audit and acknowledges that the DEQ may review the auditor’s conclusions posted on the Michigan Department of Treasury web site.

The undersigned, as the representative of the applicant, certifies that the information provided in this application and its attachments is true and complete to the best knowledge and belief of the applicant and the undersigned.

John Scanlon
Typed name of Applicant’s Representative

Signature

Finance Director
Title

Date

Please submit application electronically to
DEQBrownfields@michigan.gov

Please call 517-284-5113 with questions.
#mibrownfields
CONSENT FOR ACCESS TO PROPERTY

PROJECT NAME: Mill Street Towns
PROPERTY ADDRESS: 100 South Mill St., Plymouth, MI 48170
TRACKING CODE:
LOCATION CODE: N/A
NAME OF PROPERTY OWNER: MCPT SMILL LLC

I hereby consent to officers, employees, authorized representatives of the City of Plymouth and Michigan Department of Environmental Quality (MDEQ) and their contractors, subcontractors and consultants the right to enter the property and continued access and use of by, through, and on the property through the period of the Brownfield Redevelopment Grant/Loan contract, including amendments, for the following purposes:

1. Performance of the work in accordance with Appendix A of the Brownfield Redevelopment Grant/Loan contract.
2. Other inquiry actions at the property as may be necessary to administer and perform the scope of work under the Brownfield Redevelopment Grant.

I am the property owner or an individual having the authority or the authorization of the property owner to sign this access agreement. I give this written permission voluntarily with the full knowledge of my right to refuse and without threats or promises of any kind.

Please indicate if you are granting access by signing this document and providing your address and telephone number(s) so that you may be reached by mail or telephone.

ACCESS GRANTED: ☐ YES ☐ NO
Name (Printed): ___________________________ Date: ________________
Name (Signature): ___________________________
Address: ______________________________________
City: ___________________________ State ___ Zip _____________
Telephone Number(s): Work: __________________ Alternate: __________________
Email: ___________________________
Resolution

The following Resolution was offered by Commissioner ____________ and seconded by Commissioner ________________.


WHEREAS At their regularly scheduled meeting on October 10, 2018, The City of Plymouth Planning Commission approved the final site-plan and granted final PUD approval for 76 attached, single-family, townhomes to be developed by Pulte of Michigan at 100 S. Mill Street “Project”), and

WHEREAS The City of Plymouth, submitted a grant and loan proposal to the Michigan Department of Environmental Quality (MDEQ), and

WHEREAS The City of Plymouth was notified on November 5, 2018 that MDEQ was supportive of the Project and is willing to provide a $600,000 Brownfield Redevelopment Grant and a $1 million Brownfield Redevelopment Loan for the eligible environmental activities, and

WHEREAS The City of Plymouth submitted the formal grant and loan application to the MDEQ on January 5, 2019, and

WHEREAS The MDEQ notified the City of Plymouth on January 15, 2019 that the awarded grant amount was increased from $600,000 to $1,000,000 and requested the City of Plymouth submit an updated application package, and

WHEREAS The City of Plymouth have reviewed this matter and have determined that it is financially able and willing to accept a loan of up to $1,000,000 and a grant of up to $1,000,000 from the MDEQ secured with a Letter of Credit from Pulte of Michigan, in addition to the future tax increment revenues that may be captured through the Brownfield Plan, and

WHEREAS The developer is in the process of finalizing a Brownfield Plan and Reimbursement Agreement for the Project and will provide that to the City of Plymouth Brownfield Redevelopment Board for its review, consideration and approval, and

WHEREAS The Project is consistent with local development plans and zoning ordinances, and

WHEREAS The City of Plymouth supports the loan and grant application to the MDEQ, for a $1,000,000 loan and a $1,000,000 grant for the site located at 100 South Mill Street and Project,

NOW THEREFORE BE IT RESOLVED THAT the City of Plymouth hereby accepts and commits to repay a loan up to $1,000,000 secured through a Letter of Credit by Pulte of Michigan, and future tax increment revenues that may be captured through a Brownfield Plan, for the site and Project, described above, with funds to be issued and managed by the City of Plymouth

NOW BE IT FURTHER RESOLVED THAT The City of Plymouth hereby accepts grant funding of up to $1,000,000 secured through a Letter of Credit by Pulte of Michigan, and future tax increment revenues that may be captured through a Brownfield Plan, for the Project described above, with funds to be issued and managed by the City of Plymouth
NOW BE IT FURTHER RESOLVED THAT the City of Plymouth will terminate this support and acceptance of Loan and Grant funding for the project described absent an approved Brownfield Plan and Reimbursement Agreement on or by May 6, 2019.