NOTICE OF PUBLIC HEARING

BIRMINGHAM CITY COMMISSION	
CONSIDERATION OF BROWNFIELD PLAN	
Meeting Date, Time, Location:	Monday, October 27, 2014, 7:30 PM Municipal Building, 151 Martin, Birmingham, MI
Location of Request:	400 South Old Woodward, Birmingham, MI 48009 (The property is the former Green's Art Supply, located on the southwest corner of S. Old Woodward and Daines Street.)
Nature of Hearing:	To consider adoption of a brownfield plan, in accordance with the provisions of the Brownfield Redevelopment Financing Authority Act, being act 381 of the Public Acts of the State of Michigan of 1996, as amended.
City Staff Contact:	Jana Ecker 248.530.1841 jecker@bhamgov.org
Notice Requirements:	Publish: October 12, 2014 Mail to: taxing jurisdictions that levy taxes subject to capture under this act.
Approved minutes may be reviewed at: Maps, plats, and a description of the brownfield plan are available for public inspection at:	City Clerk's Office

All aspects of the brownfield plan are open for discussion at the public hearing.

At the hearing, all citizens, taxpayers and property owners of the City of Birmingham and officials from any taxing jurisdiction whose millage may be subject to capture under the proposed brownfield plan shall have the right to be heard in regard to the adoption of the brownfield plan.

Persons wishing to express their views may do so in person at the hearing or in writing addressed to City Clerk, City of Birmingham, 151 Martin, Birmingham, MI 48009.

Persons with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk's Office at (248) 530-1880 (voice) or (248) 644-5115 (TDD) at least one day in advance to request mobility, visual, hearing or other assistance.

Notice of Public Hearing to Taxing Jurisdictions

The City of Birmingham City Commission will hold a public hearing on October 27, 2014, at 7:30 p.m. at the City Commission chambers located at 151 Martin Street, Birmingham, Michigan, concerning a brownfield plan for property located at 400 South Old Woodward, Birmingham, Michigan.

The City of Birmingham (the City) has established a Brownfield Redevelopment Authority (the Authority) pursuant to the Brownfield Redevelopment Act, 1996 PA 381, as amended (Act 381). Act 381 authorizes local units of government to facilitate the revitalization of environmentally distressed areas through the use of brownfield plans incorporating tax increment financing. Tax increment financing allows the Authority to capture tax revenues attributable to increases in the taxable value of real and personal property located on eligible property, which may include adjacent or contiguous parcels. Increases in taxable value may be attributable to several factors, including new construction, rehabilitation, remodeling, alterations, additions, and the installation of personal property on eligible property.

The Authority has considered and recommended adoption of a brownfield plan related to the property located at 400 South Old Woodward, Birmingham, Michigan (the Property). The proposed use for the Property is a mixed-use development. The Property has been determined to contain hazardous substances as defined under applicable environmental laws and regulations. The brownfield plan proposes to capture some tax increment revenues generated on the Property for approved purposes. The attached schedule describes the estimated fiscal and economic implications of the proposed brownfield plan. The City Commission must approve the brownfield plan.

If you wish to express your views or recommendations, or if you have any questions or comments, concerning the brownfield plan, you have the right to be heard in regard to the adoption of the brownfield plan. A copy of the brownfield plan is available for review at the office of the City Clerk located at 151 Martin Street, Birmingham, Michigan. The attached public notice will be published pursuant to Act 381.

Dated: October 9, 2014
Laura M. Pierce
City Clerk
City of Birmingham, Michigan

City of Birmingham
A Walkable Community

MEMORANDUM

Community Development Department

DATE: **October 3, 2014**

TO: **Joseph A. Valentine, City Manager**

FROM: **Jana L. Ecker, Planning Director**

SUBJECT: **Public Hearing for a Brownfield Plan for 400 S. Old Woodward (former Green's Art Supply)**

The State Brownfield Redevelopment Statute (Public Act 381 of 1996, as amended) allows the City to approve a Brownfield Plan in order to help finance the cleanup of a contaminated site through the use of Tax Increment Financing (TIF). A brief summary of the statute, prepared by the City's Brownfield Consultant, is attached for reference.

The subject site was formerly the site of a vacant one story commercial building (formerly Green's Art Supply), and is a total of 0.58 acres in size. It is located on the southwest corner of S. Old Woodward and Daines Street. The current owner of the subject site is Jonna Luxury Homes, LLC, and intends to demolish the existing building and construct a new three story building with ground floor retail and covered parking, and two floors of residential units ranging in size from 1815 sq.ft. to 6400 sq.ft. Given the size of the proposed building, the applicant was required to complete a Community Impact Study for approval by the Planning Board prior to obtaining site plan approval.

On July 24, 2013, the Planning Board unanimously moved to accept the Community Impact Study for 400 S. Old Woodward with the following conditions:

1) Applicant submit a drainage plan for review and approval;
2) Applicant provide information on all life safety issues and Fire Dept. approval;
3) Applicant provide information on the details of on-site recycling;
4) Applicant provide information on the proposed security system for approval by the Police Dept; and
5) Provision of required easements for portions of public sidewalk on private property.

On the same date, the Planning Board also unanimously approved the Preliminary Site Plan for 400 S. Old Woodward with the following conditions:

1) Applicant must submit specs on all mechanical equipment and lighting;
2) Applicant must provide a detailed landscape and photometric plan at the time of Final Site Plan Review;

3) Applicant must submit a complete streetscape plan at the time of Final Site Plan Review;
4) Applicant must abandon all existing connections, and install new water and sewer service connections for the building;
5) Install a Knox Box on the building;
6) Remove spandrel glass from the Daines elevation or obtain a variance from the BZA; and
7) Provide material and color samples at Final Site Plan Review.

On August 28, 2013, the Planning Board unanimously approved the Final Site Plan and Design Review for 400 S. Old Woodward with the following conditions:

1) Applicant must submit specs on all mechanical equipment for administrative approval when selected;
2) Applicant must correct plans to show an 8.5 ft. wide sidewalk on Daines St.;
3) Hanging planter brackets must be added to street lights;
4) Applicant must abandon all existing connections, and install new water and sewer service connections for the building;
5) Install a Knox Box on the building;
6) Planning Board grants a waiver to allow non-cutoff sconces on the building façade; and
7) The south door on S. Old Woodward Ave. or the bus stop may be moved, subject to administrative approval.

Later, the applicant sought an administrative approval for changes to the proposed building at 400 S. Old Woodward to include additional parking on the first level, and to convert the second level into 7 residential units in lieu of the office space they originally requested and had approved. On March 8, 2014, the Planning Board discussed the proposed changes and consensus was reached to provide approval administratively. Please see attached minutes from all relevant Planning Board meetings.

On September 10, 2014, the Birmingham Brownfield Redevelopment Authority met to review the proposed brownfield plan for the subject property for compliance with State law. The Authority voted unanimously to approved the Brownfield Plan, subject to several revisions which resulted in the total amount for the eligible activities for this project being reduced by $35,900. These changes are reflected in the summary of eligible activities contained within the Brownfield Plan submitted for City Commission approval. If the City Commission approved the Brownfield Plan, the maximum amount for which the developer would be eligible to be reimbursed through tax increment financing for this project is $285,804.

On September 10, 2014 the Birmingham Brownfield Redevelopment Authority also approved the proposed reimbursement agreement pertaining to the Brownfield Plan for 400 S. Old Woodward. This agreement sets forth the process by which the developer will submit requests for reimbursement to the Authority.

The City Commission set a public hearing date for **October 27, 2014** to consider approval of the Brownfield Plan as recommended by the Brownfield Redevelopment Authority. Please find attached all relevant documents and the draft meeting minutes for your review.

SUGGESTED ACTION:

To adopt the attached resolution approving the Brownfield Plan for 400 S. Old Woodward, Birmingham, MI.

Attachments:

1) Summary of Brownfield Tax Increment Financing, provided by Anne Jamieson from AKT Peerless (the City's Brownfield Consultant)
2) Planning Board minutes
3) Staff Memo on Local Site Remediation Revolving Fund
4) Proposed Resolution for City Commission adoption
5) Brownfield Plan for 400 S. Old Woodward, Birmingham, Michigan
6) Reimbursement Agreement pertaining to the Brownfield Plan for 400 S. Old Woodward
7) Brownfield Redevelopment Authority Minutes
    a. September 10, 2014 (DRAFT - Not Approved)

AKTPEERLESS
environmental services

Brownfield Tax Increment Financing

In 1996, the Michigan Legislature enacted the original legislation under the brownfield tax increment financing statute, Act 381 of 1996, allowing for the reimbursement of certain environmental related expenses related to the reuse of properties that are defined under the Act as "facilities." In 2000, the program was expanded to include the reuse of properties that are defined as "functionally obsolete" or "blighted" this benefit was limited to Michigan's 103 "core communities", such as Detroit, to reimburse for demolition, lead or asbestos abatement, site preparation and public infrastructure improvements. In 2007, the program was again expanded to reimburse for demolition and lead or asbestos abatement in "non-core communities", such as Birmingham.

Through a Brownfield Redevelopment Authority, qualifying properties may be eligible for tax increment financing (TIF) allowing projects to capture the increase in property taxes a project may create. This tax increment revenue is used to pay for or reimburse the developer for cleanup-related costs, demolition and lead/asbestos abatement and in certain cases, site preparation and public infrastructure improvements. A Brownfield Redevelopment Plan must be approved not only by the designated Brownfield Redevelopment Authority but by the local unit of government. Capture of school property taxes may also be included, with approval from the Michigan Economic Growth Authority (MEGA) and/or the Michigan Department of Environmental Quality (MDEQ). This is a dollar-for-dollar reimbursement and, with local/state approval, may even include interest expenses to cover the financing for the eligible activities.

www.aktpeerless.com
(313) 962-9353
Anne Jamieson; jamiesona@aktpeerless.com or Corey A. Leon; leonc@aktpeerless.com

PRACTICAL APPROACH…PROFESSIONAL RESULTS

PLANNING BOARD MINUTES
JULY 24, 2013

PRELIMINARY SITE PLAN REVIEW (continued from July 10, 2013)
COMMUNITY IMPACT STUDY ("CIS") (continued from July 10, 2013)
400 S. Old Woodward Ave.
Green's Art Supply
New construction of a three-story mixed-use building

CIS
Ms. Ecker reviewed details of the CIS and outlined the issues that remain outstanding.

Motion by Mr. Koseck
Seconded by Ms. Lazar to accept the CIS as provided by the applicant for the proposed development of 400 S. Old Woodward Ave. with the following conditions:

1) **Applicant submit a drainage plan for review and approval;**
2) **Applicant provide information on all life safety issues and Fire Dept. approval;**
3) **Applicant provide information on the details of on-site recycling;**
4) **Applicant provide information on the proposed security system for approval by the Police Dept; and**
5) **Provision of required easements for portions of public sidewalk on private property.**

No one from the public wished to comment at 8:19 p.m.

Motion carried, 6-0.

VOICE VOTE
Yeas: Koseck, Lazar, Boyle, Clein, Whipple-Boyce, Williams
Nays: None
Absent: DeWeese

Preliminary Site Plan Review
Ms. Ecker advised the applicant is proposing to demolish the existing building and surface parking lots to construct a 58,001 sq. ft. three-story, mixed-use building. The building will provide ground floor retail, second floor office space, and six residential units on the third floor. As the building is located within the Parking Assessment District, twelve parking spots for the residential units only will be provided at grade underneath the overhang of the building along the western property line. The building is located in the D-2 Zone District. Ms. Ecker went on to touch upon some of the site plan changes the applicant made as a result of the board's request at the July 10 meeting.

Design Review
The applicant is proposing to utilize the following materials for the construction of the three story, mixed use building:

- Cast stone for the first and second floor facades;
- Granite for the base of the building;

- Aluminum building panels for the third floor façade;
- Pre-finished metal coping along the parapet;
- Aluminum sunshades along the first floor of the north and east elevations;
- An aluminum and glass canopy at the main entrance at the corner of S. Old Woodward Ave. and Daines;
- Spandrel glass blocks on the Daines façade adjacent to the vehicular opening;
- Extensive window glazing on all levels of the north and east elevation, the second and third levels of the west elevation and the third level only of the south elevation.

Spandrel glass is not permitted, and the ordinance requires all glazing to be clear or lightly tinted only. ***Applicant must remove the spandrel glass from the Daines elevation or obtain a variance from the Board of Zoning Appeals.***

The top residential floor is set back and there are terraces for each of the units on that floor.

The Planning Division will reserve detailed analysis and comments regarding architectural standards and design-related issues for the Final Site Plan and Design Review.

Mr. Jason Kreiger with Kreiger Klatt Architects settled on a plan to remove the spandrel glass and remain within the required glazing calculations. They assume two tenants at the street level. Mr. Bobby Saron, the developer, indicated they have received interest in bank use and for high end restaurant or retail use.

Discussion followed with respect to the location of the lobbies. Mr. Koseck believed the applicant has missed an opportunity from a marketing standpoint by forcing visitors through the commercial lobby. Further, he suggested they combine the residential and trash areas, move them inside the building, and add landscape outside. Lastly, maneuvering through the parking area could be improved by getting rid of some of the columns.

Ms. Whipple-Boyce thought they may want to look at condo #5. There might be a missed opportunity for a fantastic outdoor space. In response to Ms. Lazar's question about their staging area, Mr. Saron replied they will probably use their Oak/N. Old Woodward lot for that purpose.

Mr. Clein pointed out that with creative layout between the building points of articulation, trees could be planted along Daines. Mr. Koseck felt that would add to the quality of the project. With respect to the third-floor residential, Mr. Krieger explained the condos will average 2,800 sq. ft.

There were no members of the public who wished to comment on this proposal at 8:53 p.m.

Motion by Ms. Whipple-Boyce
Seconded by Mr. Clein to approve the Preliminary Site Plan for 400 S. Old Woodward Ave. subject to the following conditions:

1) Applicant must submit specs on all mechanical equipment and lighting;

2) **Applicant must provide a detailed landscape and photometric plan at the time of Final Site Plan Review;**
3) **Applicant must submit a complete streetscape plan at the time of Final Site Plan Review;**
4) **Applicant must abandon all existing connections, and install new water and sewer service connections for the building;**
5) **Install a Knox Box on the building;**
6) **Remove spandrel glass from the Daines elevation or obtain a variance from the BZA; and**
7) **Provide material and color samples at Final Site Plan Review.**

No one from the audience commented on the motion at 8:57 p.m.

Chairman Boyle suggested the applicant give serious consideration to the comments of board members Koseck and Clein before coming back to the Planning Board. It is about the relationship of the building to Woodward Ave.

Motion carried, 6-0.

VOICE VOTE
Yeas: Whipple-Boyce, Clein, Boyle, Koseck, Lazar, Williams
Nays: None
Absent: DeWeese

The board took a short recess at 8:58 p.m.

FINAL SITE PLAN REVIEW
400 S. Old Woodward Ave.
Green's Art Supply
New Mixed-Use three-story building

Ms. Ecker explained the subject parcel is currently the site of the Green's Art Supply, and has a total land area of .56 acres. It is located on the southwest corner of S. Old Woodward Ave. and Daines St. in the Downtown Overlay District.

The applicant is proposing to demolish the existing building and surface parking lots to construct a 58,001 sq. ft., three story mixed-use building. The building will provide ground floor retail, second floor office space, and seven residential units on the third floor. Parking for the residential units will be provided at grade underneath the overhang of the building along the western property line. As the building is located within the Parking Assessment District, no on-site parking is required for retail or office uses.

The applicant was required to prepare a Community Impact Study in accordance with Article 7, section 7.27(E) of the Zoning Ordinance, as they are proposing a new building containing more than 20,000 sq. ft. of gross floor area. Approval of the CIS and the Preliminary Site Plan for this project was granted by the Planning Board on July 24, 2013 with several conditions.

Ms. Ecker highlighted site plan changes that have occurred since the last Planning Board meeting. As suggested by the Planning Board, the refuse room has been moved so it can be accessed from underneath the building. A ramp has been added so trucks can get up to the refuse room. Bicycle parking has been added. The applicant has submitted a drainage plan for the site, and has provided a draft Easement Agreement for review by the city attorney. In addition, the applicant has now provided a landscape plan, photometric plan and streetscape plan for review by the Planning Board, as well as a roof plan showing the proposed placement of mechanical units and screening. The roof plan will be finalized as tenants are confirmed, and the applicant will be required to obtain administrative approval for any changes at that time, and to provide specification sheets for each of the individual units.

At the Planning Board's request the applicant agreed to move the building back 2 ft. on the Daines St. side and increase the sidewalk width to 8.5 ft. They have added four street trees with tree grates in the recessed areas of the building along Daines St. One residential unit has been added on the third floor. A terrace has been provided on the corner. There is now a residential lobby entrance from S. Old Woodward Ave. Further, the applicant has now removed the spandrel glass from the Daines St. elevation, and

has agreed to install new water and sewer service connections and to install a Knox Box on the building.

The plans show a 10 ft. wide sidewalk along Daines St. but it is actually 8.5 ft. Therefore, the plans must be corrected. There is a bench on Daines St. which is located on the broom finished concrete. Perhaps it can be switched to the other side.

The proposed lighting fixtures are not cut-off fixtures as required by the Zoning Ordinance. ***Should the Planning Board not grant a waiver of the cut-off light fixture requirement, the applicant will be required to obtain a variance from the Board of Zoning Appeals.***

Design Review

A materials board was passed around. The applicant is proposing to utilize the following materials for the construction of the three-story, mixed-use building:

- Cast stone for the first and second floor facades;
- Granite for the base of each of the piers on the north and east elevations of the building;
- Aluminum building panel kneewall under the storefront windows on the north and east elevations of the building;
- Aluminum building panels for the third floor façade;
- Pre-finished metal coping along the parapet;
- Aluminum sunshades along the first floor of the north and east elevations;
- An aluminum and glass canopy at the main entrance at the corner of S. Old Woodward Ave. and Daines;
- Granite, with Boston Ivy planted to grow on it, is now proposed where the spandrel glass blocks were previously on the Daines façade adjacent to the trash room;
- Extensive window glazing on all levels of the north and east elevation, the second and third levels of the west elevation and the third level only of the south elevation.

Mr. Koseck noted that from a functional standpoint he prefers leaving the bench on Daines St. where the applicant has placed it.

Mr. Jason Kriger, Kriger Klatt Architects, walked everyone through the floor plan and showed how some of the floor plan changes have had a positive affect on the building façade. Mr. Joseph Jonna, 452 Middleton Ct., West Bloomfield, the applicant, noted the parking will be for the residents and controlled by “private parking” signage. In response, to Ms. Whipple-Boyce, Mr. Kriger said the fixtures are decorative and help to set off the building. They purposely picked low-wattage light to minimize glare. Mr. Koseck thought they are like adding jewelry to the building and they will look pretty in the daytime as well. Discussion concluded that either the bus shelter or the south

entrance door on S. Old Woodward should be re-located so the shelter doesn't conflict with the door.

There were no comments from members of the public at 9:10 p.m.

Motion by Mr. Koseck
Seconded by Ms. DeWeese to approve the Final Site Plan for 400 S. Old Woodward Ave. subject to the following conditions:

1) **Applicant must submit specs on all mechanical equipment for administrative approval when selected;**
2) **Applicant must correct plans to show an 8.5 ft. wide sidewalk on Daines St.;**
3) **Hanging planter brackets must be added to street lights;**
4) **Applicant must abandon all existing connections, and install new water and sewer service connections for the building;**
5) **Install a Knox Box on the building;**
6) **Planning Board grants a waiver to allow non-cutoff sconces on the building façade; and**
7) **The south door on S. Old Woodward Ave. or the bus stop may be moved, subject to administrative approval.**

There was no discussion from the public at 9:12 p.m.

Motion carried, 6-0.

VOICE VOTE
Yeas: Koseck, DeWeese, Boyle, Lazar, Whipple-Boyce, Williams
Nays: None
Absent: Clein

Mr. Koseck offered his thought that this was a beautiful building when the applicant came in, and now they have made it even better.

At 9:15 p.m. the board took a brief recess.

MEMORANDUM

Community Development

DATE: **September 16, 2014**

TO: **Joe Valentine, City Manager**

FROM: **Jana L. Ecker, Planning Director**

RE: **Addendum to Brownfield Plan for 400 S. Old Woodward (Former Green's Art Supply) Memo**

On September 10, 2014, the Birmingham Brownfield Redevelopment Authority met to review the proposed brownfield plan for the subject property for compliance with State law. The Authority voted unanimously to approve the Brownfield Plan, subject to several revisions which resulted in the total amount for the eligible activities for this project being reduced by $35,900. These changes are reflected in the summary of eligible activities contained within the Brownfield Plan submitted for City Commission approval. The motion approved by the Brownfield Redevelopment Authority was to "approve the Brownfield Plan for 400 S. Old Woodward Ave. for the amount disclosed less $35,900 with the caveat that the Local Site Remediation Revolving Fund ("LSRRF") is included subject to later City Commission approval and the Reimbursement Agreement is changed as amended tonight".

Although the motion included the provision to potentially set up a LSRRF through the Brownfield Plan for 400 S. Old Woodward if desired at a later date (subject to separate City Commission approval), the Brownfield Redevelopment Authority intends to study this issue in greater detail to determine whether to make such a recommendation to the City Commission.

The Brownfield Redevelopment Financing Act, 1996 PA 381, as amended allows a Brownfield Redevelopment Authority to establish a LSRRF by allowing the local jurisdiction to approve the capture of additional funds over and above those needed to reimburse a developer for expenses approved under a Brownfield Plan. (See attached excerpts from PA 381). The excess taxes captured can then be placed into an LSRRF to be used by the City to conduct eligible environmental response activities on other eligible brownfield properties. Essentially, the City taxes that could be captured to fund an LSRRF would be diverted from the City's general fund into the LSRRF which can only be used for environmental response activity.
As the Brownfield Redevelopment Authority intends to study this issue and bring it back to the Commission at a later date, no action is needed by the City Commission at this time with

regards to the potential creation of an LSRRF or capture of taxes from this project into an LSRRF.

BROWNFIELD REDEVELOPMENT FINANCING ACT (EXCERPT)
Act 381 of 1996

125.2658 Local site remediation revolving fund.

Sec. 8. (1) An authority may establish a local site remediation revolving fund. A local site remediation revolving fund shall consist of money available under section 13(5) and may also consist of money appropriated or otherwise made available from public or private sources.

(2) The local site remediation revolving fund may be used only to pay the costs of eligible activities on eligible property that is located within the municipality.

(3) An authority or a municipality on behalf of an authority may incur an obligation for the purpose of funding a local site remediation revolving fund.

History: 1996, Act 381, Eff. Sept. 16, 1996;—Am. 2000, Act 145, Imd. Eff. June 6, 2000;—Am. 2012, Act 502, Imd. Eff. Dec. 28, 2012.

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BROWNFIELD REDEVELOPMENT FINANCING ACT (EXCERPT)
Act 381 of 1996

125.2663 Brownfield plan; provisions.

Sec. 13. (1) Subject to section 15, the board may implement a brownfield plan. The brownfield plan may apply to 1 or more parcels of eligible property whether or not those parcels of eligible property are contiguous and may be amended to apply to additional parcels of eligible property. Except as otherwise authorized by this act, if more than 1 eligible property is included within the plan, the tax increment revenues under the plan shall be determined individually for each eligible property. Each plan or an amendment to a plan shall be approved by the governing body of the municipality and shall contain all of the following:

(a) A description of the costs of the plan intended to be paid for with the tax increment revenues or, for a plan for eligible properties qualified on the basis that the property is owned or under the control of a land bank fast track authority, a listing of all eligible activities that may be conducted for 1 or more of the eligible properties subject to the plan.

(b) A brief summary of the eligible activities that are proposed for each eligible property or, for a plan for eligible properties qualified on the basis that the property is owned or under the control of a land bank fast track authority, a brief summary of eligible activities conducted for 1 or more of the eligible properties subject to the plan.

(c) An estimate of the captured taxable value and tax increment revenues for each year of the plan from the eligible property. The plan may provide for the use of part or all of the captured taxable value, including deposits in the local site remediation revolving fund, but the portion intended to be used shall be clearly stated in the plan. The plan shall not provide either for an exclusion from captured taxable value of a portion of the captured taxable value or for an exclusion of the tax levy of 1 or more taxing jurisdictions unless the tax levy is excluded from tax increment revenues in section 2(ii), or unless the tax levy is excluded from capture under section 15.

(d) The method by which the costs of the plan will be financed, including a description of any advances made or anticipated to be made for the costs of the plan from the municipality.

(e) The maximum amount of note or bonded indebtedness to be incurred, if any.

(f) The beginning date and duration of capture of tax increment revenues for each eligible property as determined under subsection (22).

(g) An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the eligible property is located.

(h) A legal description of the eligible property to which the plan applies, a map showing the location and dimensions of each eligible property, a statement of the characteristics that qualify the property as eligible property, and a statement of whether personal property is included as part of the eligible property. If the project is on property that is functionally obsolete, the taxpayer shall include, with the application, an affidavit signed by a level 3 or level 4 assessor, that states that it is the assessor's expert opinion that the property is functionally obsolete and the underlying basis for that opinion.

(i) Estimates of the number of persons residing on each eligible property to which the plan applies and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, the plan shall include a demographic survey of the persons to be displaced, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

(j) A plan for establishing priority for the relocation of persons displaced by implementation of the plan.

(k) Provision for the costs of relocating persons displaced by implementation of the plan, and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies act of 1970, Public Law 91-646.

(*l*) A strategy for compliance with 1972 PA 227, MCL 213.321 to 213.332.

(m) A description of proposed use of the local site remediation revolving fund.

(n) Other material that the authority or governing body considers pertinent.

(2) The percentage of all taxes levied on a parcel of eligible property for school operating expenses that is captured and used under a brownfield plan and all tax increment finance plans under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, or the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, shall not be greater than the

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combination of the plans' percentage capture and use of all local taxes levied for purposes other than for the payment of principal of and interest on either obligations approved by the electors or obligations pledging the unlimited taxing power of the local unit of government. This subsection shall apply only when taxes levied for school operating purposes are subject to capture under section 15.

(3) Except as provided in this subsection and subsections (5), (15), and (16), tax increment revenues related to a brownfield plan shall be used only for costs of eligible activities attributable to the eligible property, the captured taxable value of which produces the tax increment revenues, including the cost of principal of and interest on any obligation issued by the authority to pay the costs of eligible activities attributable to the eligible property, and the reasonable costs of preparing a brownfield plan, combined brownfield plan, or a work plan for the eligible property. For property owned or under the control of a land bank fast track authority, tax increment revenues related to a brownfield plan may be used for eligible activities attributable to any eligible property owned or under the control of the land bank fast track authority, the cost of principal of and interest on any obligation issued by the authority to pay the costs of eligible activities, the reasonable costs of preparing a combined brownfield plan or work plan. Except as provided in subsection (18), tax increment revenues captured from taxes levied by this state under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, or taxes levied by a local school district shall not be used for eligible activities described in section 2(n)(*iv*)(E).

(4) Except as provided in subsection (5), a brownfield plan shall not authorize the capture of tax increment revenue from eligible property after the year in which the total amount of tax increment revenues captured is equal to the sum of the costs permitted to be funded with tax increment revenues under this act.

(5) A brownfield plan may authorize the capture of additional tax increment revenue from an eligible property in excess of the amount authorized under subsection (4) during the time of capture for the purpose of paying the costs permitted under subsection (3), or for not more than 5 years after the time that capture is required for the purpose of paying the costs permitted under subsection (3), or both. Excess revenues captured under this subsection shall be deposited in the local site remediation revolving fund created under section 8 and used for the purposes authorized in section 8. If tax increment revenues attributable to taxes levied for school operating purposes from eligible property are captured by the authority for purposes authorized under subsection (3), the tax increment revenues captured for deposit in the local site remediation revolving fund also may include tax increment revenues attributable to taxes levied for school operating purposes in an amount not greater than the tax increment revenues levied for school operating purposes captured from the eligible property by the authority for the purposes authorized under subsection (3). Excess tax increment revenues from taxes levied for school operating purposes for eligible activities authorized under subsection (15) by the Michigan strategic fund shall not be captured for deposit in the local site remediation revolving fund.

(6) An authority shall not expend tax increment revenues to acquire or prepare eligible property, unless the acquisition or preparation is an eligible activity.

(7) Costs of eligible activities attributable to eligible property include all costs that are necessary or related to a release from the eligible property, including eligible activities on properties affected by a release from the eligible property. For purposes of this subsection, "release" means that term as defined in section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

(8) Costs of a response activity paid with tax increment revenues that are captured pursuant to subsection (3) may be recovered from a person who is liable for the costs of eligible activities at an eligible property. This state or an authority may undertake cost recovery for tax increment revenue captured. Before an authority or this state may institute a cost recovery action, it must provide the other with 120 days' notice. This state or an authority that recovers costs under this subsection shall apply those recovered costs to the following, in the following order of priority:

(a) The reasonable attorney fees and costs incurred by this state or an authority in obtaining the cost recovery.

(b) One of the following:

(*i*) If an authority undertakes the cost recovery action, the authority shall deposit the remaining recovered funds into the local site remediation fund created pursuant to section 8, if such a fund has been established by the authority. If a local site remediation fund has not been established, the authority shall disburse the remaining recovered funds to the local taxing jurisdictions in the proportion that the local taxing jurisdictions' taxes were captured.

(*ii*) If this state undertakes a cost recovery action, this state shall deposit the remaining recovered funds into the revitalization revolving loan fund established under section 20108a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108a.

(*iii*) If this state and an authority each undertake a cost recovery action, undertake a cost recovery action

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jointly, or 1 on behalf of the other, the amount of any remaining recovered funds shall be deposited pursuant to subparagraphs (*i*) and (*ii*) in the proportion that the tax increment revenues being recovered represent local taxes and taxes levied for school operating purposes, respectively.

(9) Approval of the brownfield plan or an amendment to a brownfield plan shall be in accordance with the notice and approval provisions of this section and section 14.

(10) Before approving a brownfield plan for an eligible property, the governing body shall hold a public hearing on the brownfield plan. By resolution, the governing body may delegate the public hearing process to the authority or to a subcommittee of the governing body subject to final approval by the governing body.

(11) Notice of the time and place of the hearing on a brownfield plan shall contain all of the following:

(a) A description of the property to which the plan applies in relation to existing or proposed highways, streets, streams, or otherwise.

(b) A statement that maps, plats, and a description of the brownfield plan are available for public inspection at a place designated in the notice and that all aspects of the brownfield plan are open for discussion at the public hearing required by this section.

(c) Any other information that the governing body considers appropriate.

(12) At the time set for the hearing on the brownfield plan required under subsection (10), the governing body shall ensure that interested persons have an opportunity to be heard and that written communications with reference to the brownfield plan are received and considered. The governing body shall ensure that a record of the public hearing is made and preserved, including all data presented at the hearing.

(13) Not less than 10 days before the hearing on the brownfield plan, the governing body shall provide notice of the hearing to the taxing jurisdictions that levy taxes subject to capture under this act. The authority shall fully inform the taxing jurisdictions about the fiscal and economic implications of the proposed brownfield plan. At that hearing, an official from a taxing jurisdiction with millage that would be subject to capture under this act has the right to be heard in regard to the adoption of the brownfield plan. Not less than 10 days before the hearing on the brownfield plan, the governing body shall provide notice of the hearing to the department if the brownfield plan involves the use of taxes levied for school operating purposes to pay for eligible activities that require the approval of a combined brownfield plan or a work plan by the department under section 15(1)(a) and the Michigan strategic fund, or its designee, if the brownfield plan involves the use of taxes levied for school operating purposes to pay for eligible activities subject to subsection (15) or (18).

(14) The authority shall not enter into agreements with the taxing jurisdictions and the governing body of the municipality to share a portion of the captured taxable value of an eligible property. Upon adoption of the plan, the collection and transmission of the amount of tax increment revenues as specified in this act shall be binding on all taxing units levying ad valorem property taxes or specific taxes against property located in the zone.

(15) Except as provided by subsection (18), if a brownfield plan includes the capture of taxes levied for school operating purposes approval of a combined brownfield plan or a work plan by the Michigan strategic fund to use taxes levied for school operating purposes and a development agreement or reimbursement agreement between the municipality or authority and an owner or developer of eligible property are required if the taxes levied for school operating purposes will be used for infrastructure improvements that directly benefit eligible property, demolition of structures that is not response activity under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, lead or asbestos abatement, site preparation that is not response activity under section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101, relocation of public buildings or operations for economic development purposes, or acquisition of property by a land bank fast track authority if acquisition of the property is for economic development purposes. The eligible activities to be conducted described in this subsection shall be consistent with the work plan submitted by the authority to the Michigan strategic fund. The department's approval is not required for the capture of taxes levied for school operating purposes for eligible activities described in this subsection.

(16) The limitations of section 15(1) upon use of tax increment revenues by an authority shall apply except as follows:

(a) The limitations of section 15(1) upon use of tax increment revenues by an authority shall not apply to the following costs and expenses:

(*i*) In each fiscal year of the authority, the amount described in subsection (19) for the following purposes for tax increment revenues attributable to local taxes:

(A) Reasonable and actual administrative and operating expenses of the authority.

(B) Baseline environmental assessments, due care activities, and additional response activities conducted by or on behalf of the authority related directly to work conducted on prospective eligible properties prior to approval of the brownfield plan.

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(*ii*) Reasonable costs of preparing a work plan for which tax increment revenues may be used under section 13(3).

(b) The limitations of section 15(1)(a), (b), and (c) upon the use of taxes levied for school operating purposes by an authority shall not apply to the costs of 1 or more of the following incurred by a person other than the authority:

(*i*) Site investigation activities required to conduct a baseline environmental assessment and to evaluate compliance with section 20107a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20107a.

(*ii*) Completing a baseline environmental assessment report.

(*iii*) Preparing a plan for compliance with section 20107a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20107a.

(c) The limitations of section 15(1)(b) upon use of tax increment revenues by an authority shall not apply to the following costs and expenses:

(*i*) For tax increment revenues attributable to taxes levied for school operating purposes, eligible activities associated with unanticipated response activities conducted on eligible property if that eligible property has been included in a brownfield plan, if the department is consulted on the unanticipated response activities before they are conducted and the costs of those activities are subsequently included in a brownfield plan approved by the authority and a combined brownfield plan or a work plan approved by the department.

(*ii*) For tax increment revenues attributable to local taxes, any eligible activities conducted on eligible property or prospective eligible properties prior to approval of the brownfield plan, if those costs and the eligible property are subsequently included in a brownfield plan approved by the authority.

(*iii*) For tax increment revenues attributable to taxes levied for school operating purposes, eligible activities described in section 13(15) and conducted on eligible property or prospective eligible properties prior to approval of the brownfield plan, if those costs and the eligible property are subsequently included in a brownfield plan approved by the authority and a combined brownfield plan or work plan approved by the Michigan strategic fund.

(17) A brownfield authority may reimburse advances, with or without interest, made by a municipality under section 7(3), a land bank fast track authority, or any other person or entity for costs of eligible activities with any source of revenue available for use of the brownfield authority under this act. If an authority reimburses a person or entity under this section for an advance for the payment or reimbursement of the cost of eligible activities and interest thereon, the authority may capture local taxes for the payment of that interest. If an authority reimburses a person or entity under this section for an advance for the payment or reimbursement of the cost of baseline environmental assessments, due care, and additional response activities and interest thereon included in a combined brownfield plan or a work plan approved by the department, the authority may capture taxes levied for school operating purposes and local taxes for the payment of that interest. If an authority reimburses a person or entity under this section for an advance for the payment or reimbursement of the cost of eligible activities that are not baseline environmental assessments, due care, and additional response activities and interest thereon included in a combined brownfield plan or a work plan approved by the Michigan strategic fund, the authority may capture taxes levied for school operating purposes and local taxes for the payment of that interest provided that the Michigan strategic fund grants an approval for the capture of taxes levied for school operating purposes to pay such interest. An authority may enter into agreements related to these reimbursements and payments. A reimbursement agreement for these purposes and the obligations under that reimbursement agreement shall not be subject to section 12 or the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(18) If a brownfield plan includes the capture of taxes levied for school operating purposes, approval of a combined brownfield plan or a work plan by the Michigan strategic fund in the manner required under section 15(14) to (16) or (25) is required in order to use tax increment revenues attributable to taxes levied for school operating purposes for purposes of eligible activities described in section 2(n)(*iv*)(E) for 1 or more parcels of eligible property. The combined brownfield plan or work plan to be submitted to the Michigan strategic fund under this subsection shall be in a form prescribed by the Michigan strategic fund. The eligible activities to be conducted and described in this subsection shall be consistent with the combined brownfield plan or work plan submitted by the authority to the Michigan strategic fund. The department's approval is not required for the capture of taxes levied for school operating purposes for eligible activities described in this section.

(19) In each fiscal year of the authority, the amount of tax increment revenues attributable to local taxes that an authority can use for the purposes described in subsection (16)(a) shall be determined as follows:

(a) For authorities that have 5 or fewer active projects, $100,000.00.

(b) For authorities that have 6 or more but fewer than 11 active projects, $125,000.00.

(c) For authorities that have 11 or more but fewer than 16 active projects, $150,000.00.

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(d) For authorities that have 16 or more but fewer than 21 active projects, $175,000.00.

(e) For authorities that have 21 or more but fewer than 26 active projects, $200,000.00.

(f) For authorities that have 26 or more but fewer than 31 active projects, $300,000.00.

(g) For authorities that have 31 or more active projects, $500,000.00.

(20) As used in subsection (19), "active project" means a project in which the authority is currently capturing taxes under this act. The amounts of tax increment revenues attributable to local taxes listed in subsection (19) that an authority can use for the purposes described in subsection (16)(a) may be increased by 2% for each written agreement entered into by an authority in either of the following situations up to a total maximum increase of 10%:

(a) The authority is an authority established by a county and that authority enters into a written agreement with 1 or more municipalities within that county to serve as the only authority for those other municipalities.

(b) The authority enters into a written agreement with 1 or more other authorities to administer 1 or more administrative operations of those other authorities.

(21) Notwithstanding anything to the contrary in this act, for a brownfield plan that includes the capture of taxes levied for school operating purposes from eligible property included in a brownfield plan after January 1, 2013, an authority shall pay to the department of treasury at least once annually an amount equal to 3 mills of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under the brownfield plan for up to the first 25 years of the duration of capture of tax increment revenues for each eligible property included in the brownfield plan. The department of treasury shall deposit these amounts into the state brownfield redevelopment fund. If an authority pays an amount equal to 3 mills of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the department of treasury under this subsection, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for a project under a brownfield plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the project under a brownfield plan if the 3 mills of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the department of treasury under this subsection. If, due to an appeal of any tax assessment, an authority is required to reimburse a taxpayer for any portion of the 3 mills that are paid to the department of treasury under this subsection, the department of treasury shall reimburse that amount to the authority within 30 days after receiving a request from the authority for reimbursement.

(22) The duration of capture of tax increment revenues under a brownfield plan for a particular eligible property shall not exceed the lesser of the period authorized under subsections (4) and (5) or 30 years from the beginning date of the capture of tax increment revenues for that eligible property. The beginning date of capture of tax increment revenues for an eligible property shall not be later than 5 years following the date of the resolution including the eligible property in the brownfield plan. The authority may amend the beginning date of capture of tax increment revenues for a particular eligible property to a date not later than 5 years following the date of the resolution including the eligible property in the brownfield plan. The authority may not amend the beginning date of capture of tax increment revenues for a particular eligible property if the authority has begun to reimburse eligible activities from the capture of tax increment revenues from that eligible property. Any tax increment revenues captured from an eligible property before the beginning date of capture of tax increment revenues for that eligible property shall revert proportionately to the respective tax bodies. If an authority amends the beginning date for capture of tax increment revenues that includes the capture of tax increment revenues for school operating purposes, then the authority shall notify the department or the Michigan strategic fund, as applicable, within 30 days after amending the beginning date.

History: 1996, Act 381, Eff. Sept. 16, 1996;—Am. 2000, Act 145, Imd. Eff. June 6, 2000;—Am. 2002, Act 727, Imd. Eff. Dec. 30, 2002;—Am. 2003, Act 259, Imd. Eff. Jan. 5, 2004;—Am. 2005, Act 101, Imd. Eff. July 22, 2005;—Am. 2006, Act 32, Imd. Eff. Feb. 23, 2006;—Am. 2006, Act 467, Imd. Eff. Dec. 20, 2006;—Am. 2007, Act 202, Imd. Eff. Dec. 27, 2007;—Am. 2010, Act 246, Imd. Eff. Dec. 14, 2010;—Am. 2010, Act 288, Imd. Eff. Dec. 16, 2010;—Am. 2012, Act 502, Imd. Eff. Dec. 28, 2012.

Compiler's note: For transfer of powers and duties of department of environmental quality to department of natural resources and environment, see E.R.O. No. 2009-31, compiled at MCL 324.99919.

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CITY OF BIRMINGHAM
RESOLUTION APPROVING A BROWNFIELD PLAN FOR 400 S. OLD WOODWARD

Moved by Commission Member_____, Seconded by Commission Member_____

WHEREAS, the Birmingham Brownfield Redevelopment Authority (the "Authority"), pursuant to Section 13 of Act 381 of 1996, as amended (the "Act"), prepared and recommended for approval by this Commission a brownfield plan ("the Plan") for 400 S. Old Woodward; and,

WHEREAS, the City of Birmingham, at least ten days before the meeting of this Commission at which this resolution is considered, provided notice to and informed all taxing jurisdictions (the "Taxing Jurisdictions") which are affected by the Plan of the fiscal and economic implications of the Plan, and provided the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT

1. The Plan constitutes a public purpose under the Act.

2. The Plan meets all of the requirements for a brownfield plan set forth in Section 13 of the Act.

3. The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing.

4. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act.

5. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable.

6. The Plan is approved.

7. The reimbursement agreement pertaining to the Plan is approved.

AYES:_____

NAYS:_____

ABSENT:_____

MOTION CARRIED.

I, Laura Pierce, Clerk of the City of Birmingham, certify that the foregoing is a true and compared copy of a Resolution duly made and passed by the Birmingham City Commission at a meeting held on _____, 2014.

_____
Laura Pierce, City Clerk

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4080 W. 11 Mile Road
Berkley, MI 48072
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BIRMINGHAM CITY COMMISSION

BROWNFIELD PLAN
As Approved by the Birmingham Brownfield Redevelopment Authority on September 10, 2014

September 11, 2014

PROPOSED MIXED-USE DEVELOPMENT
LOCATED AT 400 SOUTH OLD WOODWARD AVENUE
BIRMINGHAM, MICHIGAN

Prepared on Behalf of:

400 S. Old Woodward, LLC
640 North Old Woodward Avenue
Birmingham, Michigan 48009
Contact Person: Mr. Joseph Jonna
Telephone: (248) 341-9696

Prepared By:

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PROJECT SUMMARY

Project Name:	Proposed Mixed-Use Development
Project Location:	The property is located at 400 South Old Woodward Avenue in Birmingham, Oakland County, Michigan.
Type of Eligible Property:	Facility
Eligible Activities:	Baseline Environmental Site Assessment Activities (including the completion of a Phase I Environmental Site Assessment (ESA), Phase I ESA Update, Phase II ESA, Baseline Environmental Assessment (BEA), and Documentation of Due Care Compliance (DDCC)), Due Care Activities, Additional Response Activities, Asbestos Containing Materials Survey and Abatement, Building and Site Demolition Activities, and Preparation of Brownfield Plan.
Reimbursable Costs:	$316,552 (includes eligible activities, 15% contingency, and 3% simple interest). This plan also accounts for a capture of up to $232,281 for a Local Site Remediation Revolving Fund (LSRRF)
Years to Complete Reimbursement (including interest):	Approximately 7 Years (Including Interest) with an additional 5 Years for LSRRF Capture
Estimated Capital Investment:	Approximately $12.6 million
Project Overview:	This project includes the demolition of the current commercial building and the construction of a high end mixed use development that will include street level retail or offices, second floor luxury condos, and third floor luxury condos. Through open storefronts and various streetscaping, the project will help spur further investment in Downtown Birmingham. Construction is anticipated for the fall of 2014.

I. INTRODUCTION AND PURPOSE

In order to promote the revitalization of environmentally distressed areas within the boundaries of Birmingham ("the City"), the City has established the Birmingham Brownfield Redevelopment Authority (BBRA) the "Authority" pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act (PA) 381 of 1996, as amended.

The primary purpose of this Brownfield Plan ("Plan") is to promote the redevelopment of and private investment in certain "Brownfield" properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible tax payers willing to invest in revitalization of eligible sites, commonly referred to as Brownfields. By facilitating redevelopment of Brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City.

The Property is currently zoned B-2B – General Business, is commercially developed, and located in Downtown Birmingham in Oakland County characterized by commercial and mixed-use properties.

The identification or designation of a developer or proposed use for the eligible 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 as necessary to achieve the purposes of PA 381. The applicable sections of PA 381 are noted throughout the plan for reference purposes.

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

II. GENERAL DEFINITIONS AS USED IN THIS PLAN

Terms used in this Brownfield Plan are defined as provided in the following statutes, as appropriate:

The Brownfield Redevelopment Financing Act, 1996 Mich. Pub. Acts. 502 which amended Pub. Act 381, M.C.L. § 125.2651 et seq., as amended.

III. BROWNFIELD PROJECT

DECRIPTION OF THE ELIGIBLE PROPERTY AND THE PROJECT

The Eligible Property consists of one legal parcel totaling 0.58 acres with a street address of 400 South Old Woodward Avenue, Birmingham, Oakland County, Michigan and the tax ID number of 08-19-36-205-042 (the "Property").

400 S. Old Woodward, LLC, or any affiliate, or such other developer as approved by the Authority, are, collectively the project developer ("Developer").

Original development of the Property occurred prior to 1921 with four residential dwellings. The former northern dwelling was converted into a vulcanizing operation between 1921 and 1926, which operated at the property until the structure was demolished in 1930. The eastern dwelling was redeveloped as a plumbing supply company between 1921 and 1926, which operated (and included several additions) until the early 1950s when the building was demolished. The central dwelling was demolished in 1930, and the northern and central portions of the subject property were redeveloped with a gasoline filling station and automotive service garage in late 1930. The former western dwelling was demolished between 1931 and 1940, and the area was converted into a parking lot. The northern and central portions of the property were occupied by Sternal's Auto Supply/Service until 1957 and Standard Oil Company in at least 1945. The southern warehouse portion of the current building was constructed between 1949 and 1952, and was historically utilized as offices for an Edsel automotive dealership until approximately 1957. The building was redeveloped for retail use in 1958 and the northern portion of the building was expanded between 1963 and 1967 to include the current layout. The property has been occupied by Green's Art Supply since 1958.

The proposed redevelopment includes a new high end mixed-use development that will include street level retail or offices, second floor luxury condos, and third floor luxury condos. It is anticipated that there will be approximately seven condos ranging from 1,400 square feet (SF) up to 3,200 SF. This investment will further the sense of place in the downtown through open storefronts and various streetscaping and could act as a catalyst project for future investment in Downtown Birmingham. The project is slated to begin in the fall of 2014, with the completed construction of the new building anticipated for October of 2015. The developer will invest an estimated $12.6 million dollars in the redevelopment and create approximately 60 construction jobs, 10 part-time jobs, and 10 full-time jobs.

This parcel and all tangible personal property located thereon will comprise the eligible property and is referred to herein as the "Property". The legal description is included in Appendix A.

Appendix C includes site maps of the parcel and an eligible property boundary map. Preliminary site plans are included in Appendix D.

BASIS OF ELIGIBILITY

The Property is considered "Eligible Property" as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; and (b) the parcel comprising the Property has been determined to be a "facility."

General descriptions of the facility status for the Property are described below. Documentation regarding the facility status is also provided in Appendix B.

Analytical results of soil and groundwater samples collected during site investigation activities conducted by PM Environmental, Inc., in January of 2014, were compared with the Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria (GCC) and Screening Levels to MDEQ Operational Memorandum Number 1 "Part 201 Cleanup Criteria and Part 213 Risk-Based Screening Levels," December 2013 and in accordance with Section 20120a(1), using the Residential and Nonresidential GCC.

PM completed a scope of work consisting of the advancement of 15 soil borings, installation of one temporary monitoring well, and the installation of five temporary soil gas sampling points.

Soil analytical results identified concentrations of tetrachloroethylene (PCE) above the Part 201 Residential and Nonresidential Drinking Water Protection (DWP) and/or Groundwater Surface Water Interface Protection (GSIP) cleanup criteria in three of the soil borings advanced in the eastern portion of the property. No other concentrations of volatile organic compounds (VOCs) were identified above the laboratory method detection limits (MDLs).

No concentrations of polynuclear aromatic compounds (PNAs) and polychlorinated biphenyls (PCBs) were identified above the laboratory MDLs in the soil samples analyzed.

Concentrations of lead were identified above the Part 201 Residential Direct Contact (DC) cleanup criteria in two soil borings advanced in the eastern portion of the property. No other concentrations of lead were identified above the statewide default background level (SDBL) or below the most restrictive Part 201 Residential cleanup criteria in the remaining soil samples. Concentrations of cadmium and chromium were identified in the soil samples below the SDBLs or below the most restrictive Part 201 Residential cleanup criteria.

Groundwater analytical results did not identify any concentrations of VOCs, PNAs, cadmium, and lead above the laboratory MDLs. A concentration of chromium was identified below the most restrictive Part 201 Residential cleanup criteria.

A location where a hazardous substance is present in excess of the concentrations, which satisfy the requirements of subsection 20120a(1)(a) or (17), is a facility pursuant to Part 201. Section 20120a(1)(a) requirements are the Cleanup Criteria for unrestricted residential usage. Contaminant concentrations identified on the subject property in soil indicate exceedances to the Part 201 Residential and Nonresidential DWP, GSIP, and Residential DC cleanup criteria. Therefore, the subject property is a <u>facility</u> under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

PM also completed a ground penetrating radar (GPR) survey on the exterior portions of the subject property to investigate the presence of potential orphan underground storage tanks (USTs).

One anomaly consistent with an orphan UST was identified during the GPR survey. The anomaly is located at the northwest corner of the subject building near a suspect vent pipe. The anomaly is approximately 7.0 feet in length, 6.0 feet in width, and located approximately 2.9 feet below ground surface (bgs). One shallow hand auger soil boring was advanced to 2.9 feet near the

center of the anomaly. Refusal was encountered and a commercial grade metal detector was used to verify that the anomaly was metallic in nature.

Further investigation of the anomaly is recommended to determine if it is an orphan UST. If the anomaly is determined to be an orphan UST it is recommended that the UST, including any liquid remaining in the UST and any impacted soil/groundwater within the UST basin be removed.

A. Description of Costs to Be Paid for With Tax Increment Revenues and Summary of Eligible Activities

Tax Increment Financing revenues will be used to reimburse the costs of "eligible activities" (as defined by Section 2 of PA 381) as permitted under the Brownfield Redevelopment Financing Act that include: baseline environmental site assessment activities, due care activities, additional response activities, an asbestos survey and abatement, demolition, and preparation of a Brownfield Plan and inclusion of interest as described in this Plan. A complete itemization of these activity expenses is included in Table 1 of Appendix E.

The project is expected to begin in the Fall of 2014, with a completion goal of Fall 2015.

The following eligible activities and budgeted costs are intended as part of the development of the property and are to be financed solely by the developer. The Authority is not responsible for any cost of eligible activities and will incur no debt.

1. Baseline Environmental Site Assessment Activities; Phase I ESA, Phase I ESA Update, Phase II ESA, BEA, and DDCC at a cost of $13,460.

2. Due Care Activities; Supplemental investigation to delineate the extent of soil contamination identified in the eastern portion of the property to facilitate removal of impacted soil during construction activities and additional soil characterization during construction activities in areas not already assessed to verify the absence of impact prior to offsite removal/disposal at a cost of $32,375.

3. Additional Response Activities; orphan UST removal, disposal, oversight, and sampling (with contingencies for liquid/product within the UST, dewatering the UST basin, and sheeting and shoring), soil disposal and transportation of up to approximately 2,000 cubic yards (approximately 2,880 tons) of contaminated soil associated with development activities and soil removal oversight, sampling, and reporting, at an estimated cost of $175,000.

4. Asbestos Activities; asbestos containing materials (ACM) survey, abatement, and oversight at an estimated cost of $18,490.

5. Demolition Activities; including backfill directly associated with demolition activities at an estimated $4,000.

6. Preparation of Brownfield Plan, Work Plan (if necessary) and associated activities (e.g. meetings with BBRA, etc.) at a cost of approximately $5,200.

7. A 15% contingency of $37,279 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 of the Brownfield Plan and Act 381 Work Plan.

All activities are intended to be "Eligible Activities" under the Brownfield Redevelopment Financing Act. The total estimated cost of Eligible Activities subject to repayment or reimbursement from tax increment revenues is approximately $248,525 with a potential $37,279 contingency, resulting in an approximate total cost of $285,804. Additionally, a 3% simple interest on unreimbursed eligible expenses is anticipated at an approximate cost of $30,748.

In addition to the Eligible Activities described above, this Plan includes capture of local available taxes for 5 years following developer reimbursement for the Local Site Remediation Revolving Fund (LSRRF) totaling approximately $232,281.

B. Estimate of Captured Taxable Value and Tax Increment Revenues

Incremental taxes on real property included in the redevelopment project will be captured under this Brownfield Plan to reimburse eligible activity expenses. The taxable value of the real property was $544,000 for the current tax year; no personal property is associated with the site. The estimated taxable value of the completed development is $2.5 million at completion of the development. This assumes a one-year phase-in for completion of the redevelopment, which has been incorporated into the tax increment financing assumptions for this plan. An annual increase in taxable value of 1% has been used for calculation of future tax increments in this plan.

The BBRA will continue capturing tax increment revenues for 5 years following payback, to build the LSRRF. The estimated captured taxable value and tax increment revenues for the eligible property for each year of the plan are presented in Table 2 in Appendix E.

C. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions

The total anticipated activities reimbursed or funded through tax increment financing are provided below.

Total Activities Reimbursed by TIF	**Estimated Costs**	
Developer Reimbursement (including a 15% contingency)	$	285,804
3% Simple Interest to Developer	$	30,748
Capture for Local Site Remediation Revolving Fund	$	232,281
Total	**$**	**548,833**

Taxes will continue to be generated to taxing jurisdictions on local captured millages at the base combined taxable value of $544,000 throughout the duration of this plan totaling approximately $143,209 or $13,019 annually.

Non-capturable millages; including debt millages, the zoo authority and art institute, will see an immediate increase in tax revenue following redevelopment and will provide anticipated tax revenue of $127,036 throughout the duration of this plan.

School millages are not being sought at this time and will provide anticipated tax revenue of $550,394 throughout the duration of this plan.

For a complete breakdown of the captured millages and developer reimbursement please see "Table 2" in Appendix E.

D. Method of Financing and Description of Advances by the Municipality

Redevelopment activities at the property will be funded by 400 S. Old Woodward, LLC. Costs for eligible activities funded by 400 S. Old Woodward, 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 property. No advances will be made by the BBRA for this project. All reimbursements authorized under this Brownfield Plan, as amended shall be governed by the Reimbursement Agreement.

E. Maximum Amount of Note or Bonded Indebtedness

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

F. Duration of Brownfield Plan

In no event shall the duration of the Plan, as amended exceed 35 years following the date of the resolution approving the Plan, as amended, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan, as amended.

G. Effective Date of Inclusion in Brownfield Plan

The Property will become part of this Plan on the date this Plan is approved by the City of Birmingham City Commission

H. Displacement/Relocation of Individuals on Eligible Property

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

I. Local Site Remediation Revolving Fund ("LSRRF")

The BBRA has not established a Local Site Remediation Revolving Fund (LSRRF). However in the event the BBRA chooses to establish a LSRRF, The LSRRF will consist of all tax increment revenues authorized to be captured and deposited in the LSRRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the BBRA. It may also include funds appropriated or otherwise made available from public or private sources.

Use of a Local Site Remediation Revolving Fund is not part of the scope of this project.

J. Other Material that the Authority or Governing Body Considers Pertinent

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

Appendix A

PM ENVIRONMENTAL Environmental & Engineering Services

LEGAL DESCRIPTION

T2N, R10E, SEC 36 BROWN'S ADD NO 1 LOT 22, ALSO LOT 23 EXC NELY PART MEAS 17.47 FT ALG N LOT LI & MEAS 17.22 FT ALG S LOT LI TAKEN FOR WIDENING OF WOODWARD AVE 10-17-94 FR 022, 023 & 024

General Property Information

City of Birmingham

[Back to Non-Printer Friendly Version] [Send To Printer]

Parcel: 08-19-36-205-042 **Unit:** City of Birmingham

Property Address [collapse]

400 S OLD WOODWARD AVE
BIRMINGHAM, MI 48009-6610

Owner Information [collapse]

GREENS OF BIRMINGHAM INC
400 S OLD WOODWARD AVE
BIRMINGHAM, MI 48009-6610

Unit: 08

Taxpayer Information [collapse]

SEE OWNER INFORMATION

General Information for Tax Year 2012 [collapse]

Property Class:	201 - 201 Bus Imp	**Assessed Value:**	$589,420
School District:	030 - 030 Birmingham City Sch	**Taxable Value:**	$522,900
State Equalized Value:	$589,420	**Map #**	POST
PPBusCode	0	**Date of Last Name Chg:**	06/23/2010
		Date Filed:	
		Notes:	N/A
Historical District:	N/A	**Census Block Group:**	N/A

Principal Residence Exemption	June 1st	Final
2012	0.0000 %	-
2011	0.0000 %	0.0000 %

Previous Year Info	MBOR Assessed	Final S.E.V.	Final Taxable
2011	$651,600	$651,600	$509,160
2010	$753,260	$753,260	$500,650
2009	$884,240	$884,240	$502,160

Land Information [collapse]

	Frontage		Depth
Lot 1:	1.00 Ft.		0.00 Ft.
Lot 2:	1.00 Ft.		0.00 Ft.
Lot 3:	0.00 Ft.		0.00 Ft.
Total Frontage:	2.00 Ft.	Average Depth:	0.00 Ft.

Total Acreage:	0.58		
Zoning Code:	BI		
Land Value:	$835,589	**Mortgage Code:**	00000
Land Improvements:	$22,577	**Lot Dimensions/Comments:**	
Renaissance Zone:	NO		

Renaissance Zone Expiration Date:	
ECF Neighborhood Code:	CMU

Legal Information for 08-19-36-205-042

[collapse]

T2N, R10E, SEC 36 BROWN'S ADD NO 1 LOT 22, ALSO LOT 23 EXC NELY PART MEAS 17.47 FT ALG N LOT LI & MEAS 17.22 FT ALG S LOT LI TAKEN FOR WIDENING OF WOODWARD AVE 10-17-94 FR 022, 023 & 024

Sales Information

0 sale record(s) found.

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms Of Sale	Liber/Page

Building Information

2 building(s) found.

Description	Floor Area	Yr Built
Commercial/Industrial Building 1 - *Store, Retail*	6702 Sq. Ft.	1975

General Information

Floor Area:	6702 Sq. Ft.	**Estimated TCV:**	N/A
Occupancy:	Store, Retail	**Class:**	C
Stories Above Ground:	1	**Average Story Height:**	17
Basement Wall Height:	8		
Year Built:	1975	**Year Remodeled:**	0
Percent Complete:	100%	**Heat:**	Package Heating & Cooling
Physical Percent Good:	51%	**Functional Percent Good:**	100%
Economic Percent Good:	100%	**Effective Age:**	33 yrs.

Commercial/Industrial Building 2 - *Warehouse, Storage*	2065 Sq. Ft.	1975

General Information

Floor Area:	2065 Sq. Ft.	**Estimated TCV:**	N/A
Occupancy:	Warehouse, Storage	**Class:**	C
Stories Above Ground:	1	**Average Story Height:**	17
Basement Wall Height:	0		
Year Built:	1975	**Year Remodeled:**	0
Percent Complete:	100%	**Heat:**	Forced Air Furnace
Physical Percent Good:	51%	**Functional Percent Good:**	100%
Economic Percent Good:	100%	**Effective Age:**	33 yrs.

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Privacy Policy

Appendix B

PM ENVIRONMENTAL Environmental & Engineering Services

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SOUTHEAST MICHIGAN DISTRICT OFFICE

RICK SNYDER
GOVERNOR

DAN WYANT
DIRECTOR

July 16, 2014

ACKNOWLEDGEMENT OF RECEIPT OF A BASELINE ENVIRONMENTAL ASSESSMENT

BEA ID: B201406069LV

Legal Entity:
400 S. Old Woodward, LLC
Attention: Joseph Jonna
640 North Old Woodward, Suite 100
Birmingham, Michigan 48009

Property Address:
400 South Old Woodward Avenue
Birmingham, Michigan 48009

On July 16, 2014, the Michigan Department of Environmental Quality (MDEQ) received a Baseline Environmental Assessment (BEA) dated June 3, 2014, for the above legal entity and property. This letter is your acknowledgement that the MDEQ has received and recorded the BEA. The MDEQ maintains an administrative record of each BEA as received.

This BEA was submitted pursuant to Section 20126(1)(c) of Part 201, Environmental Remediation and/or Section 21323a(1)(b) of Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). A BEA is submitted for the purpose of establishing an exemption to liability for a new owner or operator of property that has been demonstrated to be a facility or property as defined by Section 20101(1)(s) of Part 201, Environmental Remediation and/or property as defined by Section 21303(d) of Part 213, Leaking Underground Storage Tanks, of the NREPA. Pursuant to Sections 20126(1)(c) and 21323a(1)(b), the conditions of this exemption require the legal entity to disclose the BEA to a subsequent purchaser or transferee of the property.

The BEA is only for the legal entity and property identified in the BEA and on the BEA Submittal Form. Each new legal entity that becomes the owner or operator of this facility must submit their own BEA.

The MDEQ is not making any findings about the adequacy of the submittal or whether the submitter is liable or is eligible to submit. The submitted BEA does not alter liability with regard to a subsequent release, threat of release, or exacerbation of existing conditions that is the responsibility of the legal entity submitting the BEA.

The legal entity, as the owner and/or operator of a facility or property, may have Due Care responsibilities under Section 20107a of Part 201, Environmental Remediation and/or Section 21304c of Part 213, Leaking Underground Storage Tanks, of the NREPA.

The legal entity may also have responsibility under applicable state and federal laws, including, but not limited to, Part 201, Environmental Remediation; Part 111, Hazardous Waste Management; Part 211, Underground Storage Tank Regulations; Part 213, Leaking Underground Storage Tanks; Part 615, Supervisor of Wells, of the NREPA; and the Michigan Fire Prevention Code, 1941 PA 207, as amended.

Pursuant to Section 20112a(6) of Part 201, Environmental Remediation, the property(s) identified in the BEA will be placed on the inventory of facilities, which is updated daily and posted on the MDEQ's website: https://secure1.state.mi.us/FacilitiesInventoryQueries.

Authorized signature:

KB

Gerald Tiernan

Gerald Tiernan, Acting District Supervisor
Southeast Michigan District Office
Remediation and Redevelopment Division
27700 Donald Court
Warren, Michigan 48092-2793
586-753-3818
tiernang@michigan.gov

Enclosure
cc: Mr. Jamie Antoniewicz, PM Environmental, Inc.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY – REMEDIATION AND REDEVELOPMENT DIVISION PO BOX 30426, LANSING, MICHIGAN 48909-7926, Phone 517-284-5087, Fax 517-241-9581

FOR DEQ USE ONLY
BEA SUBMITTAL #
_____

Baseline Environmental Assessment Submittal Form

This form is for submittal of a Baseline Environmental Assessment (BEA), as defined by Part 201, Environmental Remediation and Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, for the purpose of establishing an exemption to liability pursuant to Section 20126(1)(c) and Section 21323a(1)(b) for a new owner or operator of property that is a facility as defined by Section 20101(1)(s) or Property as defined by Section 21303(d). The BEA report must be conducted either prior to or within 45 days after becoming the owner or operator, whichever is earliest. This form and the BEA report must be submitted within 6 months of becoming the owner or operator whichever is earliest. A separate BEA is required for each legal entity that is or will be a new owner or operator of the property. To maintain the exemption to liability, the owner and operator must also disclose the BEA to any subsequent purchaser or transferee before conveying interest in the property pursuant to Section 20126(1)(c) and Section 21323a(1)(b). An owner or operator of a facility or Property also has due care obligations under Section 20107a and Section 21304c with respect to any existing contamination to prevent unacceptable exposure; prevent exacerbation; take reasonable precautions; provide reasonable cooperation, assistance, and access to authorized persons taking response activities at the property; comply with land use restrictions associated with response activities; and not impede the effectiveness of response activities implemented at the property. Documentation of due care evaluations and response activities need to be available, but not submitted, to the DEQ within 8 months of becoming the owner or operator of a facility.

Section A: Legal Entity Information

Name of legal entity that will own or operate the property:
400 S. Old Woodward LLC
Address: 640 North Old Woodward, Suite 100
City: Birmingham State: MI Zip: 48009
Contact person (Name & Title): Joseph Jonna – Member

Telephone: 248.320.9995 E-Mail: JJONNA@JONNAFS.COM

Contact for BEA questions if different from submitter
Name & Title: Jamie Antoniewicz – Project Engineer
Company: PM Environmental, Inc.

Address: 4080 West Eleven Mile Road
City: Berkley State: MI Zip: 48072
Telephone:248.336.9988 E-Mail: antoniewicz@pmenv.com

Section B: Property Information

Street Address of Property: 400 South Old Woodward Avenue

City: Birmingham State: MI Zip: 48009
Property Tax ID (include all applicable IDs):
08-19-36-205-042
Address according to tax records, if different than above (include all applicable addresses):

City: State: Zip:

Status of submitter relative to the property (check all that apply):

	Former	Current	Prospective
Owner	☐	☒	☐
Operator	☐	☒	☐

County: Oakland

City/Village/Township: Birmingham

Town: 2N Range: 10E Section: 36
Quarter: NE Quarter-Quarter: NW

Decimal Degrees Latitude: 42.5438
Decimal Degrees Longitude: -83.2121

Reference point for latitude and longitude:
Center of site ☒ Main/front door ☐
Front gate/main entrance ☐ Other ☐

Collection method:
Survey ☐ GPS ☐ Interpolation ☒

Section C: Source of contamination at the property (check all that are known to apply):

Facility regulated under Part 201, other source, or source unknown Part 201 Site ID, if known:	☒
Leaking Underground Storage Tank regulated pursuant to Part 213 Part 211/213. Facility ID, if known:	☐
Oil or gas production and development regulated pursuant to Part 615 or 625	☐
Licensed landfill regulated pursuant to Part 115	☐
Licensed hazardous waste treatment, storage, or disposal facility regulated pursuant to Part 111	☐

Section D: Applicable Dates (provide date for all that are relevant):

	MM/DD/YYYY
Date All Appropriate Inquiry (AAI) Report or Phase I Environmental Assessment Report completed:	02/07/2014
Date Baseline Environmental Assessment Report conducted:	06/03/2014
Date submitter first became the owner:	05/29/2014
Date submitter first became the operator (if prior to ownership):	05/29/2014
Anticipated date of becoming the owner for prospective owners:	
Anticipated date of becoming the operator for prospective operators:	
If former owner or operator of this property, prior dates of being the owner or operator:	

Section E: Check the appropriate response to each of the following questions:

		YES	NO
1.	Is the property at which the BEA was conducted a "facility" as defined by Section 20101(1)(s) or a Property as defined by Section 21303(d)?	☒	☐
2.	Is the All Appropriate Inquiry (AAI) compliant with 40 CFR 312, or is the Phase I Environmental Assessment compliant with ASTM E1527-05?	☒	☐
3.	Was the BEA, including the AAI and sampling, conducted either prior to or within 45 days of the date of becoming the owner, operator, or of foreclosure, whichever is earliest.?	☒	☐
4.	Is this BEA being submitted to the department within 6 months of the submitter first becoming the owner or operator, or foreclosing?	☒	☐
5.	Does the BEA provide sufficient rationale to demonstrate that the data are reliable and relevant to define conditions at the property at the time of purchase, occupancy, or foreclosure, even if the BEA relies on studies of data prepared by others or conducted for other purposes?	☒	☐
6.	Does this BEA contain the legal description of the property addressed by the BEA?	☒	☐
7.	Does this BEA contain the environmental analytical results, a scaled map showing the sample locations, and the basis for the determination that the property is a facility as defined by Section 20101(1)(s) or the basis for the determination that the property is a Property as defined by Section 21303(d)?	☒	☐

Section F: Environmental Consultant Signature:

I certify to the best of my knowledge and belief, that this BEA and all related materials are true, accurate, and complete. I certify that an All Appropriate Inquiry (AAI) was conducted in conformance with the scope and limitations of the All Appropriate Inquiry Rule, 40 CFR 312 or a Phase I Environmental Site Assessment (Phase I) in conformance with the scope and limitations of the ASTM E1527-05. I certify that the property is a facility as defined by Section 20101(1)(s) or a Property as defined by Section 21303(d) and have provided the sampling and analyses that support that determination. I certify that any exceptions to, or deletions from, the All Appropriate Inquiry Rule or ASTM E1527-05 are described in Section 1 of the BEA report.

Signature: _____ Date: 7/11/2014

Printed Name: Jamie Antoniewicz

Company: PM Environmental, Inc.

Mailing Address: 4080 West Eleven Mile Road City: Berkley State: MI Zip: 48072

Telephone: 248.336.9988 E-Mail: ANTONIEWICZ@PMENV.COM

Section G: Legal Entity Signature:

With my signature below, I certify that to the best of my knowledge and belief, this BEA and all related materials are true, accurate, and complete.

Signature: _____ Date: 7/9/14

(Person legally authorized to bind the legal entity)

Printed Name: Joseph Jonna

Title and Relationship of signatory to submitter: Member of purchasing LLC

Address: 640 North Old Woodward, Suite 100 City: Birmingham State: MI Zip: 48009

Telephone: 248.320.9995 E-Mail: JJONNA@JONNAFS.COM

Submit the BEA report and this form to the DEQ District Office for the county in which the property is located. A district map is located at www.michigan.gov/bea or www.michigan.gov/remediation.

PM ENVIRONMENTAL
Risk Well Managed

Detroit
4080 W. 11 Mile Road
Berkley, MI 48072
f: 877.884.6775
t: 248.336.9988

Lansing
3340 Ranger Road
Lansing, MI 48906
f: 877.884.6775
t: 517.321.3331

Grand Rapids
560 5th Street NW,
Suite 301
Grand Rapids, MI 49504
f: 877.884.6775
t: 616.285.8857

June 3, 2014

District Clerk
Michigan Department of Environmental Quality
Southeastern Michigan District Office
27700 Donald Court
Warren, Michigan 48092

RE: Baseline Environmental Assessment for the Commercial Property Located at 400 South Old Woodward Avenue, Birmingham, Michigan
Parcel ID: 08-19-36-205-042
PM Environmental, Inc. Project No. 02-6554-1

Dear District Clerk:

Enclosed is a copy of the Baseline Environmental Assessment prepared for the above referenced subject property in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994 (Part 201), as amended.

If you have any questions regarding the information in this report, please contact us at 248-336-9988.

Sincerely,
PM ENVIRONMENTAL, INC.

Jamie Antoniewicz, P.E.
Project Engineer

Steven E. Price, CHMM
Principal and Vice President of Due Diligence

Enclosure

PM ENVIRONMENTAL
Risk Well Managed

Detroit
4080 W. 11 Mile Road
Berkley, MI 48072
f: 877.884.6775
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3340 Ranger Road
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t: 517.321.3331

Grand Rapids
560 5th Street NW,
Suite 301
Grand Rapids, MI 49504
f: 877.884.6775
t: 616.285.8857

June 3, 2014

Mr. Joseph Jonna
Jonna Facility Services
640 North Old Woodward, Suite 100
Birmingham, Michigan 48009

RE: Baseline Environmental Assessment for the Commercial Property Located at 400 South Old Woodward Avenue, Birmingham, Michigan
Parcel ID: 08-19-36-205-042
PM Environmental, Inc. Project No. 02-6554-1

Dear Mr. Jonna:

Enclosed is a copy of the above-referenced document prepared in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994 (Part 201), as amended.

THIS BASELINE ENVIRONMENTAL ASSESSMENT WAS PERFORMED FOR THE EXCLUSIVE USE JONNA FACILITY SERVICES, 400 S. OLD WOODWARD, LLC, AND OAKLAND COUNTY, EACH OF WHOM MAY RELY ON THE REPORT'S CONTENTS.

If you have any questions regarding the information in this report, please contact our office at 248-336-9988.

Sincerely,
PM ENVIRONMENTAL, INC.

Jamie Antoniewicz, P.E.
Project Engineer

Steven E. Price, CHMM
Principal and Vice President of Due Diligence

Enclosure

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Table 1: Summary of Soil Analytical Results: VOCs, PNAs, PCBs, and Metals
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APPENDICES

Appendix A: Phase I ESA Update
Appendix B: Geophysical Survey Report
Appendix C: Boring Logs
Appendix D: Analytical Report
Appendix E: Assessing Information
Appendix F: Professional Qualification Statements

1.0 INTRODUCTION AND DISCUSSION

PM Environmental, Inc. (PM) has completed a Baseline Environmental Assessment (BEA) for the commercial property (Parcel ID: 08-19-36-205-042) located at 400 South Old Woodward Avenue, Birmingham, Michigan 48009 (Figure 1). The subject property consists of one 0.58 acre parcel of land located west of South Old Woodward in Birmingham, Michigan. The property is occupied by a 8,767 square foot retail and warehouse building.

Original development of the subject property occurred prior to 1921 with four residential dwellings. The former northern dwelling was converted into a vulcanizing operation between 1921 and 1926, which operated at the property until the structure was demolished in 1930. The eastern dwelling was redeveloped as a plumbing supply company between 1921 and 1926, which operated (and included several additions) until the early 1950s when the building was demolished. The central dwelling was demolished in 1930, and the northern and central portions of the subject property were redeveloped with a gasoline filling station and automotive service garage in late 1930. The former western dwelling was demolished between 1931 and 1940, and the area was converted into a parking lot. The northern and central portions of the property were occupied by Sternal's Auto Supply/Service until 1957 and Standard Oil Company in at least 1945. The southern warehouse portion of the current building was constructed between 1949 and 1952, and was historically utilized as offices for an Edsel automotive dealership until approximately 1957. The building was redeveloped for retail use in 1958 and the northern portion of the building was expanded between 1963 and 1967 to include the current layout. The property has been occupied by Green's Art Supply since 1958.

1.1 Owner/Operator Information

400 S. Old Woodward, LLC, 640 North Old Woodward, Suite 100, Birmingham, Michigan 48009, purchased the property on May 29, 2014.

1.2 Intended Use of the Subject Property

400 S. Old Woodward, LLC intends to develop the property for mixed retail and residential use.

1.3 Summary of All Appropriate Inquiry Phase I Environmental Assessment

PM performed a Phase I ESA Update for the subject property, dated February 7, 2014, in conformance with the scope and limitations of ASTM Practice E 1527-05 (i.e., the 'ASTM Standard'). A copy of the February 2014 Phase I ESA Update, including photographs of the subject property, is included in Appendix A.

The following recognized environmental conditions (REC) were identified in PM's February 7, 2014, Phase I ESA Update:

- The subject property was historically occupied by a gasoline service station from 1930 until 1957. Review of historical records documents releases from the UST system in 1955 and no subsurface investigations have been conducted at the property. Although the USTs were documented to have been removed from the property between 1955 and 1957, the potential exists for additional releases to have occurred from the historical UST systems and/or fuel dispensers, and for contamination to be present.

- The subject property historically operated an automotive service garage associated with the gasoline service station from 1930 until 1957. Historical interior waste streams associated with the former service operations would have consisted of general hazardous substances and/or petroleum products. This time period preceded major environmental regulations and current waste management and disposal procedures. The historical waste management practices associated with the former service operations are unknown and may be a source of subsurface contamination.

- The former automotive service operations may have utilized in-ground hoists. In-ground hoists have an underground reservoir for hydraulic fluids, which can contain PCBs. The potential exists that a release occurred from the potential former hydraulic hoist system and/or underground reservoir(s).

- Review of City of Birmingham Building Department permit records documented the installation of a gas burner at the subject property in 1945. However, during the site reconnaissance PM observed a boiler system located in the basement of the subject building that may have been historically utilized to heat the building. The fuel source (i.e. coal, wood, heating oil, etc.) for the former boiler system is unknown. PM observed one potential vent pipe located at the northeast exterior corner of the building, and one potential vent pipe adjacent to the rear entrance the retail portion of the building along the western exterior wall. The potential exists that the building was heated with fuel oil stored in a UST or AST. The potential exists for an orphan UST to be present on the subject property and/or for a release of fuel oil to have occurred.

The following adjoining and/or nearby REC has been identified:

- The northwest adjoining property, currently identified as 394 South Old Woodward Avenue (historically 360 South Old Woodward Avenue), was occupied by a gasoline filling station and service garage from between 1926 and 1931 until approximately 1967, and was occupied by various automotive dealerships, which may have included service operations, from at least 1980 until 2008. Based on the close proximity to the subject property, the potential exists that a release has occurred from the long term fuel dispensing and automotive service operations on this property and for contamination to have migrated onto the subject property.

1.3.1 Phase I ESA Exceptions or Deletions

There were no exceptions or deletions from the Federal All Appropriate Inquiry Rule under 40 CFR 312, or the ASTM Standard during the completion of the February 7, 2014, Phase I ESA Update. And no special terms or conditions applied to the preparation of the Phase I ESA

1.3.2 Phase I ESA Data Gaps

PM did not identify any significant data gaps during the completion of the February 2014 Phase I ESA Update.

1.4 Summary of Previous Site Investigations

PM reviewed the following previous environmental reports for the subject property. Relevant portions of the reports are included in the Phase I ESA Update included in Appendix A.

PM completed a Phase I ESA for the subject property in July 2013 that reviewed a previous Phase I ESA completed for the subject property by Associated Environmental Services (AES), LLC, and dated November 14, 2005. At the time of the Phase I ESA, the subject property was occupied by the current art supply store. AES documented similar historical information as included in this Phase I ESA. AES identified the following RECs associated with the subject property: The former presence of a gasoline service station/dealership, which operated gasoline USTs; the former presence of a cesspool or septic system that may have been utilized to dispose of hazardous waste; the potential for fuel oil use stored within an UST or AST at the subject property and the suspect vent pipes observed during the site visit; the presence of potential PCB containing fluorescent light fixtures within the subject building; and the north adjoining site, which historically operated a dealership and fuel dispensing station, and the potential for contamination to have migrated onto the subject property.

1.5 Current Site Investigation

Prior to the commencement of field activities, MISSDIG, a utility locating service, was contacted to locate utilities on or adjacent to the subject property. Utilities were marked by the respective utility companies where they entered or were located adjacent to the subject property.

1.5.1 Geophysical Survey

On January 27, 2014, PM completed a ground penetrating radar (GPR) survey on the exterior portions of the subject property to investigate the presence of any potential orphan USTs.

One anomaly consistent with an orphan UST was identified during the GPR survey. The anomaly is located west of the subject building. The anomaly is approximately 7.0 feet in length, 6.0 feet in width, and located approximately 2.9 feet below ground surface (bgs). One shallow hand auger soil boring was advanced to 2.9 feet near the center of the anomaly. Refusal was encountered and a commercial metal detector (Schonstedt) was used to verify that the anomaly was metallic in nature.

PM recommends further investigation of the anomaly to determine if it is an orphan UST. If the anomaly is determined to be an orphan UST it is recommended the UST and any impacted soil be removed.

1.5.2 Subsurface Investigation

On January 28 and 29, 2014, PM completed a scope of work consisting of the advancement of 15 soil borings (SB-1 through SB-15), installation of one temporary monitoring well (TMW-9), and the installation of five temporary soil gas sampling points (SG-1 through SG-5). Soil and groundwater samples were analyzed for volatile organic compounds (VOCs), polynuclear aromatic compounds (PNAs), polychlorinated biphenyls (PCBs), and Metals (cadmium, chromium, lead), or some combination thereof. Soil gas samples were analyzed for VOCs.

Description of Soil Boring/Temporary Monitoring Well Locations

Location and Total Depth (feet bgs)	Sample Depth (feet bgs)	TMW Screen Depth and DTW (feet bgs)	Analysis	Objectives	Sample Selection (justification)
SB-1 (20.0)	2.5-3.5 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential former UST use	**Soil:** Samples collected from the gravelly sand/clay interface and approximate UST depth based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-2 (20.0)	1.0-2.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and anomaly identified by GPR	**Soil:** Sample collected from the interval with the highest PID reading (23.4 ppm) and a deeper sample for delineation. **GW:** Not encountered.
SB-3 (10.0)	2.5-3.5 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Samples collected from the gravelly sand/clay interface and end of boring based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-4 (10.0)	2.0-3.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Samples collected from the gravelly sand/clay interface and from the interval with the highest PID reading (0.4 ppm). **GW:** Not encountered.
SB-5 (5.0)	2.0-3.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Sample collected from the sand/clay interface based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-6 (4.0)	3.0-4.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Sample collected from the sand/clay interface based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-7* (5.0)	1.5-2.5*	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Shallow sample collected based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-8 (5.0)	1.5-2.5	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Shallow sample collected based on the lack of field evidence of contamination. **GW:** Not encountered.
SB/TMW-9 (12.0)	1.5-2.5	6.71-11.71 (8.42)	VOCs, PNAs, PCBs, Metals	Assess former operations	**Soil:** Shallow sample collected based on the lack of field evidence of contamination. **GW:** Sampled.
SB-10* (5.0)	0.5-1.5*	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	**Soil:** Shallow sample collected based on the lack of field evidence of contamination. **GW:** Not encountered.

Location and Total Depth (feet bgs)	Sample Depth (feet bgs)	TMW Screen Depth and DTW (feet bgs)	Analysis	Objectives	Sample Selection (justification)
SB-11 (3.0)	2.0-3.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	**Soil:** End of boring sample collected based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-12 (10.0)	4.0-5.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	**Soil:** Samples collected from the clayey sand/clay interface and deeper for delineation based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-13 (20.0)	3.0-4.0 and 10.5-11.5	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential UST locations	**Soil:** Samples collected from the clayey sand/clay interface and deeper for delineation based on the lack of field evidence of contamination. **GW:** Not encountered.
SB-14 (20.0)	1.0-2.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential UST locations	**Soil:** Sample collected from the interval with the highest PID reading (0.8 ppm). **GW:** Not encountered.
SB-15 (20.0)	5.0-6.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential for UST use/ vent pipe	**Soil:** Samples collected from the clayey sand/clay interface and deeper for delineation based on the lack of field evidence of contamination. **GW:** Not encountered.

bgs – below ground surface GW – Groundwater PID – Photoionization Detector
ppm – parts per million DTW – Depth to water
*Measurement from basement depth

Description of Sub-Slab Soil Gas Locations

Location (Depth)	Analysis	Objectives
SG-1 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations
SG-2 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations
SG-3 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations
SG-4 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations
SG-5 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations

1.5.3 Investigation Techniques and Quality Control/Quality Assurance

The soil borings were advanced to the desired depth using a model 6610DT Geoprobe® drill rig and/or a hand auger equipped with a stainless steel bucket. Soil sampling was performed for soil classification, verification of subsurface geologic conditions, and for investigating the

potential and/or extent of soil and groundwater contamination at the subject property. Soil samples were generally collected on a continuous basis using a 5-foot long macro-core sampler.

During drilling operations, the drilling equipment was cleaned to minimize the possibility of cross contamination. These procedures included cleaning equipment with a phosphate free solution (i.e., Alconox®) and rinsing with distilled water after each sample collection. Drilling and sampling equipment was also cleaned in this manner prior to initiating field activities.

Soils collected from discrete sample intervals were screened using a PID to determine if VOCs were present. Soil from specific depths was placed in plastic bags, sealed, and allowed to volatilize. The headspace within each bag was then monitored with the PID. The PID is able to detect trace levels of organic compounds in the air space within the plastic bag. The PID utilizes a 10.2 electron volts (eV) lamp. Soil samples were collected from the soil borings based upon the highest PID reading, visual/olfactory evidence, a change in geology, surficial soil, and/or directly above saturated soil.

During drilling operations, the drilling equipment was cleaned to minimize the possibility of cross contamination. These procedures included cleaning equipment with a phosphate free solution and rinsing with tap, deionized, or distilled water after each sample collection. Drilling and sampling equipment was cleaned in this manner or with a high-temperature pressure washer, prior to field activities.

Soil samples for VOC analysis were preserved with methanol, in accordance with United States (USEPA) method 5035, and then placed in appropriately labeled containers with Teflon lined lids and/or sanitized glass jars, placed in an ice packed cooler, and transported under chain of custody procedures for laboratory analysis within applicable holding times.

Temporary monitoring wells were installed in the soil borings to collect groundwater samples for chemical analysis. New well assemblies were used for the temporary wells, consisting of a 5-foot long, one-inch diameter, 0.010-inch slot, schedule 40, PVC screen and a 1-inch diameter PVC casing. After the screen for the well was set to the desired depth, natural sands were allowed to collapse around the well screen. The wells were developed using either a new disposable 0.9-inch diameter bailer or peristaltic pump equipped with new, chemically inert, 3/8-inch diameter polyethylene and silicon tubing. Well development was performed by purging until clear, turbid free groundwater was observed coming from the well.

Groundwater samples were placed in appropriately labeled containers, placed in an ice packed cooler, and transported under chain of custody procedures for laboratory analysis within applicable holding times.

Upon completion of the investigation, the temporary well material was removed from the soil borings and the soil borings were abandoned by placing the soil cuttings back into the borehole, filling the void with bentonite chips, hydrating the chips, resurfacing and returning the area to its pre-drilling condition.

The following QA/QC samples were collected:

- A-1: Trip blank – soil (methanol)
- A-2: Trip blank – groundwater (HCl)

- A-3: Co-located groundwater (TMW-9)
- A-4: Co-located soil (SB-2 (1-2'))
- A-5: Co-located soil (SB-14)
- A-6: Equipment blank (macro-core tube)
- A-7: Equipment blank (hand auger)
- A-8: Field Blank

No contamination was identified above the laboratory MDLs in the sample blanks. The co-located samples were consistent with the companion samples.

The sub-slab soil gas sampling was completed in accordance with the guidelines established in the May 2013 MDEQ Guidance Document for the Vapor Intrusion Pathway.

Soil gas sampling vapor pins with silicone sleeves were installed in an approximately 5/8 inch diameter hole advanced through the building slab with a drill. The area was cleaned of dust and debris prior to installation.

Prior to the collection each soil gas sample the sampling apparatus was determined to be leak free utilizing an isolation chamber which encompassed tubing and associated connections as well as the sampling point. The chamber was charged with helium prior to purging the sampling point of a maximum of three volumes. A helium detector was then applied to the sampling line to ensure no leaks had occurred. The sample was collected using vacuum bottle methods, for laboratory analysis of VOCs. The vacuum bottles were regulated with a flow rate of 200 ml/minute, which was pre-set at the laboratory.

1.6 Geology and Hydrogeology

The soil profile generally consists of gravelly sand, clayey sand, or sand to a depth of 2.0 to 5.0 feet bgs, underlain by stiff clay to a depth of 20.0 feet bgs. Groundwater was encountered in one of the 15 soil borings where sand was encountered to a depth of 12.0 feet bgs.

The soil boring logs are included in Appendix B, which consist of site specific geology, sample depths, and temporary monitoring well details.

2.0 LOCATION OF CONTAMINATED MEDIA ON THE SUBJECT PROPERTY

The analytical results for the samples were compared with the MDEQ Generic Cleanup Criteria (GCC) and Screening Levels as presented in Attachment 1 to MDEQ Operational Memorandum Number 1 “Part 201 Cleanup Criteria and Part 213 Risk-Based Screening Levels,” December 2013 in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria. Soil gas analytical results were compared to vapor intrusion screening levels (VISLs) as presented in the May 2013 MDEQ Guidance Document for the Vapor Intrusion Pathway.

Summary of Soil and Groundwater Exceedances

Location and Total Depth (feet bgs)	Sample Depth (feet bgs)	TMW Screen Depth and DTW (feet bgs)	Analysis	Objectives	Exceedance of MDEQ Part 201 GCC	
					Soil	GW
SB-1 (20.0)	2.5-3.5 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB-2 (20.0)	1.0-2.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and anomaly identified by GPR	NONE	NA
SB-3 (10.0)	2.5-3.5 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB-4 (10.0)	2.0-3.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB-5 (5.0)	2.0-3.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB-6 (4.0)	3.0-4.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	**DWP:** PCE	NA
SB-7 (5.0)	1.5-2.5	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB-8 (5.0)	1.5-2.5	NA	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NA
SB/TMW-9 (12.0)	1.5-2.5	6.71-11.71 (8.42)	VOCs, PNAs, PCBs, Metals	Assess former operations	NONE	NONE
SB-10 (5.0)	0.5-1.5	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	**DC(R):** Lead	NA
SB-11 (3.0)	2.0-3.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	NONE	NA
SB-12 (10.0)	4.0-5.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and former UST use	NONE	NA
SB-13 (20.0)	3.0-4.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential for UST use	**DWP:** PCE **DC(R):** Lead	NA
	10.5-11.5				NONE	
SB-14 (20.0)	1.0-2.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential for UST use	**DWP/GSIP:** PCE	NA
SB-15 (20.0)	5.0-6.0 and 8.0-9.0	NA	VOCs, PNAs, PCBs, Metals	Assess former operations and potential for UST use	NONE	NA

DWP: drinking water protection
GSIP: groundwater surface water interface protection
DC: direct contact
R: residential
PCE: tetrachloroethylene

Soil analytical results identified concentrations of PCE above the Part 201 DWP and/or GSIP GCC in SB-6, SB-13 (3-4'), and SB-14. No other VOCs were identified above the laboratory MDLs.

Concentrations of cadmium, chromium, and/or lead were identified in each of the soil samples collected. The identified concentrations were below the statewide default background levels (SDBLs) or below the most restrictive Part 201 GCC with the exception of lead concentrations in SB-10 and SB-13 (3-4'), which exceeded the Part 201 Residential DC GCC.

No PNAs or PCBs were identified above the laboratory MDLs in soil samples where analyzed.

Groundwater analytical results did not identified any VOCs, PNAs, cadmium, or lead above the laboratory MDLs. A concentration of chromium was identified that was below the most restrictive Part 201 GCC.

Summary of Soil Gas Exceedances

Location (Depth)	Analysis	Objectives	Compounds Exceeding MDEQ Sub-Slab VISLs
SG-1 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations	NONE
SG-2 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations	NONE
SG-3 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations	NONE
SG-4 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations	NONE
SG-5 (sub-slab)	VOCs	Assess potential vapor intrusion related to former automotive service and gasoline dispensing operations	NONE

Soil gas analytical results identified various VOCs in each of the samples collected. All of the identified concentrations were 10 times or more below the most restrictive VISLs.

2.1 Subject Property Facility Status

A location where a hazardous substance is present in excess of the concentrations, which satisfy the requirements of subsection 20120a(1)(a) or (17), is a facility pursuant to Part 201. Section 20120a(1)(a) requirements are the Cleanup Criteria for unrestricted residential usage.

Contaminant concentrations identified on the subject property in soil indicate exceedances to the Part 201 Residential and Nonresidential DWP, GSIP, and Residential DC cleanup criteria. Therefore, the subject property is a facility under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

3.0 PROPERTY INFORMATION

3.1 Legal Description of Subject Property

A copy of the legal description is included in Appendix E as part of the assessing information.

3.2 Map of Subject Property

Refer to Figure 1, Property Location Map; and Figure 2, Generalized Diagram of the Subject Property and Surrounding Area which depicts the property/parcel boundaries.

3.3 Subject Location and Analytical Summary Maps

Figures 3 through 5 provide scaled maps of the subject property with site structures and soil boring sampling locations with analytical results.

3.4 Subject Property Location Map

Figures 1 and 2 provide scaled area maps depicting the subject property location in relation to the surrounding area.

3.5 Subject Property Address

As indicated in Section 1.0, the subject property (Parcel ID: 08-19-36-205-042) is located at 400 South Old Woodward Avenue, Birmingham, Michigan 48009 (Figure 1).

3.6 Subject Spatial Data

As depicted in Figure 1, the subject property is located in township two North (T. 2N), range 10 East (R. 10E), Section 36, northeast quarter, northwest quarter-quarter, Birmingham, Oakland County, Michigan.

According to the MDEQ Groundwater Mapping Project Website, the center of the subject property is located at latitude 42.5438 and a longitude of -83.2121.

4.0 FACILITY STATUS OF SUBJECT PROPERTY

As indicated in Section 2.1, based upon documented exceedances of the Part 201 Residential and Nonresidential DWP, GSIP, and Residential DC cleanup criteria in soil samples collected from the subject property, the subject property is a facility as defined under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

4.1 Summary Data Tables

The analytical results were compared with the MDEQ GCC and Screening Levels as presented in Attachment 1 to MDEQ Operational Memorandum Number 1 “Part 201 Cleanup Criteria and Part 213 Risk-Based Screening Levels,” December 2013 in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria.

The soil analytical results for compounds exceeding Part 201 GCC as compared to current GCC are summarized in Tables 1 through 3. A summary of Part 201 exceedances in included in Section 2.0.

4.2 Laboratory Reports and Chain of Custody Documentation

Samples collected were submitted for chemical analysis under chain of custody procedures and within applicable holding times. Refer to the laboratory analytical in Appendix D for the associated chain of custody documentation.

5.0 IDENTIFICATION OF BEA AUTHOR

This BEA was conducted on June 3, 2014, by Mr. Jamie Antoniewicz, P.E., Project Engineer, and reviewed by Mr. Steven E. Price, CHMM, Principal and Vice President of Due Diligence, PM Environmental, Inc., which is prior to or within 45 days of purchase. Qualification statements are provided as Appendix E.

We declare that, to the best of our professional knowledge and belief, we meet the definition of *Environmental Professional* as defined in §312.10 of 40 CFR 312 and we have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed the all appropriate inquires in conformance with the standards and practices set forth in 40 CFR Part 312.

Jamie Antoniewicz, P.E.
Project Engineer

Steven E. Price, CHMM
Principal and Vice President of Due Diligence

6.0 AAI REPORT OR ASTM PHASE I ESA

As indicated in Section 1.3, PM performed a Phase I ESA of the subject property, dated February 7, 2014, in conformance with the scope and limitations of ASTM Practice E 1527-05 of the subject property (Parcel ID: 08-19-36-205-042) located at 400 South Old Woodward Avenue, Birmingham, Michigan 48009. The scope of the Phase I ESA included consideration of hazardous substances as defined in Section 20101(1)(y) of P.A 451 of 1994, as amended, and constituted the performance of an All Appropriate Inquiry in conformance with the standards and practices set forth in 40 CFR Part 312.

A copy of the February 7, 2014, Phase I ESA is included in Appendix A.

7.0 REFERENCES

- MDEQ Operational Memorandum No. 1 “Part 201 Cleanup Criteria and Part 213 Risk-based Screening Levels,” Revised December 2013 and in accordance with Section 20120a(1);
- MDEQ Operational Memorandum No. 4 “Site Characterization and Remediation Verification – Attachment 10, Peer Review Draft Groundwater Not in an Aquifer,” February 2007;
- MDEQ Operational Memorandum No. 2 “Sampling and Analysis,” October 22, 2004, Revised July 5, 2007;
- Baseline Environmental Submittal Form (EQP 4025), June 2013.
- Phase I ESA, 11/14/2005, AES;
- Phase I ESA, 07/11/2013, PM;
- Phase I ESA Update, 02/07/2014, PM.

TABLE 1
SUMMARY OF SOIL ANALYTICAL RESULTS
VOCs, PNAs, PCBs, AND METALS
400 SOUTH OLD WOODWARD AVENUE, BIRMINGHAM, MICHIGAN
PM PROJECT #02-6554-1

VOLATILE ORGANIC COMPOUNDS (VOCs), POLYNUCLEAR AROMATIC COMPOUNDS (PNAs), POLYCHLORINATED BIPHENYLS (PCBs), AND METALS (µg/Kg)			Tetrachloroethylene	Other VOCs	PNAs	PCBs	Cadmium	Chromium	Lead
Chemical Abstract Service Number (CAS#)			127184	Various	Various	1336363	7440439	16065831	7439921
Sample ID	**Sample Date**	**Sample Depth (bgs)**	**VOCs**		**PNAs**	**PCBs**	**Metals**		
SB-1	01/29/2014	2.5-3.5'	<70	ND	ND	<330	390	10,700	69,000
SB-1	01/29/2014	8-9'	<80	ND	ND	<330	<200	12,500	7,290
SB-2	01/29/2014	1-2'	<70	ND	ND	<330	<200	13,300	26,300
A-4			<60	ND	ND	<330	<200	9,980	21,000
SB-2	01/29/2014	8-9'	<60	ND	ND	<330	<200	7,440	6,480
SB-3	01/29/2014	2.5-3.5'	<70	ND	ND	<330	250	11,000	9,140
SB-3	01/29/2014	8-9'	<70	ND	ND	<330	<200	13,800	7,130
SB-4	01/29/2014	2-3'	<70	ND	ND	<330	340	14,600	11,900
SB-4	01/29/2014	8-9'	<70	ND	ND	<330	<200	7,590	6,490
SB-5	01/29/2014	2-3'	<70	ND	ND	<330	<200	16,000	9,060
SB-6	01/29/2014	3-4'	**520**	ND	ND	<330	400	4,020	385,000
SB-7	01/29/2014	1.5-2.5'	<70	ND	ND	<330	<200	10,600	6,530
SB-8	01/28/2014	1.5-2.5'	<70	ND	ND	<330	350	5,230	143,000
SB-9	01/28/2014	1.5-2.5'	<70	ND	ND	<330	<200	3,950	114,000
SB-10	01/29/2014	0.5-1.5'	<70	ND	ND	<330	760	4,110	**442,000**
SB-11	01/28/2014	2-3'	<60	ND	ND	<330	<200	7,640	14,600
SB-12	01/28/2014	4-5'	<70	ND	ND	<330	<200	11,200	9,570
SB-12	01/28/2014	8-9'	<60	ND	ND	<330	<200	8,680	7,980
SB-13	01/29/2014	3-4'	**140**	ND	ND	<330	2,750	11,300	**431,000**
SB-13	01/29/2014	10.5-11.5'	<80	ND	ND	<330	<200	12,000	6,960
SB-14	01/29/2014	1-2'	**1,580**	ND	ND	<330	470	11,300	43,000
A-5			**1,530**	ND	ND	<330	490	11,800	48,200
SB-15	01/29/2014	5-6'	<70	ND	ND	<330	<200	5,800	22,400
SB-15	01/29/2014	8-9'	<60	ND	ND	<330	<200	8,320	6,150
Operational Memorandum No. 1: Part 201 Cleanup Criteria and Part 213 Risk-based Screening Levels (RBSLs), Attachment 1: Soil Tables 2 and 3 Residential and Nonresidential Part 201 Generic Cleanup Criteria and Screening Levels; Part 213 Tier 1 RBSLs, December 2013									
Residential (µg/Kg)									
Statewide Default Background Levels			NA	NA	NA	NA	1,200	18,000	21,000
Drinking Water Protection (Res DWP)			100	Various	Various	NLL	6,000	30,000	700,000
Groundwater Surface Water Interface Protection (GSIP)			1,200 {X}	Various	Various	NLL	7,500 {G,X}	6.6E+9 {G,X}	7.9E+6 {G,X}
Groundwater Contact Protection (GCP)			88,000 {C}	Various	Various	NLL	2.3E+08	1.4E+08	ID
Soil Volatilization to Indoor Air Inhalation (Res SVII)			11,000	Various	Various	3.0E+06	NLV	NLV	NLV
Ambient Air Infinite Source Volatile Soil Inhalation (Res VSI)			170,000	Various	Various	240,000	NLV	NLV	NLV
Ambient Air Finite VSI for 5 Meter Source Thickness			480,000	Various	Various	7.9E+06	NLV	NLV	NLV
Ambient Air Finite VSI for 2 Meter Source Thickness			1.1E+06	Various	Various	7.9E+06	NLV	NLV	NLV
Ambient Air Particulate Soil Inhalation (Res PSI)			2.7E+09	Various	Various	5.2E+06	1.70E+06	260,000	1.00E+08
Direct Contact (Res DC)			88,000 {C}	Various	Various	{T}	550,000	2.50E+06	400,000
Nonresidential (µg/Kg)									
Drinking Water Protection (Nonres DWP)			100	Various	Various	NLL	6,000	30,000	700,000
Soil Volatilization to Indoor Air Inhalation (Nonres SVII)			21,000	Various	Various	1.6E+07	NLV	NLV	NLV
Ambient Air Infinite Source Volatile Soil Inhalation (Nonres VSI)			210,000	Various	Various	810,000	NLV	NLV	NLV
Ambient Air Finite VSI for 5 Meter Source Thickness			490,000	Various	Various	2.8E+07	NLV	NLV	NLV
Ambient Air Finite VSI for 2 Meter Source Thickness			1.1E+06	Various	Various	2.8E+07	NLV	NLV	NLV
Ambient Air Particulate Soil Inhalation (Nonres PSI)			1.2E+09	Various	Various	6.5E+06	2.2E+06	240,000	4.40E+07
Direct Contact (Nonres DC)			88,000 {C}	Various	Various	{T}	2.1E+06	9.2E+06	9.0E+5 (DD)
Screening Levels (µg/Kg)									
Soil Saturation Concentration Screening Levels (Csat)			88,000	Various	Various	NA	NA	NA	NA

Applicable Criterion/RBSL Exceeded

BOLD Value Exceeds Applicable Criterion/RBSL
bgs Below Grade Surface (feet)
ND Not detected at levels above the laboratory Method Detection Limit (MDL)
NL Not Listed
NA Not Applicable
NL Not Listed
NLL Not Likely to Leach
NLV Not Likely to Volatilize
ID Insufficient Data

{G} Metal GSI Criteria for Surface Water Protected for Drinking Water Use based on 400 mg/L CaCO3 Hardness: Station ID 630003, Rouge River, near Troy, MI.

TABLE 2
SUMMARY OF GROUNDWATER ANALYTICAL RESULTS
VOCs, PNAs, AND METALS
400 SOUTH OLD WOODWARD AVENUE, BIRMINGHAM, MICHIGAN
PM PROJECT #02-6554-1

VOLATILE ORGANIC COMPOUNDS (VOCs), POLYNUCLEAR AROMATIC COMPOUNDS (PNAs), AND METALS (µg/L)				VOCs	PNAs	Cadmium	Chromium	Lead
Chemical Abstract Service Number (CAS#)				Various	Various	7440439	16065831	7439921
Sample ID	**Sample Date**	**Screen Depth (bgs)**	**Depth to Groundwater (bgs)**	**VOCs**	**PNAs**	**Metals**		
TMW-9	01/28/2014	6.71-11.71'	8.42'	ND	ND	<0.5	6	<3
A-3				ND	ND	<0.5	7	<3
Operational Memorandum No. 1: Part 201 Cleanup Criteria and Part 213 Risk-based Screening Levels (RBSLs), Attachment 1: Groundwater Tables 2 and 3 Residential and Nonresidential Part 201 Generic Cleanup Criteria and Screening Levels; Part 213 Tier 1 RBSLs, December 2013								
Residential/Nonresidential (µg/L)								
Residential Drinking Water (Res DW)				Various	Various	5.0 {A}	100 {A}	4.0 {L}
Nonresidential Drinking Water (Nonres DW)				Various	Various	5.0 {A}	100 {A}	4.0 {L}
Groundwater Surface Water Interface (GSI)				Various	Various	6.2 {G,X}	11	45 {G,X}
GSI Final Acute Values (FAV) [1]				Various	Various	{G}	{G}	{G}
Residential Groundwater Volatilization to Indoor Air Inhalation (Res GVII) [2]				Various	Various	NLV	NLV	NLV
Nonresidential Groundwater Volatilization to Indoor Air Inhalation (Nonres GVII) [2]				Various	Various	NLV	NLV	NLV
Groundwater Contact (GC)				Various	Various	1.90E+05	4.60E+05	ID
Screening Levels (µg/L)								
Water Solubility				Various	Various	NA	NA	NA
Flammability and Explosivity Screening Level				Various	Various	ID	ID	ID
Acute Inhalation Screening Level				Various	Various	ID	ID	ID

Applicable Criteria/RBSL Exceeded

BOLD Value Exceeds Applicable Criteria

bgs Below Ground Surface (feet)

ND Not detected at levels above the laboratory Method Detection Limit (MDL) or Minimum Quantitative Level (MQL)

[1] Rule 323.1057 of Part 4 Water Quality Standards

[2] Tier 1 GVII Criteria based on 3 meter (or greater) groundwater depth

NA Not Applicable

NL Not Listed

NLL Not Likely to Leach

NLV Not Likely to Volatilize

ID Insufficient Data

{G} Metal GSI Criteria for Surface Water Protected for Drinking Water Use based on 400 mg/L CaCO3 Hardness: Station ID 630003, Rouge River, near Troy, MI.

TABLE 3
SUMMARY OF SOIL GAS ANALYTICAL RESULTS
VOLATILE ORGANIC COMPOUNDS
400 SOUTH OLD WOODWARD AVENUE, BIRMINGHAM, MICHIGAN
PM PROJECT #02-6554-1

VOLATILE ORGANIC COMPOUNDS ($\mu g/m^3$)			Acetone	Benzene	Carbon disulfide	Chloromethane	Cyclohexane	Dichlorodifluoromethane	m-Dichlorobenzene	Ethanol	Ethylbenzene	Ethyl Acetate	4-Ethyltoluene	Freon 113	Heptane	Hexane	Isopropyl Alcohol	Methylene chloride	Methyl ethyl ketone	Methyl Isobutyl Ketone	Methyl Tert Butyl Ether	Naphthalene	1,2,4-Trimethylbenzene	1,3,5-Trimethylbenzene	2,2,4-Trimethylpentane	Tertiary Butyl Alcohol	Tetrachloroethylene	Tetrahydrofuran	Toluene	Trichloroethylene	Trichlorofluoromethane	Xylenes (total)	Other VOCs
Chemical Abstract Service Number (CAS#)			67641	71432	75150	74873	110827	75718	95501	64175	100414	141786	622968	76131	142825	110543	67630	75092	78933	108101	2E+06	91203	95636	108678	540841	75650	127184	109999	108883	79016	75694	1330207	Various
Sample ID	**Sample Date**	**Sample Depth (feet bgs)**	**VOCs**																														
SG-1	1/28/2014	Sub-slab	35.9	ND (0.27)	ND (0.21)	0.99 J	ND (0.79)	ND (0.31)	ND (0.60)	40.5	ND (0.35)	ND (0.83)	ND (0.29)	45	ND (0.32)	16	11	83.7	ND (0.68)	ND (0.49)	ND (0.25)	ND (0.79)	ND (0.32)	ND (0.29)	ND (0.39)	ND (0.55)	ND (0.81)	ND (0.53)	ND (0.31)	ND (0.42)	2.1 J	ND (0.33)	ND
SG-2	1/28/2014	Sub-slab	261	7.3	6.2	1.5 J	5.5	2.7 J	7.2	136	6.1	ND (0.83)	ND (0.29)	67	11	50.4	147	70.9	6.2	2.1 J	1.9 J	ND (0.79)	4.0	ND (0.29)	2.0 J	7.0	7.5	2.6	85.2	ND (0.42)	3.8 J	26	ND
SG-3	1/28/2014	Sub-slab	261	7.3	6.2	1.5 J	5.5	2.7 J	7.2	136	6.1	ND (0.83)	ND (0.29)	67	11	50.4	147	70.9	6.2	2.1 J	1.9 J	ND (0.79)	4.0	ND (0.29)	2.0 J	7.0	7.5	2.6	85.2	ND (0.42)	3.8 J	26	ND
SG-4	1/28/2014	Sub-slab	387	7.3	3.4	0.39 J	1.9 J	2.9 J	11	239	13	9.0	4.5	21	21	30	248	33	13	9.0	4.0	3.1 J	17	4.4	2.1 J	14	4.8	6.2	179	1.8	2.6 J	57.3	ND
SG-5	1/28/2014	Sub-slab	401	9.9	1.7 J	ND (0.27)	2.4 J	3.2 J	8.4	220	10	9.7	3.4 J	31	12	28	206	46.6	6.5	4.5	2.8 J	ND (0.79)	12	3.1 J	2.1 J	11	7.5	3.8	259	ND (0.42)	2.7 J	52.1	ND
MDEQ May 2013 - Guidance Document For The Vapor Intrusion Pathway Residential and Nonresidential Screening Values for the Vapor Intrusion Pathway (SV_{VI})																																	
Residential ($\mu g/m^3$)																																	
Vapor Intrusion Shallow Soil Gas Screening Level (<1.5 meters bgs)			210,000	110	24,000	1,400	210,000	1.7E+06	10,000	NL	2,900	110,000	NL	680,000	120,000	24,000	NL	1,900	170,000	100,000	100,000	75	7,600	7,600	120,000	NL	1,200	630	170,000	70	2.0E+06	3,500	Various
Vapor Intrusion Deep Soil Gas Screening Level			2.1E+06	1,100	240,000	14,000	2.1E+06	1.7E+07	100,000	NL	29,000	1.1E+06	NL	6.8E+06	1.2E+06	240,000	NL	19,000	1.7E+06	1.0E+06	1.0E+06	750	76,000	76,000	1.2E+06	NL	12,000	6,300	1.7E+06	700	2.0E+07	35,000	Various
Nonresidential ($\mu g/m^3$)																																	
Vapor Intrusion Shallow Soil Gas Screening Level (<1.5 meters bgs)			3.4E+06	2,200	410,000	29,000	3.5E+06	2.9E+07	180,000	NL	59,000	1.9E+06	NL	1.1E+07	2.0E+06	410,000	NL	39,000	2.9E+06	1.8E+06	1.8E+06	1,500	130,000	130,000	2.0E+06	NL	23,000	11,000	2.9E+06	1,200	3.3E+07	58,000	Various
Vapor Intrusion Deep Soil Gas Screening Level			3.4E+07	22,000	4.1E+06	290,000	3.5E+07	2.9E+08	1,800,000	NL	590,000	1.9E+07	NL	1.1E+08	2.0E+07	4.1E+06	NL	390,000	2.9E+07	1.8E+07	1.8E+07	15,000	1,300,000	1,300,000	2.0E+07	NL	230,000	110,000	2.9E+07	12,000	3.3E+08	580,000	Various

Screening Level Exceeded
BOLD Value Exceeds Applicable Screening Level
ND Not Detected At or Above Laboratory Reporting Limits
NA Not Available/Not Applicable
bgs Below Ground Surface
NL Not Listed
ID Insufficient Data
($\mu g/m^3$) micrograms per cubic meter
J Estimated Value

355 SOUTH OLD WOODWARD AVENUE
PARKING GARAGE WITH STORE FRONTS

(4) FORMER 1,000-GALLON USTs

394 SOUTH OLD WOODWARD AVENUE
VACANT COMMERCIAL BUILDING

401-415 SOUTH OLD WOODWARD AVENUE
CONDOS AT BIRMINGHAM PLACE

SOUTH OLD WOODWARD AVENUE

PARKING LOT

294 EAST BROWN STREET
OFFICE BUILDING

SIDEWALK

RETAIL SPACE

ANOMALY

GPR LIMITATION (SNOW)

DAINES STREET

SIDEWALK

ASPHALT PAVED

WAREHOUSE

ASPHALT PAVED

ASPHALT PAVED

(2) FORMER 2,000-GALLON USTs

GPR LIMITATION (SNOW)

GPR LIMITATION (SNOW)

442 SOUTH OLD WOODWARD AVENUE
CHRISTIE'S GREAT ESTATES

280 DAINES STREET
MULTI-TENANT OFFICE BUILDING

GPR LIMITATION (TRUCK/SNOW)

GPR LIMITATION (DUMPSTER/SNOW)

645 PURDY STREET
APARTMENT BUILDING

N

LEGEND:

	SUBJECT PROPERTY
	APPROXIMATE FORMER/HISTORICAL SITE FEATURES
D	FORMER DWELLING
G	FORMER SERVICE GARAGE
S	FORMER STORE
F	FORMER GASOLINE FILLING STATION
P	FORMER PLUMBING SUPPLY COMPANY
o	SUSPECT VENT PIPES
	FORMER FUEL DISPENSER
UST	UNDERGROUND STORAGE TANK
	CURSORY GPR SURVEY AREA
	GPR SURVEY AREA

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FIGURE 2

GENERALIZED DIAGRAM OF THE SUBJECT PROPERTY AND ADJOINING PROPERTIES WITH GPR SURVEY AREA

PROJ:
GREEN'S ART SUPPLY
400 SOUTH OLD WOODWARD AVENUE
BIRMINGHAM, MI

THIS IS NOT A LEGAL SURVEY	DRN BY: CS/TS/KS/MM	DATE: 2/5/2014
VERIFY SCALE 0 [redacted] 40' IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	CHKD BY: RF/JA	SCALE: 1" = 40'
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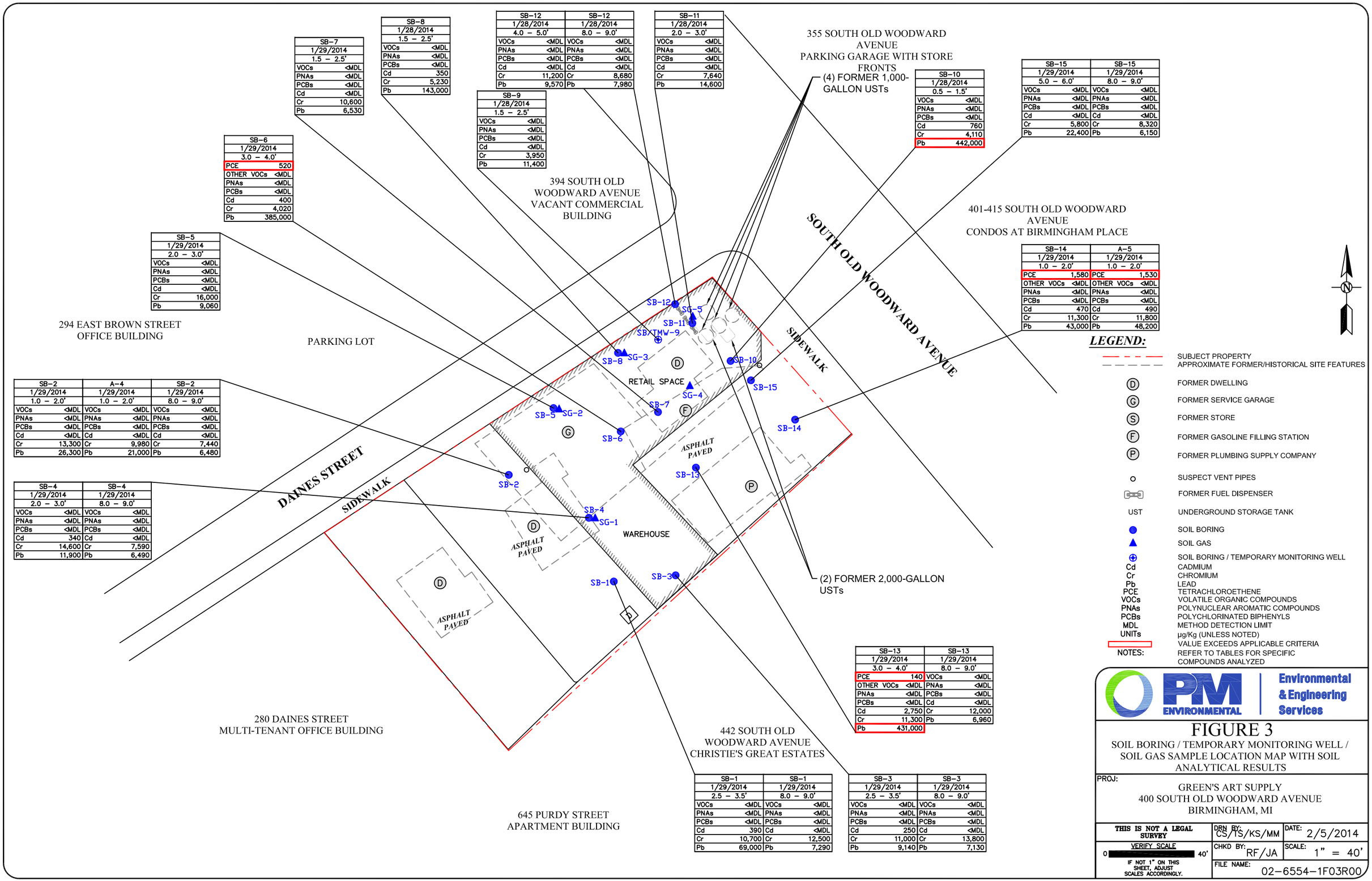

SB-7	
1/29/2014	
1.5 – 2.5'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	<MDL
Cr	10,600
Pb	6,530

SB-8	
1/28/2014	
1.5 – 2.5'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	350
Cr	5,230
Pb	143,000

SB-12	SB-12
1/28/2014	1/28/2014
4.0 – 5.0'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd <MDL	Cd <MDL
Cr 11,200	Cr 8,680
Pb 9,570	Pb 7,980

SB-11	
1/28/2014	
2.0 – 3.0'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	<MDL
Cr	7,640
Pb	14,600

SB-9	
1/28/2014	
1.5 – 2.5'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	<MDL
Cr	3,950
Pb	11,400

SB-10	
1/28/2014	
0.5 – 1.5'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	760
Cr	4,110
Pb	442,000

SB-15	SB-15
1/29/2014	1/29/2014
5.0 – 6.0'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd <MDL	Cd <MDL
Cr 5,800	Cr 8,320
Pb 22,400	Pb 6,150

SB-6	
1/29/2014	
3.0 – 4.0'	
PCE	520
OTHER VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	400
Cr	4,020
Pb	385,000

SB-5	
1/29/2014	
2.0 – 3.0'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
Cd	<MDL
Cr	16,000
Pb	9,060

SB-14	A-5
1/29/2014	1/29/2014
1.0 – 2.0'	1.0 – 2.0'
PCE 1,580	PCE 1,530
OTHER VOCs <MDL	OTHER VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd 470	Cd 490
Cr 11,300	Cr 11,800
Pb 43,000	Pb 48,200

SB-2	A-4	SB-2
1/29/2014	1/29/2014	1/29/2014
1.0 – 2.0'	1.0 – 2.0'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL	PCBs <MDL
Cd <MDL	Cd <MDL	Cd <MDL
Cr 13,300	Cr 9,980	Cr 7,440
Pb 26,300	Pb 21,000	Pb 6,480

SB-4	SB-4
1/29/2014	1/29/2014
2.0 – 3.0'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd 340	Cd <MDL
Cr 14,600	Cr 7,590
Pb 11,900	Pb 6,490

SB-13	SB-13
1/29/2014	1/29/2014
3.0 – 4.0'	8.0 – 9.0'
PCE 140	VOCs <MDL
OTHER VOCs <MDL	PNAs <MDL
PNAs <MDL	PCBs <MDL
PCBs <MDL	Cd <MDL
Cd 2,750	Cr 12,000
Cr 11,300	Pb 6,960
Pb 431,000	

SB-1	SB-1
1/29/2014	1/29/2014
2.5 – 3.5'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd 390	Cd <MDL
Cr 10,700	Cr 12,500
Pb 69,000	Pb 7,290

SB-3	SB-3
1/29/2014	1/29/2014
2.5 – 3.5'	8.0 – 9.0'
VOCs <MDL	VOCs <MDL
PNAs <MDL	PNAs <MDL
PCBs <MDL	PCBs <MDL
Cd 250	Cd <MDL
Cr 11,000	Cr 13,800
Pb 9,140	Pb 7,130

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FIGURE 3

SOIL BORING / TEMPORARY MONITORING WELL / SOIL GAS SAMPLE LOCATION MAP WITH SOIL ANALYTICAL RESULTS

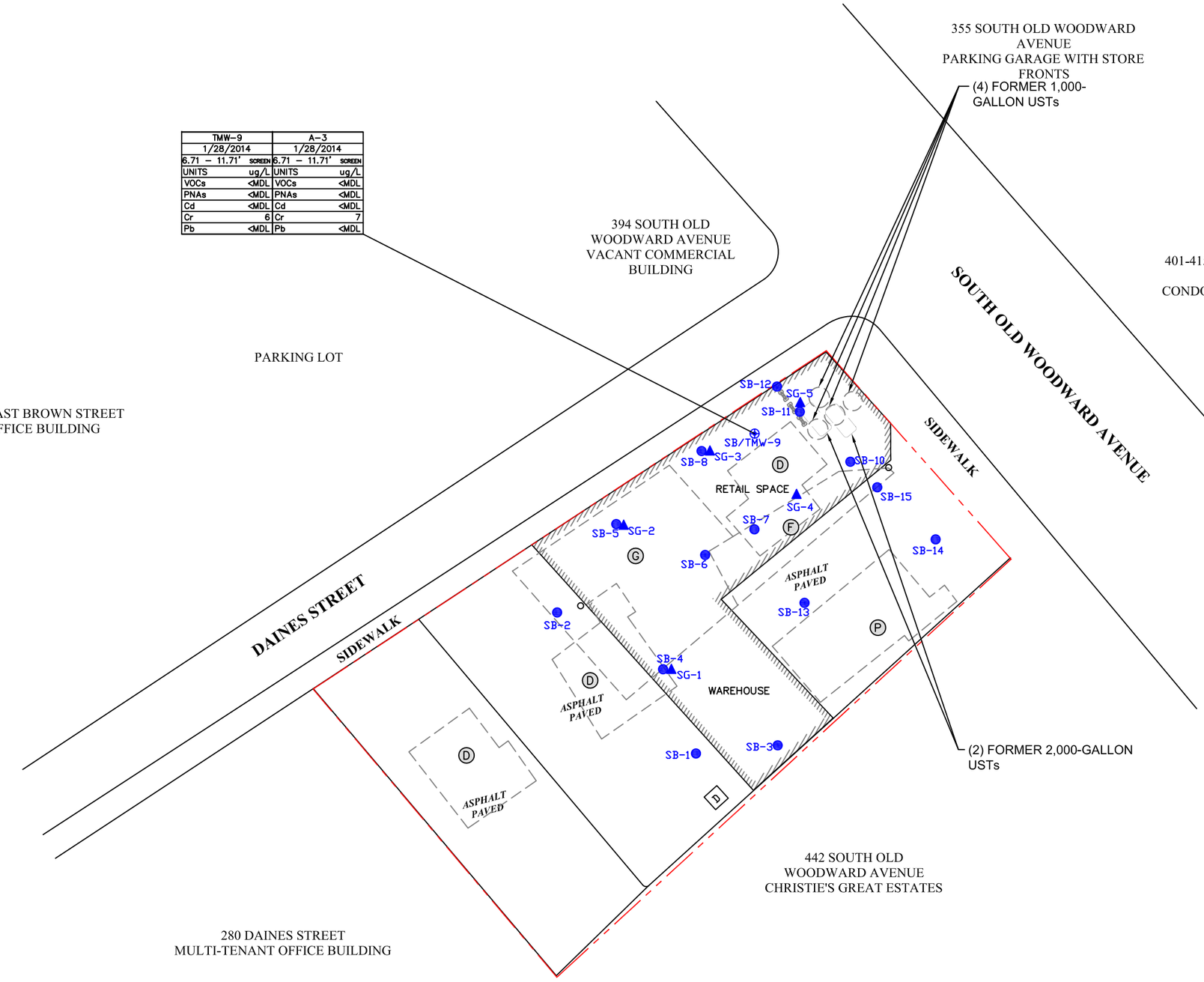
PROJ:
GREEN'S ART SUPPLY
400 SOUTH OLD WOODWARD AVENUE
BIRMINGHAM, MI

THIS IS NOT A LEGAL SURVEY

VERIFY SCALE
0 40'
IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

DRN BY: CS/TS/KS/MM
DATE: 2/5/2014
CHKD BY: RF/JA
SCALE: 1" = 40'
FILE NAME: 02-6554-1F03R00

TMW-9		A-3	
1/28/2014		1/28/2014	
6.71 – 11.71'	SCREEN	6.71 – 11.71'	SCREEN
UNITS	ug/L	UNITS	ug/L
VOCs	<MDL	VOCs	<MDL
PNAs	<MDL	PNAs	<MDL
Cd	<MDL	Cd	<MDL
Cr	6	Cr	7
Pb	<MDL	Pb	<MDL



LEGEND:

— — —	SUBJECT PROPERTY
— — —	APPROXIMATE FORMER/HISTORICAL SITE FEATURES
D	FORMER DWELLING
G	FORMER SERVICE GARAGE
S	FORMER STORE
F	FORMER GASOLINE FILLING STATION
P	FORMER PLUMBING SUPPLY COMPANY
○	SUSPECT VENT PIPES
	FORMER FUEL DISPENSER
UST	UNDERGROUND STORAGE TANK
●	SOIL BORING
▲	SOIL GAS
⊕	SOIL BORING / TEMPORARY MONITORING WELL
Cd	CADMIUM
Cr	CHROMIUM
Pb	LEAD
VOCs	VOLATILE ORGANIC COMPOUNDS
PNAs	POLYNUCLEAR AROMATIC COMPOUNDS
UNITs	µg/L
MDL	METHOD DETECTION LIMIT
NOTES:	REFER TO TABLES FOR SPECIFIC COMPOUNDS ANALYZED

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FIGURE 4

SOIL BORING / TEMPORARY MONITORING WELL / SOIL GAS SAMPLE LOCATION MAP WITH SOIL ANALYTICAL RESULTS

PROJ:
GREEN'S ART SUPPLY
400 SOUTH OLD WOODWARD AVENUE
BIRMINGHAM, MI

THIS IS NOT A LEGAL SURVEY	DRN BY: CS/TS/KS/MM	DATE: 2/5/2014
VERIFY SCALE 0 40' IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	CHKD BY: RF/JA	SCALE: 1" = 40'
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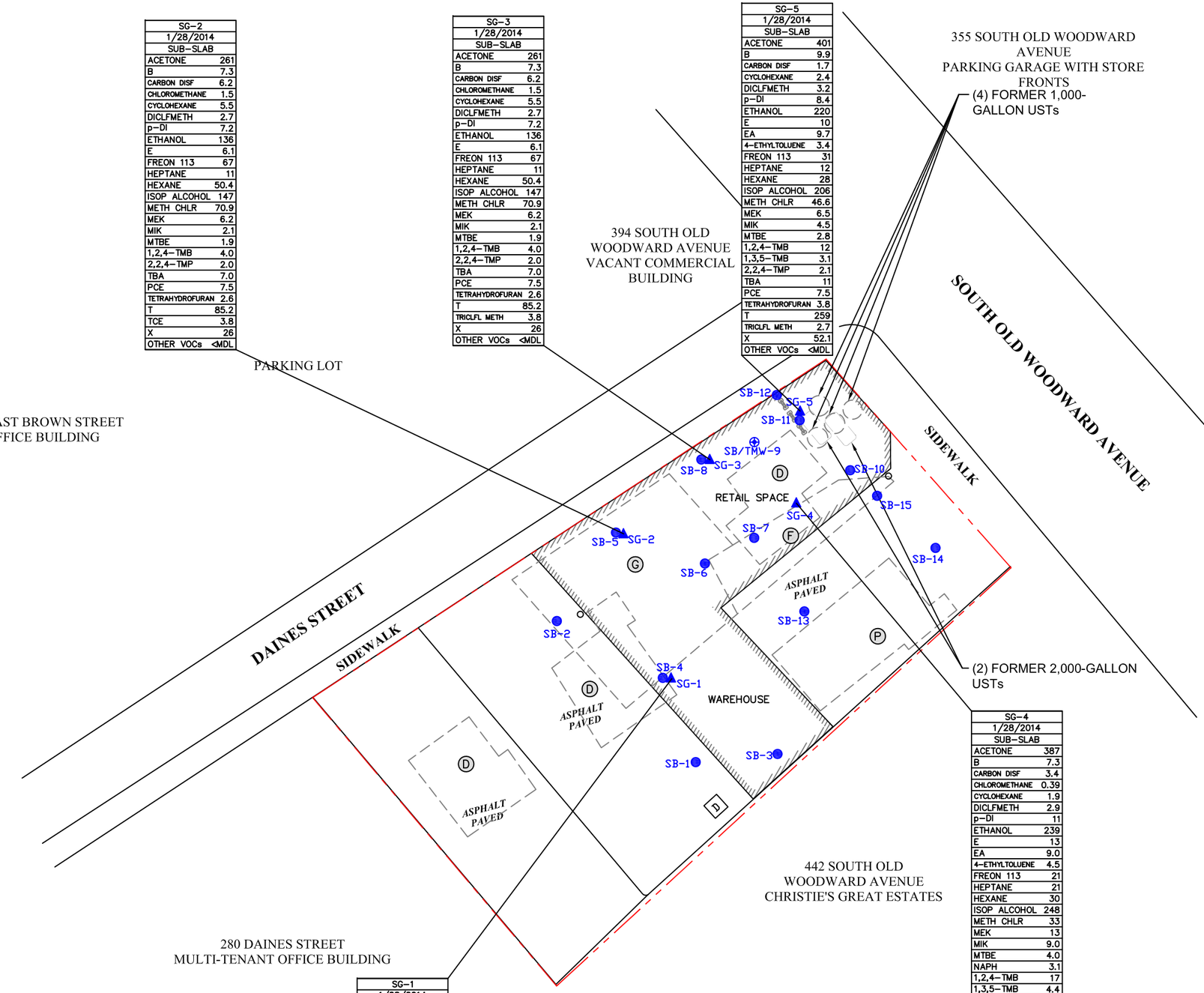

SG-2	
1/28/2014	
SUB-SLAB	
ACETONE	261
B	7.3
CARBON DISF	6.2
CHLOROMETHANE	1.5
CYCLOHEXANE	5.5
DICLFMETH	2.7
p-DI	7.2
ETHANOL	136
E	6.1
FREON 113	67
HEPTANE	11
HEXANE	50.4
ISOP ALCOHOL	147
METH CHLR	70.9
MEK	6.2
MIK	2.1
MTBE	1.9
1,2,4-TMB	4.0
2,2,4-TMP	2.0
TBA	7.0
PCE	7.5
TETRAHYDROFURAN	2.6
T	85.2
TCE	3.8
X	26
OTHER VOCs	<MDL

SG-3	
1/28/2014	
SUB-SLAB	
ACETONE	261
B	7.3
CARBON DISF	6.2
CHLOROMETHANE	1.5
CYCLOHEXANE	5.5
DICLFMETH	2.7
p-DI	7.2
ETHANOL	136
E	6.1
FREON 113	67
HEPTANE	11
HEXANE	50.4
ISOP ALCOHOL	147
METH CHLR	70.9
MEK	6.2
MIK	2.1
MTBE	1.9
1,2,4-TMB	4.0
2,2,4-TMP	2.0
TBA	7.0
PCE	7.5
TETRAHYDROFURAN	2.6
T	85.2
TRICLFL METH	3.8
X	26
OTHER VOCs	<MDL

SG-5	
1/28/2014	
SUB-SLAB	
ACETONE	401
B	9.9
CARBON DISF	1.7
CYCLOHEXANE	2.4
DICLFMETH	3.2
p-DI	8.4
ETHANOL	220
E	10
EA	9.7
4-ETHYLTOLUENE	3.4
FREON 113	31
HEPTANE	12
HEXANE	28
ISOP ALCOHOL	206
METH CHLR	46.6
MEK	6.5
MIK	4.5
MTBE	2.8
1,2,4-TMB	12
1,3,5-TMB	3.1
2,2,4-TMP	2.1
TBA	11
PCE	7.5
TETRAHYDROFURAN	3.8
T	259
TRICLFL METH	2.7
X	52.1
OTHER VOCs	<MDL

SG-4	
1/28/2014	
SUB-SLAB	
ACETONE	387
B	7.3
CARBON DISF	3.4
CHLOROMETHANE	0.39
CYCLOHEXANE	1.9
DICLFMETH	2.9
p-DI	11
ETHANOL	239
E	13
EA	9.0
4-ETHYLTOLUENE	4.5
FREON 113	21
HEPTANE	21
HEXANE	30
ISOP ALCOHOL	248
METH CHLR	33
MEK	13
MIK	9.0
MTBE	4.0
NAPH	3.1
1,2,4-TMB	17
1,3,5-TMB	4.4
2,2,4-TMP	2.1
TBA	14
PCE	4.8
TETRAHYDROFURAN	6.2
T	179
TCE	1.8
TRICLFL METH	2.6
X	57.3
OTHER VOCs	<MDL

SG-1	
1/28/2014	
SUB-SLAB	
ACETONE	35.9
CHLOROMETHANE	0.99
ETHANOL	40.5
FREON 113	45
HEXANE	16
ISOP ALCOHOL	11
METH CHLR	83.7
TRICLFL METH	2.1
OTHER VOCs	<MDL

401-415 SOUTH OLD WOODWARD AVENUE
CONDOS AT BIRMINGHAM PLACE

LEGEND:

— — —	SUBJECT PROPERTY
— — —	APPROXIMATE FORMER/HISTORICAL SITE FEATURES
(D)	FORMER DWELLING
(G)	FORMER SERVICE GARAGE
(S)	FORMER STORE
(F)	FORMER GASOLINE FILLING STATION
(P)	FORMER PLUMBING SUPPLY COMPANY
○	SUSPECT VENT PIPES
	FORMER FUEL DISPENSER
UST	UNDERGROUND STORAGE TANK
●	SOIL BORING
▲	SOIL GAS
⊕	SOIL BORING / TEMPORARY MONITORING WELL
NAPH	NAPHTHALENE
B	BENZENE
T	TOLUENE
E	ETHYLBENZENE
X	XYLENES
1,2,4-TMB	1,2,4-TRIMETHYLBENZENE
1,3,5-TMB	1,3,5-TRIMETHYLBENZENE
MTBE	METHYL TERT BUTYL ETHER
TCE	TRICHLOROETHENE
PCE	TETRACHLOROETHENE
MEK	2-BUTANONE (MEK)
MIK	METHYL ISOBUTYL KETONE
EA	ETHYL ACETATE
TBA	TERTIARYBUTYLALCOHOL
p-DI	p-DICHLOROBENZENE
METH CHLR	METHYLENE CHLORIDE
2,2,4-TMP	2,2,4-TRIMETHYLPENTANE
DICLFMETH	DICHLORODIFLUOROMETHANE
TRICLFL METH	TRICHLOROFLUOROMETHANE
CARBON DISF	CARBON DISULFIDE
ISOP ALCOHOL	ISOPROPYL ALCOHOL
VOCs	VOLATILE ORGANIC COMPOUNDS
UNITs	ug/m^3
NOTES:	REFER TO TABLES FOR SPECIFIC COMPOUNDS ANALYZED

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FIGURE 5

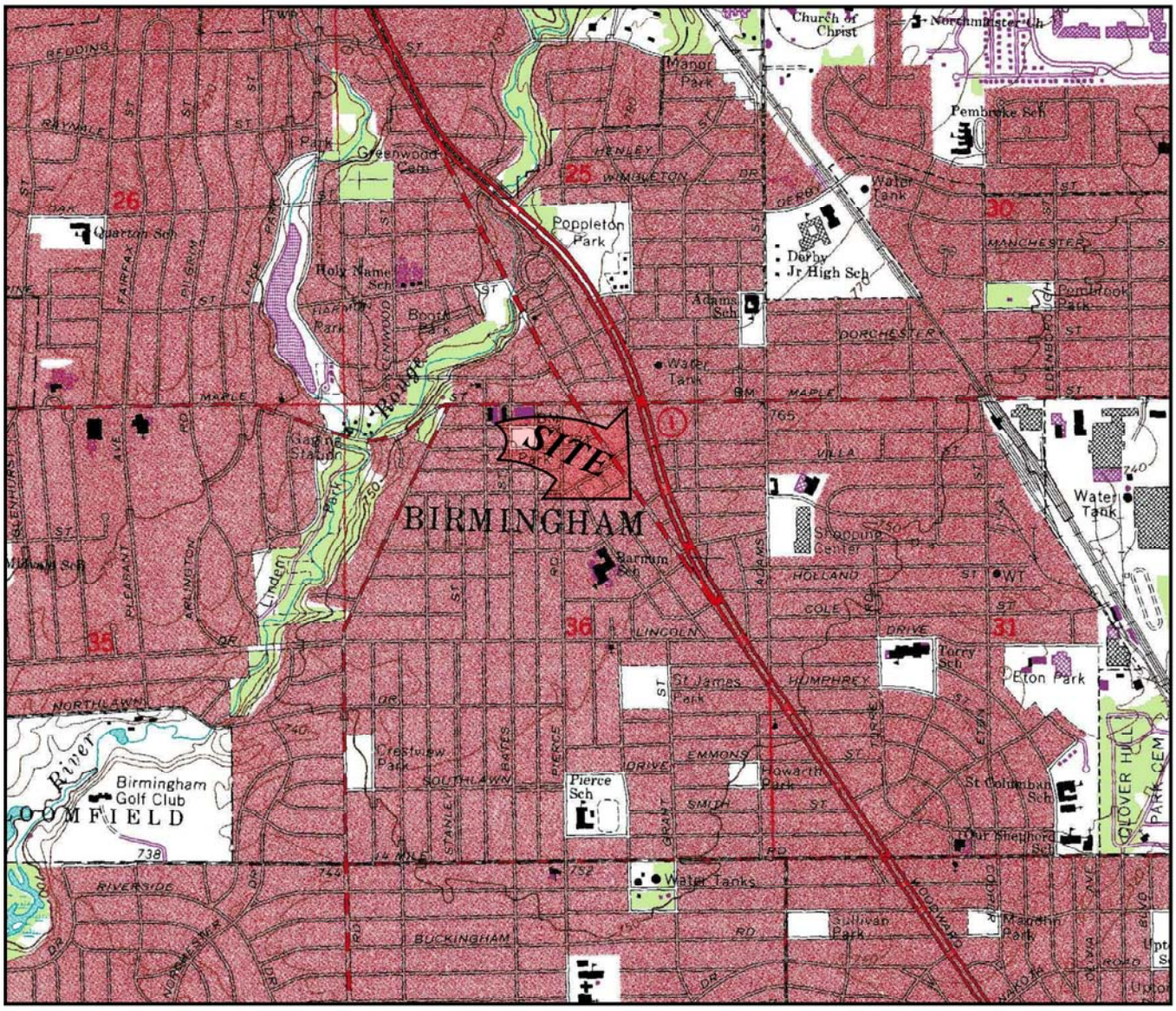
SOIL BORING / TEMPORARY MONITORING WELL / SOIL GAS SAMPLE LOCATION MAP WITH SOIL GAS ANALYTICAL RESULTS

PROJ:
GREEN'S ART SUPPLY
400 SOUTH OLD WOODWARD AVENUE
BIRMINGHAM, MI

THIS IS NOT A LEGAL SURVEY	DRN BY: CS/TS/KS/MM	DATE: 2/5/2014
VERIFY SCALE 0 40' IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	CHKD BY: RF/JA	SCALE: 1" = 40'
	FILE NAME: 02-6554-1F05R00	

Appendix C

PM ENVIRONMENTAL Environmental & Engineering Services



OAKLAND COUNTY

SCALE 1:24,000

1 MILE 1/2 MILE 0 1 MILE

FIGURE 1

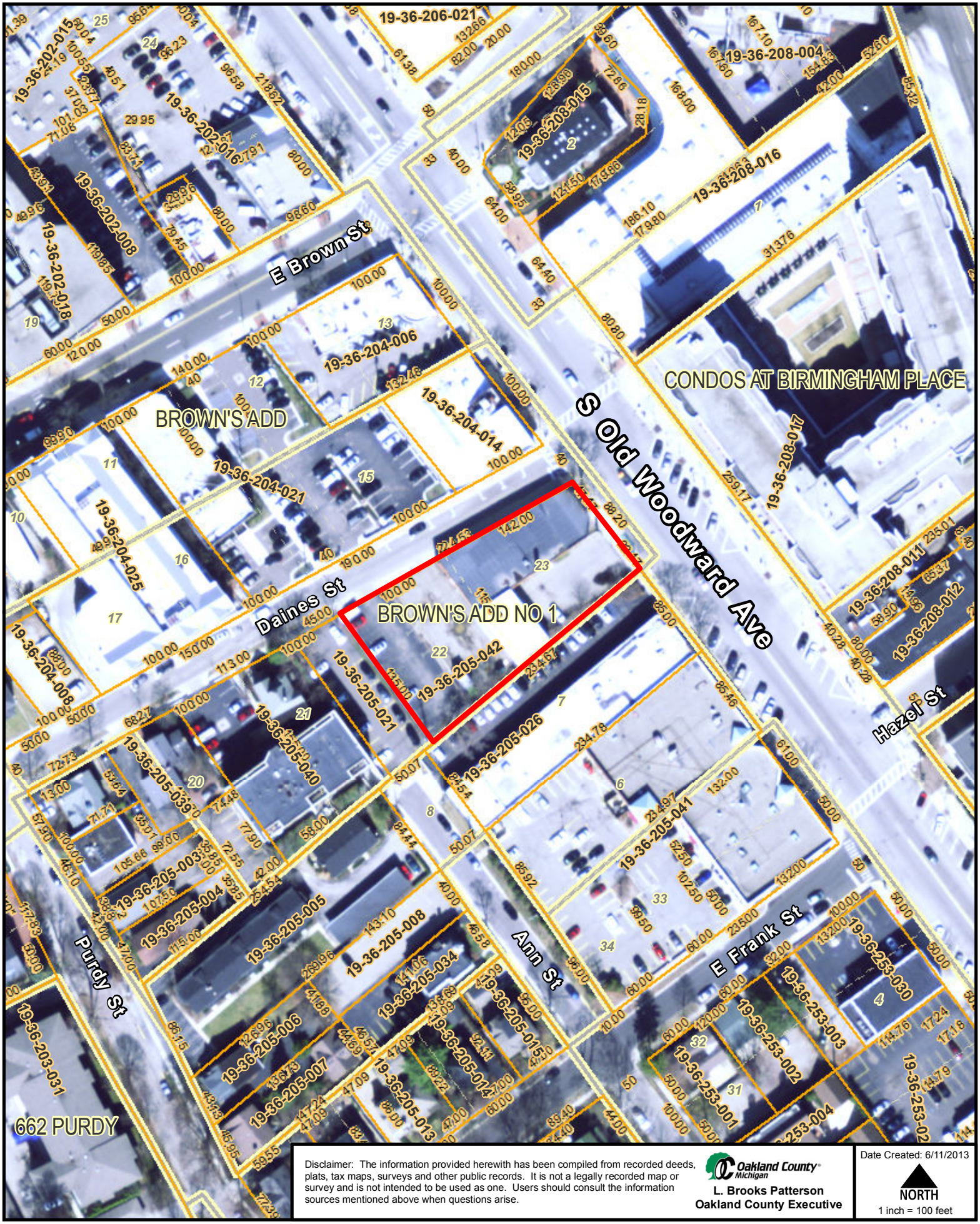
PROPERTY VICINITY MAP

USGS, 7.5 MINUTE SERIES

BIRMINGHAM, MI QUADRANGLE, 1968. PHOTO REVISED 1981.

PM ENVIRONMENTAL Environmental & Engineering Services	PROJ: GREEN'S ART SUPPLY 400 SOUTH OLD WOODWARD AVENUE BIRMINGHAM, MI	THIS IS NOT A LEGAL SURVEY VERIFY SCALE 0 2,000' IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	DRN BY: CS	DATE: 2/6/2014
			CHKD BY: RF	SCALE: 1" = 2,000'
			FILE NAME: 02-6554-3F01R00	

map



Disclaimer: The information provided herewith has been compiled from recorded deeds, plats, tax maps, surveys and other public records. It is not a legally recorded map or survey and is not intended to be used as one. Users should consult the information sources mentioned above when questions arise.

Oakland County Michigan
L. Brooks Patterson
Oakland County Executive

Date Created: 6/11/2013

NORTH

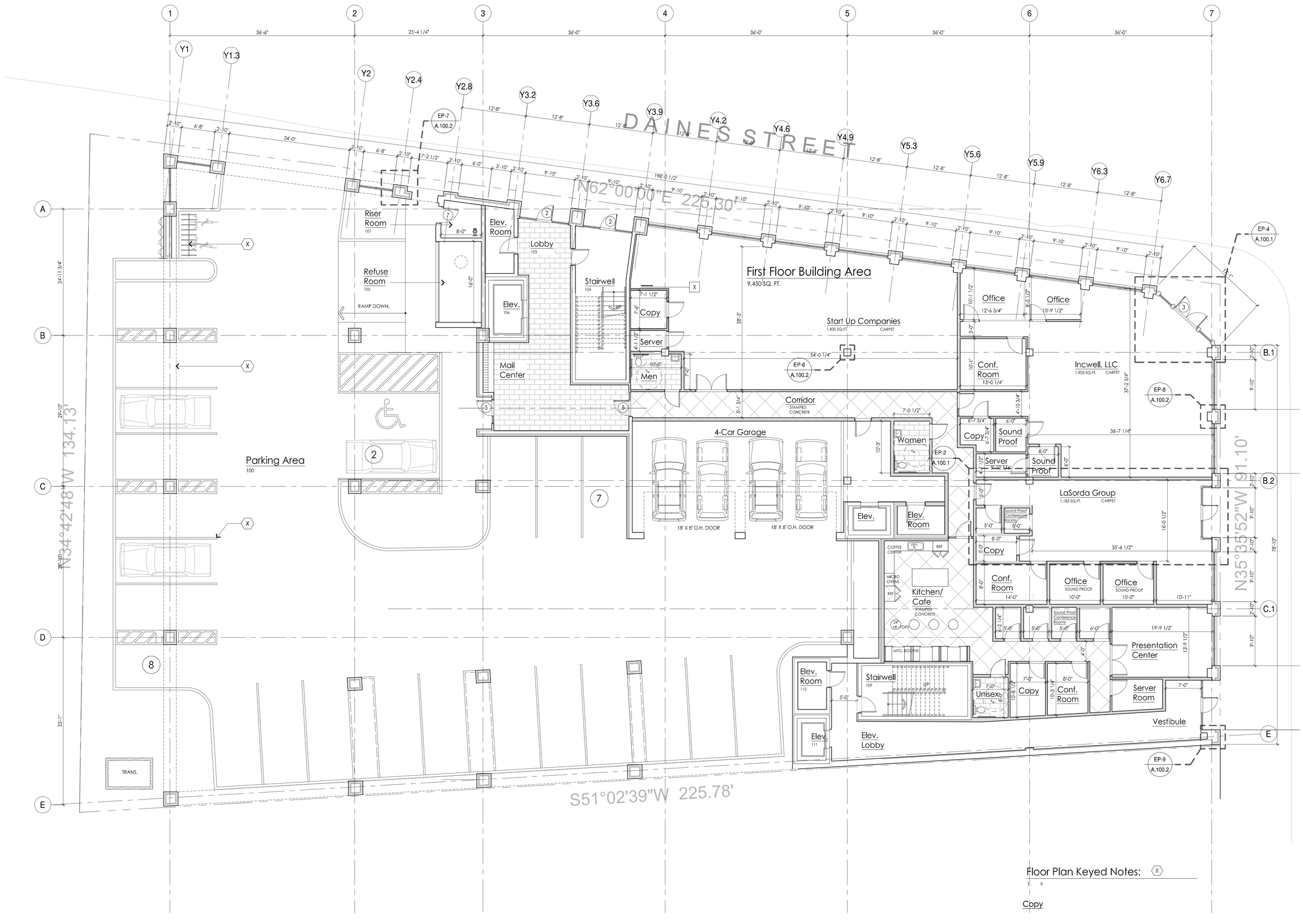
1 inch = 100 feet

Appendix D

PM ENVIRONMENTAL Environmental & Engineering Services

BUILDING NAME

BUILDING NAME



Floor Plan Keyed Notes: (X)

1. X

Copy

krieger klatt ARCHITECTS
architecture interiors consulting
1412 East Eleven Mile Road, Royal Oak, MI 48067
Phone: 248.414.9270 Fax: 248.414.9275 Web: kriegerklatt.com

Client:

Joseph Jonna

2653 Industrial Row
Troy, MI 48084

Project:

New Construction

400 S. Old Woodward Ave.
Birmingham, MI 48011

Issued:

06-06-13	Preliminary Design
06-19-13	Prelim. Site Plan Review
07-16-13	City Comments
08-09-13	Final Submittal
01-17-14	Owners Revisions

Seal:

STATE OF MICHIGAN
JASON P. KRIEGER
ARCHITECT
No. 53578
LICENSED ARCHITECT

Note:

Do not scale drawings. Use calculated dimensions only. Verify existing conditions in field.

North Arrow:

NORTH

Sheet Title:

First Floor Plan

Scale:

1/8" = 1'-0"

Project Number:

13-093

Sheet Number:

A.100

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Client:

Joseph Jonna
640 N. Old Woodward
Ste. 100
Birmingham, MI 48009
jjonna@jonnafs.com

Project:

New Construction
400 S. Old Woodward Ave.
Birmingham, MI 48011

Issued:

06-06-13	Preliminary Design
06-19-13	Prelim. Site Plan Review
07-16-13	City Comments
08-09-13	Final Submittal
01-17-14	Owners Revisions
01-27-14	Preliminary First Floor Plan
02-26-14	City Review

Seal:

STATE OF MICHIGAN
JASON P. KRIEGER
ARCHITECT
No. 53578
LICENSED ARCHITECT

Note:

Do not scale drawings. Use calculated dimensions only. Verify existing conditions in field.

North Arrow:

NORTH

Sheet Title:

Second Floor Plan

Scale:

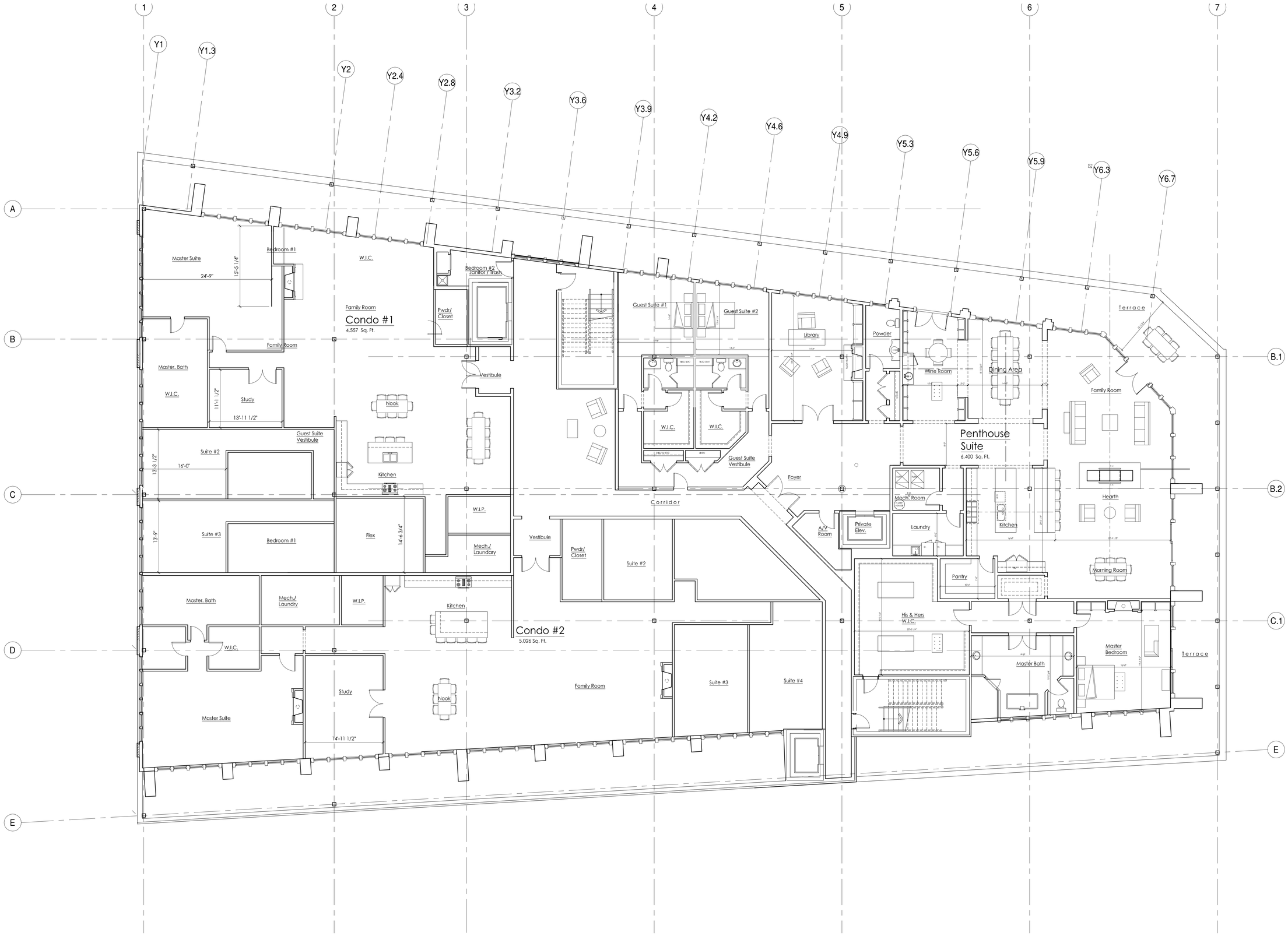
1/8" = 1'-0"

Project Number:

13-093

Sheet Number:

A.101



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Client:

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2653 Industrial Row
Troy, MI 48084

Project:

New Construction
400 S. Old Woodward Ave.
Birmingham, MI 48011

Issued:

06-06-13	Preliminary Design
06-19-13	Prelim. Site Plan Review
07-16-13	City Comments
08-09-13	Final Submittal
01-17-14	Owners Revisions
01-27-14	Preliminary First Floor Plan

Seal:

STATE OF MICHIGAN
JASON P. KRIEGER
ARCHITECT
No. 53578
LICENSED ARCHITECT

Note:

Do not scale drawings. Use calculated dimensions only. Verify existing conditions in field.

North Arrow:

NORTH

Sheet Title:

Third Floor Plan

Scale:

1/8" = 1'-0"

Project Number:

13-093

Sheet Number:

A.103

Appendix E

PM ENVIRONMENTAL Environmental & Engineering Services

Table 1: 400 South Old Woodward, Birmingham - Eligible Activities Cost Estimates		
Item/Activity	**Total Estimated Cost**	
Baseline Environmental Assessments		
Phase I ESA & Phase I ESA Update	$	3,300
Phase II ESA/BEA/Documentation of Due Care	$	10,160
Baseline Environmental Assessments Sub-Total	**$**	**13,460**
Due Care Activities		
Characterization and Delineation of Contaminated Soils (sampling, analysis, and reporting)	$	17,175
Characterization of soil in areas NOT assessed		
Sampling (up to 40 samples)	$	10,200
Reporting	$	5,000
Due Care Activities Sub-Total	**$**	**32,375**
Additional Response Activities		
Orphan Underground Storage Tank Removal	$	4,500
Removal and Disposal of Liquid/Product if Identifed in UST	$	2,500
Dewatering of Tank Basin		
Removal and Transport	$	4,500
Disposal	$	4,000
Tank Removal Oversight, Sampling, Reporting	$	4,500
Sheeting and Shoring ssociated with UST Removal	$	15,000
Transportion and disoposal for approximately 2000 cubic yards (2880 tons) of contaminated soil		
Transportation (approximately $20/ton)	$	57,600
Disposal to a Type II Landfill (approximately $25/ton)	$	72,000
Soil removal oversight, sampling, and reporting	$	10,400
Additional Response Activities Sub-Total	**$**	**175,000**
Asbestos		
Pre-Demo Asbestos Survey/Reporting	$	2,350
Asbestos Abatement	$	12,390
Asbestos Oversight	$	3,750
Asbestos Sub-Total	**$**	**18,490**
Demolition		
Backfill Directly Associated with Building Demolition Activities	$	2,000
Backfill Directly Associated with Site Demolition Activities	$	2,000
Demolition Sub-Total	**$**	**4,000**
Preparation of Brownfield Plan		
Brownfield Plan	**$**	**5,200**
Brownfield Plan Sub-Total	**$**	**5,200**
Project Sub Totals	**$**	**248,525**
15% Contingency	$	37,279
3% Interest	$	30,748
Total Cost of Developer Eligible Activities to be funded through TIF	**$**	**316,552**
Capture for the LSRRF	$	232,281
Total Cost of Eligible Activities to be Funded through TIF	**$**	**548,833**

TABLE 1 ELIGIBLE BROWNFIELD COST SUMMARY

This document provides a detailed description of the redevelopment activities proposed for inclusion in the Brownfield Plan for the property located at 400 South Old Woodward Avenue in Birmingham, Oakland County, Michigan.

Baseline Environmental Assessments

Environmental Due Diligence associated with the purchase of the property and documentation of the property as a "facility" under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder. Includes the completion of a Phase I Environmental Site Assessment (ESA), Phase I ESA Update, Phase II ESA (summarized within the BEA and DDCC) including a Geophysical Survey Investigation), Baseline Environmental Assessment (BEA), and Documentation of Due Care Compliance (DDCC).

Due Care Activities

Due Care Activities are associated with the characterization and delineation of contaminated soils on the property from historical operations. This includes soil boring installation, sampling, laboratory analysis, and reporting.

This plan also accounts for up to 40 samples for the characterization and reporting of soil in areas <u>not</u> assessed to verify the absence of impact prior to offsite removal/disposal. This assumes that of the 2,000 cubic yards (2,880 tons) of soil that will be removed from the site, up to 1,200 cubic yards are uncontaminated. Per the Relocation of Contaminated Soil (324.2012c) and following the Biased Sampling Strategy (August 2002), it is estimated that four 300 cubic yards of soil will be stockpiled prior to offsite transportation/disposal, which will require 8-10 samples per stock pile. All samples will be analyzed for VOCs, PNAs, PCBs, cadmium, chromium, and lead.

Additional Response Activities

Additional response activities included in this brownfield plan are based on contingencies associated with an orphan underground storage tank (UST), identified during the Ground Penetrating Radar (GPR) survey completed during the Phase II ESA/BEA, and the costs associated with the removal of contaminated soils.

This plan accounts for the removal of the orphan UST, additional costs associated with the removal of liquid/product encountered within the orphan UST, dewatering of the tank basin, sheeting and shoring, verification of soil remediation (VSR) sampling, oversight, and reporting. Based on previous work and current knowledge, this assumes the removal of a 1,500-gallon fuel oil UST that is full of non-hazardous liquid, and removal of up to 500-gallons of impacted water from the UST basin.

Based on existing topography and the preliminary grading plan, it is estimated that up to 2,000 cubic yards (2,880 tons) of soil (including impacted soil from the orphan UT basin) will require transportation and proper disposal from the site in association with development activities. This

plan accounts for up to 2,000 cubic yards of contaminated soil to be transported and disposed of at a Type II Landfill as well as oversight, sampling, laboratory analysis, and reporting costs. The actual amount will be determined following proper characterization and delineation.

Asbestos

An ACM survey has been completed for the existing building and abatement and oversight activity costs have been estimated accordingly.

Demolition

This plan accounts only for the backfill associated with demolition activities. Appropriate bid solicitation documents will be prepared and responses will be reviewed and evaluated for cost, responsiveness, and compliance.

Brownfield Plan

This brownfield plan to be completed is considered an eligible activity.

Tax Increment Financing Estimates
Table 2

		2014	2015 YR1	2016 YR2	2017 YR3	2018 YR4	2019 YR5	2020 YR6	2021 YR7	2022 YR8	2023 YR9	2024 YR10	2025 YR11	
Base Taxable Value		$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	$ 544,000	
Estimated New Taxable Value (estimated increase of 1%/year)			$ 2,500,000	$ 2,525,000	$ 2,550,250	$ 2,575,753	$ 2,601,510	$ 2,627,525	$ 2,653,800	$ 2,680,338	$ 2,707,142	$ 2,734,213	$ 2,761,555	
Incremental Difference (New Tax Value minus Existing Tax Value)			$ 1,956,000	$ 1,981,000	$ 2,006,250	$ 2,031,753	$ 2,057,510	$ 2,083,525	$ 2,109,800	$ 2,136,338	$ 2,163,142	$ 2,190,213	$ 2,217,555	
Local Taxes - Millage														
County Operating	4.1900		$ 8,196	$ 8,300	$ 8,406	$ 8,513	$ 8,621	$ 8,730	$ 8,840	$ 8,951	$ 9,064	$ 9,177	$ 9,292	**$ 96,090**
OIS Allocated	0.2003		$ 392	$ 397	$ 402	$ 407	$ 412	$ 417	$ 423	$ 428	$ 433	$ 439	$ 444	**$ 4,593**
OIS Voted	3.1687		$ 6,198	$ 6,277	$ 6,357	$ 6,438	$ 6,520	$ 6,602	$ 6,685	$ 6,769	$ 6,854	$ 6,940	$ 7,027	**$ 72,668**
OCC Voted	1.5844		$ 3,099	$ 3,139	$ 3,179	$ 3,219	$ 3,260	$ 3,301	$ 3,343	$ 3,385	$ 3,427	$ 3,470	$ 3,513	**$ 36,335**
City Operating	11.6883		$ 22,862	$ 23,155	$ 23,450	$ 23,748	$ 24,049	$ 24,353	$ 24,660	$ 24,970	$ 25,283	$ 25,600	$ 25,919	**$ 268,049**
Refuse	0.9585		$ 1,875	$ 1,899	$ 1,923	$ 1,947	$ 1,972	$ 1,997	$ 2,022	$ 2,048	$ 2,073	$ 2,099	$ 2,126	**$ 21,981**
Library	1.1000		$ 2,152	$ 2,179	$ 2,207	$ 2,235	$ 2,263	$ 2,292	$ 2,321	$ 2,350	$ 2,379	$ 2,409	$ 2,439	**$ 25,226**
County Pk & Rec	0.2415		$ 472	$ 478	$ 485	$ 491	$ 497	$ 503	$ 510	$ 516	$ 522	$ 529	$ 536	**$ 5,538**
HCMA	0.2146		$ 420	$ 425	$ 431	$ 436	$ 442	$ 447	$ 453	$ 458	$ 464	$ 470	$ 476	**$ 4,921**
OCPTA	0.5900		$ 1,154	$ 1,169	$ 1,184	$ 1,199	$ 1,214	$ 1,229	$ 1,245	$ 1,260	$ 1,276	$ 1,292	$ 1,308	**$ 13,531**
Total Local Taxes (capturable)	**23.9363**		**$ 46,819**	**$ 47,418**	**$ 48,022**	**$ 48,633**	**$ 49,249**	**$ 49,872**	**$ 50,501**	**$ 51,136**	**$ 51,778**	**$ 52,426**	**$ 53,080**	**$ 548,933**
School Taxes (Not Captured)														
School Operating	18.0000		$ 35,208	$ 35,658	$ 36,113	$ 36,572	$ 37,035	$ 37,503	$ 37,976	$ 38,454	$ 38,937	$ 39,424	$ 39,916	**$ 412,796**
SET	6.0000		$ 11,736	$ 11,886	$ 12,038	$ 12,191	$ 12,345	$ 12,501	$ 12,659	$ 12,818	$ 12,979	$ 13,141	$ 13,305	**$ 137,599**
Total School Taxes	**24.0000**		**$ 46,944**	**$ 47,544**	**$ 48,150**	**$ 48,762**	**$ 49,380**	**$ 50,005**	**$ 50,635**	**$ 51,272**	**$ 51,915**	**$ 52,565**	**$ 53,221**	**$ 550,394**
Non-Capturable Millages														
School Debt	3.9000		$ 7,628	$ 7,726	$ 7,824	$ 7,924	$ 8,024	$ 8,126	$ 8,228	$ 8,332	$ 8,436	$ 8,542	$ 8,648	**$ 89,439**
City Debt	1.3394		$ 2,620	$ 2,653	$ 2,687	$ 2,721	$ 2,756	$ 2,791	$ 2,826	$ 2,861	$ 2,897	$ 2,934	$ 2,970	**$ 30,717**
Zoo Authority	0.1000		$ 196	$ 198	$ 201	$ 203	$ 206	$ 208	$ 211	$ 214	$ 216	$ 219	$ 222	**$ 2,293**
Art Institute	0.2000		$ 391	$ 396	$ 401	$ 406	$ 412	$ 417	$ 422	$ 427	$ 433	$ 438	$ 444	**$ 4,587**
Total Non-Capturable Millages	**5.5394**		**$ 10,835**	**$ 10,974**	**$ 11,113**	**$ 11,255**	**$ 11,397**	**$ 11,541**	**$ 11,687**	**$ 11,834**	**$ 11,983**	**$ 12,132**	**$ 12,284**	**$ 127,036**
Total Capturable and Non-Capturable Millages	**53.4757**		**$ 104,598**	**$ 105,935**	**$ 107,286**	**$ 108,649**	**$ 110,027**	**$ 111,418**	**$ 112,823**	**$ 114,242**	**$ 115,676**	**$ 117,123**	**$ 118,585**	**$ 1,226,363**
Local Annual Tax Increment Revenue			$ 46,819	$ 47,418	$ 48,022	$ 48,633	$ 49,249	$ 49,872	$ 50,501	$ 51,136	$ 51,778	$ 52,426	$ 53,080	**$ 548,933**
Annual Cumulative Incremental Taxes			$ 46,819	$ 94,237	$ 142,259	$ 190,892	$ 240,141	$ 290,013	$ 340,514	$ 391,650	$ 443,428	$ 495,853	$ 548,933	**$ 3,224,740**
Local-Only Reimbursed Expenses			$ 46,819	$ 47,418	$ 48,022	$ 48,633	$ 49,249	$ 45,663	$ -	$ -	$ -	$ -	$ -	**$ 285,804**
Unreimbursed Eligible Expenses		**$ 285,804**	**$ 238,984**	**$ 191,567**	**$ 143,544**	**$ 94,912**	**$ 45,663**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
Simple 3% Interest														
Annual Interest								$ 4,209	$ 26,539	$ -				**$ 30,748**
Unreimbursed Interest		**$ 30,748**	**$ 30,748**	**$ 30,748**	**$ 30,748**	**$ 30,748**	**$ 30,748**	**$ 26,539**	**$ -**	$ -				
Capture for Local Site Remeditation Revolving Fund									**$ 23,962**	**$ 51,136**	**$ 51,778**	**$ 52,426**	**$ 53,080**	**$ 232,381**

BROWNFIELD REIMBURSEMENT AGREEMENT

THIS AGREEMENT (the "Agreement") dated _____, 2014 is entered into between the **CITY OF BIRMINGHAM** ("City") and the **CITY OF BIRMINGHAM BROWNFIELD REVELOPMENT AUTHORITY** (the "Authority"), an authority established pursuant to Act 381 of Public Acts of 1996, as amended ("Act 381"), whose addresses are 151 Martin Street, Birmingham, Michigan, 48009; and **400 SOUTH OLD WOODWARD, LLC** (the "Developer"), a Delaware limited liability company, whose address is 640 North Old Woodward Avenue, Birmingham, Michigan 48009.

RECITALS

A. In accordance with Act 381, the Authority has adopted a Brownfield Plan for 400 South Old Woodward Avenue, Birmingham, Michigan that the City Commission of the City has approved (the "Brownfield Plan").

B. The Developer owns property in the City located at 400 South Old Woodward Avenue (the "Property"), which is legally described on the attached Exhibit A. The Property is included in the Brownfield Plan as an eligible Property because it is a Facility due to the presence of certain hazardous substances on the Property as described in the Brownfield Plan.

C. The Developer plans to redevelop the Property by constructing a new mixed-use building comprised of space for street level retail or offices, second floor luxury condos, and third floor luxury condos (the "Improvements"). The Improvements are intended to create temporary construction jobs and new full time jobs, increase the tax base within the City, and otherwise enhance the economic vitality and quality of life within the City.

D. Act 381, as amended permits the Authority to reimburse a developer for the costs of Eligible Activities on Eligible Property using Tax Increment Revenues generated by the redevelopment of the property.

E. To make the Improvements on the Property, the Developer will incur costs to conduct Eligible Activities—including Baseline Environmental Assessment Activities, Due Care Activities, Additional Response Activities, Asbestos Abatement, and the reasonable costs to prepare the Brownfield Plan—each of which will require the services of various contractors, engineers, environmental consultants, attorneys and other professionals (the "Eligible Costs"). The Eligible Costs, including contingencies, are estimated to be $285,804 for developer

reimbursement, $232,281 for capture for a Local Site Remediation Revolving Fund (LSRRF) (if approved), plus 3% simple interest on outstanding eligible activities.

F. The Brownfield Plan Authorizes the use of Tax Increment Revenues that are generated by Local Taxes imposed on the Property to reimburse the Eligible Costs.

G. The parties are entering into this Agreement to establish the procedure for reimbursing the Eligible Costs and using Tax Increment Revenues in accordance with Act 381, as amended, and the Brownfield Plan.

Accordingly, the parties agree with each other as follows:

1. The Brownfield Plan

The Brownfield Plan is attached as Exhibit B and incorporated herein. To the extent provisions of the Brownfield Plan conflict with this Agreement, the terms and conditions of this Agreement control. To the extent provisions of the Brownfield Plan or this Agreement conflict with Act 381, as amended, Act 381 controls.

2. Term of Agreement

In accordance with the Brownfield Plan, the Authority shall capture the Tax Increment Revenues generated by the Improvements on the Property to reimburse the Eligible Costs until the earlier of the date that all the Eligible Costs plus interest and capture for the LSRRF are fully reimbursed under this Agreement or 30 years after the date the Authority begins to capture Tax Increment Revenues under the Brownfield Plan.

3. Eligible Activities

The Authority shall reimburse the Developer for Eligible Costs identified in the Brownfield Plan that were incurred before the City Commission approved the Brownfield Plan if permitted under Act 381, as amended. The Developer shall diligently pursue completion of the Eligible Activities set forth in the Brownfield Plan.

4. Reimbursement Source

During the term of this Agreement, the Authority shall capture the Tax Increment Revenues generated by the Improvements from Local Taxes imposed on the Property and any personal property located on the Property and use those Tax Increment Revenues to reimburse the Brownfield Plan Costs and the Eligible Costs (including interest) in accordance with the Brownfield Plan and this Agreement.

5. Reimbursement Process

(a) On a quarterly basis, the Developer shall submit to the Authority requests for cost reimbursement for the Eligible Costs the Developer incurred during the prior period. These requests shall be in the form attached as Exhibit C ("Petition"). The Petition shall identify whether the Eligible Activities are: (1) Baseline Environmental Assessment Activities; (2) Due Care Activities; (3) Additional Response Activities; (4) Asbestos Abatement; (5) the reasonable costs of developing and preparing the Brownfield Plan; or (6) interest. The Petition shall describe each individual activity claimed as an Eligible Activity and the associated costs of that activity. Documentation of the costs incurred shall be included with the Petition including proof of payment and detailed invoices for the costs incurred sufficient to determine whether the costs incurred were for Eligible Activities. The Petition shall be signed by a duly authorized representative of Developer.

(b) The Authority shall review a Petition within 60 days after receiving the Petition. The Developer shall cooperate with the Authority by providing information and documentation to supplement the Petition as deemed reasonable and necessary by the Authority. The Authority shall identify in in writing to Developer any costs deemed ineligible for reimbursement and the basis for the determination. The Developer then has 45 days to provide supplemental information or documents in support of any costs deemed ineligible by the Authority. Within 30 days after the Developer provides the supplemental information or documents, the Authority shall make a decision on the eligibility of the disputed cost and inform the Developer in writing of its determination. The Developer may appeal the Authority's decision pursuant to law.

(c) Twice a year, after the summer and winter taxes are collected on the Property, the Authority shall capture the Tax Increment Revenues in accordance with the Brownfield Plan and use those Tax Increment Revenues to reimburse the Developer for approved Eligible Costs (including accrued interest). The Authority is not obligated to reimburse the Developer for any approved Eligible Costs during any period of time that the Developer is delinquent in the payment of real or personal property taxes imposed on the Property.

(d) The Authority shall reimburse interest on the balance of the Developer's unreimbursed Eligible Costs at the simple uncompounded rate of 3.0% per annum from Tax Increment Revenues. Interest shall begin to accrue for unreimbursed Eligible Costs on the date that the Developer submits a Petition for those Eligible Costs to the Authority. Interest shall not

accrue on any reimbursed Eligible Costs during any period that the Developer is delinquent in the payment of real or personal property taxes imposed on the Property.

(e) If there are insufficient funds available from Tax Increment Revenues captured under subparagraph (c) at any given time to pay all the Developer's unreimbursed Eligible Costs and accrued interest, the Authority is not required to reimburse the Developer from any other source. The Authority shall, however, make additional payments toward the Developer's remaining unreimbursed Eligible Costs and accrued interest in accordance with this Agreement as Tax Increment Revenues become available under subparagraph (c).

(f) The Authority shall reimburse the Developer for Eligible Costs as follows:

Check shall be payable to:	400 S. OLD WOODWARD, LLC
Delivered to the following address:	640 North Old Woodward Avenue Birmingham, Michigan 48009 Attn: Joseph Jonna By certified mail.

6. Legislative Authorization

This Agreement is governed by and subject to the restrictions set forth in Act 381, as amended. If there is legislation enacted in the future that alters or affects the terms of this Agreement, including, but not limited to, the amount of Tax Increment Revenues subject to capture or the definition of Eligible Property or Eligible Activity, then the Developer's rights and the Authority's obligations under this Agreement may be modified accordingly by agreement of the parties.

7. Freedom of Information Act

The Developer stipulates that all Petitions and documentation submitted by Developer are open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, being Sections 15.23 to 15.24 of the Michigan Compiled Laws, and the Developer shall not bring any claim of trade secrets or other privilege or exception to the Freedom of Information Act related to Petitions and documentation submitted under this Agreement.

8. Plan Modification

The Brownfield Plan and this Agreement may be modified to the extent allowed under Act 381, as amended by mutual agreement of the parties.

9. Notices

All notices shall be given by registered or certified mail addressed to the parties at their respective addresses as shown above. Either party may change the address by written notice sent by registered or certified mail to the other party.

10. Assignment

The interest of any party under this Agreement shall not be assignable without the other party's written consent, which shall not be unreasonably withheld, except that the Developer may assign this Agreement for purposes of securing financing for the Improvements without the prior consent of the Authority.

11. Entire Agreement; Amendment

This Agreement constitutes the entire agreement between the parties. No other agreements, written, oral, express or implied, have been made or entered into by the parties concerning the subject matter of this Agreement. This Agreement may be modified or amended only by subsequent written agreement executed by all of the parties hereto. This Agreement has been the subject of negotiations between the parties and shall not be construed against any party as drafter.

12. Non-waiver

No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

13. Headings

Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

14. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

15. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

16. Binding Effect

The provisions of this Agreement shall be binding upon and inure to the benefit of each of the parties and their respective heirs, legal representatives, successors, and assigns.

17. Definitions

Unless otherwise defined in this Agreement, the following terms have the definitions given to them by Act 381, as amended:

(a) "Additional Response Activities" is defined by Section 2(a) of Act 381;

(b) "Baseline Environmental Assessment" is defined by Section 2(c) of Act 381;

(c) "Baseline Environmental Assessment Activities" is defined by Section 2(d) of Act 381;

(d) "Brownfield Plan" is defined by Section 2(g) of Act 381;

(e) "Due Care Activities" is defined by Section 2(l) of Act 381;

(f) "Eligible Activities" is defined by Section 2(n) of Act 381;

(g) "Eligible Property" is defined by Section 2(o) of Act 381;

(h) "Facility" is defined by Section 2(q) of Act 381;

(i) "Local Taxes" is defined by Section 2(y) of Act 381;

(j) "Tax Increment Revenues" is defined by Section 2(ii) of Act 381;

The parties have executed this Agreement of the dates set forth below.

CITY OF BIRMINGHAM

By: _____

Title: _____

By: _____

Title: _____

Date: _____

CITY OF BIRMINGHAM BROWNFIELD REDEVELOPMENT AUTHORITY

By: _____

Title: _____

Date: _____

400 SOUTH OLD WOODWARD, LLC

By: _____

Title: _____

Date: _____

Exhibit A

Property Description

Located in the City of Birmingham, County of Oakland, State of Michigan, and is described as:

T2N, R10E, SEC 36 BROWN'S ADD NO 1 LOT 22, ALSO LOT 23 EXC NELY PART MEAS 17.47 FT ALG N LOT LI & MEAS 17.22 FT ALG S LOT LI TAKEN FOR WIDENING OF WOODWARD AVE 10-17-94 FR 022, 023 & 024

Exhibit B

Brownfield Plan

Exhibit C

Brownfield Request for Cost Reimbursement
For Eligible Activities

Date: _____

Listed below are total costs expended for each eligible activity category for the expenses being submitted with this request. Attached is evidence of each cost item, including proof of payment and detailed invoices.

Eligible Activity Category		**Total Cost**
1.	Phase I/Phase II/BEA	
2.	Due Care Activities	
3.	Additional Response Activities	
4.	Asbestos Abatement	
5.	Brownfield Plan preparation	
6.	Interest	
	Total Cost Reimbursement Request	

I certify that the information submitted on and with this Request for Cost Reimbursement is accurate and is an eligible cost described in the Brownfield Plan for this project approved by the City Council of the City of Birmingham.

Developer: _____

Signature: _____

Title: _____

Address: _____

_____

3. Resolution approving Brownfield Plan and associated Reimbursement Agreement pertaining to the Brownfield Plan for 400 S. Old Woodward Ave. (former Green's Art Supply) and requesting the city clerk to forward the Brownfield Plan and Reimbursement Agreement to the Birmingham City Commission for their review and consideration.

Ms. Ecker spoke about the concept of the development. This will be the demolition of an existing building and the construction of a three-story, mixed-use building. The first floor will be retail; second floor residential; and the third floor stepped back for residential.

Ms. Jamieson advised that the property intended for redevelopment is located at the SW corner of Daines St. and N. Old Woodward Ave. in Downtown. The property is considered eligible property based on its status as a facility and its eligible activities. Mr. Kulka then explained that the locations of contamination are mainly the parking lot in front and a little in the center portion of the building. Also, there is an underground tank in the rear of the building. Ms. Jamieson went on to note it is anticipated that private investment for this project will total approximately $12.6 million. The reimbursable expenses of the plan total $284,425, with a 15% potential contingency of $42,664, resulting in an approximate total cost of $327,089. Additionally, a 3% interest on unreimbursed eligible expenses is anticipated at an approximate cost of $41,092. The expenses are not to exceed $368,181.

The current taxable value of the property is around $500,000 and is expected to increase to $2.5 million following redevelopment. During the duration of the plan, taxes will continue to be generated. It is estimated that it will take approximately eight years to reimburse eligible expenses which includes interest.

Mr. Jonna stated they intend to bring ten luxury residences to the market and hope to begin work the first week of October. Ms. Masserang from PM Environmental went through the eligible activities and budgeted costs that are to be financed solely by the developer and reimbursed with Tax Increment Financing revenues:

- Baseline Environmental Site Assessment Activities, $13,460;
- Due Care Activities - characterization and removal of contaminated soils, $32,375;
- Additional Response Activities - associated with the tank removal, $175,000;
- Asbestos Activities - associated with pre-demolition of the existing building, $18,490;
- Demolition - demolition of the existing building and site demolition w/backfill, $39,900;
- Preparation of Brownfield Plan, $5,200;
- A 15% contingency to address unanticipated conditions, $42,664.

Chairperson Gotthelf warned that in the past this committee has been very cautious to not allow costs that would have normally been incurred anyway, irrespective of the contamination. Ms.

Masserang passed around a sheet that showed the cost difference between brownfield costs and greenfield costs should the soil not have been contaminated.

Mr. Robertson noted this site is residential slab on grade so the developer cannot mark it high end residential with a bunch of residual PCs in the ground. It is not practical given the magnitude of the development. It was determined that even though there is no basement it would not be feasible to just cap the top and be done.

In response to Chairperson Gotthelf, Ms. Masserang said the cost difference assuming the Phase 1 came out clean would be about $35,000. Mr. Kulka said his approach is that if he was on a greenfield he wouldn't have to demo the building or abate asbestos in the first place. Mr. Haynes noted to his recollection this group has never allowed for the cost of a demo on any project.

Chairperson Gotthelf questioned whether the purchase price reflected some of the environmental concerns. Mr. Jonna confirmed the price did not reflect the fact there was an underground storage tank that would have to be removed. Mr. Kulka noted that half of the Baseline Environmental Assessment Phase 2 cost was covered by Oakland County so they are only asking to recover the half that the developer incurred.

Mr. Haynes reminded the authority about what they have done in the past for contingency and interest. They are included but if the contingencies do not occur they are not spent. This group in the past has not approved a dollar amount; rather they have approved categories of expenses. In this proposal, the same logic could be applied to the contents of the underground storage tank, which is not known yet. Therefore the authority could approve the expense, subject to verification.

Mr. Haynes went on to ask why school taxes are not being included. Ms. Masserang replied that because there is such an increase in taxable value the reimbursement period is less than ten years and not worth the time. Mr. Robertson recalled school taxes were included in this authority's other Brownfield plans.

Ms. Masserang noted the Birmingham Brownfield Redevelopment Authority has not established a Local Site Remediation Revolving Fund ("LSRRF") to date. The LSRRF would consist of all tax increment revenues authorized to be captured and deposited in the LSRRF. However, in the event the authority chooses to establish a LSRRF, that option has been included in the plan as an option to capture. It sets up a Brownfield Redevelopment Fund for the City of Birmingham. If the authority anticipates future developments coming online that may have significant contamination there are separate funds within the authority to allocate to those projects within the City of Birmingham proper. Ms. Jamieson advised once the developer is reimbursed for all of their eligible activities, then the authority has the ability to capture the balance of the local tax revenues.

Mr. Valentine did not think it necessary at this time for the City to capture those tax increment funds.

Mr. Robertson summarized that if this add-on were approved, in six or seven years Mr. Jonna would be paid back with interest and then in the next four years the fund would be accumulated. If this is not attached to a project, there is no way of getting it. So, it seemed to him it may be prudent to approve it, but that doesn't mean they have to take the tax funds.

It was determined further discussion may be warranted on that subject before a formal decision is made. Mr. Haynes suggested the resolution could contingently approve the local site fund subject to review after the Brownfield Authority has had a chance to review it and recommend to the City Commission. That way it is in the plan but might be taken out of the plan. That takes advantage of all the opportunity.

Chairperson Gotthelf thought another meeting would be in order, just to focus on that subject. A survey of how some other communities have used LSRRF funds to help with some of their more challenging sites will be needed. It is a great benefit and it works very well in a lot of communities.

Moving to the next topic, the chairperson wanted to be sure they remediate only to the level necessary. Mr. Kulka replied it goes without saying that their objectives are aligned. Discussion determined the authority would take out $35,900 in demolition costs and pay backfill expenses of $4,000.

Mr. Haynes said if the authority approves the plan with the activities that are approved, then the work on the Reimbursement Agreement will be simple and not take that long. He suggested that the authority have 60 rather than 30 days to review the work. It was determined the Vice-chair Robert Runco will present to the City Commission.

Mr. Robertson suggested they pass a resolution without including a LSRRF but make a note to the City Commission they will review at their next meeting the policy and the options of whether to put together their own revolving fund.

After discussion about the LSRRF, Mr. Haynes advised they could pass a resolution that would include it as a contingency that is subject to later Commission approval. The Brownfield Authority will look at it and give ultimate recommendations for the Commission to decide.

Motion by Mr. Runco
Seconded by Mr. Robertson that the Brownfield Redevelopment Authority approves the Brownfield Plan for 400 S. Old Woodward Ave. for the amount disclosed less $35,900 with the caveat that the LSRRF is included subject to later

City Commission approval and the Reimbursement Agreement is changed as amended tonight:

Whereas, the City of Birmingham has created a Brownfield Redevelopment Authority and appointed members to serve on the Authority, and

Whereas, the Brownfield Redevelopment Authority is charged with the review of Brownfield Plans for Brownfield projects in the City of Birmingham, and

Whereas, the owner/developer of 400 S. Old Woodward Ave. intends to develop a mixed-use development at 400 S. Old Woodward Ave., and has determined that it may engage in eligible activities as defined under the Brownfield Redevelopment Finance Act, and

Whereas, PM Environmental has prepared a Brownfield Plan for the environmental cleanup of the site at 400 S. Old Woodward Ave, and

Whereas, the Brownfield Redevelopment Authority has reviewed the Brownfield Plan and approved of the contents of the plan.

Vote: Yeas, Runco, Robertson, Zabriskie, Gotthelf
Nays, 0
Absent, 0

Motion carried, 4-0.