

**WASHTENAW COUNTY BROWNFIELD REDEVELOPMENT
AUTHORITY**

ACT 381 WORK PLAN

To Conduct MDEQ Environmental Activities

Grandview Commons Redevelopment Project
7931 Grand Street, City of Dexter, Michigan 48130

PREPARED BY Washtenaw County Brownfield Redevelopment
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ACT 381 WORK PLAN

Grandview Commons Redevelopment Project
7931 Grand Street, City of Dexter, Michigan 48130

1.0 Introduction

The Washtenaw County Brownfield Redevelopment Authority (the "Authority") is submitting this Act 381 Work Plan for the property located at 7905, 7931 & 7961 Grand Street and (no address) Baker Road, in Dexter, Michigan (the "subject property"). The subject property is situated southwest of the intersection of Grand Street and Baker Road. The subject property is comprised of four parcels that contain approximately 7.96 acres (Parcel ID Numbers 08-06-427-001, 08-06-155-001, 08-06-285-004, and 08-06-427-002 respectively). The Brownfield Plan for the Grandview Commons Redevelopment Project (the "Brownfield Plan") was approved by the City of Dexter Council on December 12, 2016. The Authority approved the Brownfield Plan on December 15, 2016, and the Washtenaw County Board of Commissioners approved the Brownfield Plan on March 1, 2017. Refer to Appendix A for a copy of the Brownfield Plan and Appendix B for copies of the respective resolutions approving the Brownfield Plan.

The Project proposes to redevelop an underutilized and largely vacant property into approximately 76 housing units. The redevelopment integrates design elements, environmental cleanup, and economic development to further goals of the City of Dexter. It will result in: (1) the community and municipal benefits of increased property taxes on the subject property; (2) due care activities that will address the contamination on the subject property, reducing the threat to human health and the environment; and (3) a substantial improvement to the appearance and aesthetics of the subject property which will assist in increasing the property values of the neighboring community. The overall redevelopment of this site will include the demolition of all existing development on the subject property and the construction of approximately 76 housing units. The Project will remove an 82,000 square foot industrial facility and construct a mix of condominium townhomes, brownstones and 4- and 8-unit buildings on the subject property. A portion of the condominiums will be owner-occupied, as a principal residence (homestead) and a portion as a secondary residence (non-homestead) and/or rental housing in an ideal location in the City of Dexter. The timing of the phases will be dependent upon project financing, but it is anticipated that all three phases will be completed within two to five years.

MMB Equities, LLC is single-purpose limited liability company formed by A.R. Brouwer Company, a full service commercial design/build construction management and general contracting company headquartered in Dexter, Michigan. A.R. Brouwer prides itself on its dedication to quality construction and professionalism which it has provided since being founded in 1998.

The Project is seeking tax increment financing (TIF) incentives. Construction is expected to begin in summer of 2017, starting with site and building demolition to be followed by site preparation and construction.

Based on the current site conditions, certain activities are necessary to prepare the subject property for redevelopment and ensure protection of human health and safety and the environment. The following sections present site background information, current subject property conditions, the proposed MDEQ environmental activities, and the costs associated with the proposed activities.

1.1 Eligible Property Information

The following sections provide details on subject property ownership and use.

1.1.1 Location and Eligibility

The subject property is located at 7905, 7931 & 7961 Grand Street and (no address) Baker Road, in Dexter, Michigan (the “subject property”). The subject property is situated southwest of the intersection of Grand Street and Baker Road. The subject property is comprised of four parcels that contain approximately 7.96 acres (Parcel ID Numbers 08-06-427-001, 08-06-155-001, 08-06-285-004, and 08-06-427-002 respectively).

Please refer to the Brownfield Plan located in Appendix A for the subject property legal description. Refer to Figure 1 for a Scaled Property Location Map, Figure 2 for an Eligible Property Boundary Map, and Figure 3 for a Public Infrastructure Improvements Map. Site Photographs, Site Plans and Renderings are also included with the Figures Appendix.

The subject property is considered “eligible property” as defined by Act 381, Section 2 because: (a) the subject property was previously utilized as an industrial or residential property; (b) it is located within the City of Dexter, a “Non-Core Community” under Act 381; (c) the parcel with address 7931 Grand Street has been identified to be a “facility”; and (d) the other three parcels are adjacent and contiguous to the “facility” parcel. Please refer to Section 2.0 for further information and the Brownfield Plan provided in Appendix A for the relevant supporting documentation.

1.1.2 Current Ownership

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

Address	Tax Identification Number	Owner of Record	Approximate Acreage
7905 Grand Street	HD-08-06-427-001	MMB Equities, LLC	0.22
7931 Grand Street	HD-08-06-155-001	MMB Equities, LLC	5.42
7961 Grand Street	HD-08-06-285-004	MMB Equities, LLC	1.32
Baker Road	HD-08-06-427-002	MMB Equities, LLC	1.00

1.1.3 Proposed Future Ownership

The contact information for MMB Equities, LLC is:

Steve Brouwer
7444 Dexter Ann Arbor Road
Dexter, Michigan 48130
Phone: (734) 426-9980

1.1.4 Delinquent Taxes, Interest, and Penalties

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

1.1.5 Existing and Proposed Future Zoning for the Eligible Property

The subject property is zoned Planned Unit Development (PUD).

1.2 Historical Use of the Eligible Property

Historical use of the property consists of the following:

- At least 1937-1940s: the subject property was developed for residential use
- 1940s-2007: the southern portion of the subject property was developed for industrial use
- 2007-present: vacant

1.3 Current Use of the Eligible Property

The subject property currently contains an approximately 800 square foot single-family home with a garage, an approximately 82,000 square foot industrial manufacturing building and two small out buildings, approximately 5,000 and 4,000 square feet. A large parking lot is located on the southern portion of the subject property.

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

This Project will be a three-phase project which will include the demolition of all existing development on the subject property and the construction of approximately 76 housing units. The Project will remove an 82,000 square foot industrial facility and construct a mix of condominium townhomes, brownstones and 4- and 8-unit buildings on the subject property. A portion of the condominiums will be owner-occupied, as a principal residence (homestead) and a portion as a secondary residence (non-homestead) and/or rental housing in an ideal location in the City of Dexter. The timing of the phases will be dependent upon project financing, but it is anticipated that all three phases will be completed within two to five years.

The Project will ultimately result in municipal and community benefits including: the increase of property tax and nearby property values; promotion of additional investment in the area; blight removal; increase housing density; provide a mixture of housing types; temporary job creation; removal of contamination; and aesthetic improvements that will drastically improve this downtown corner property.

MMB Equities, LLC is single-purpose limited liability company of the parent company by A.R. Brouwer Company. A.R. Brouwer was founded in 1998 and provides commercial design/build construction management and general contracting services. The company has headquarters in Dexter, Michigan. A.R. Brower prides itself on its dedication to quality construction and professionalism.

Construction is expected to begin in summer of 2017 beginning with site and building demolition. The Project is seeking tax increment financing (TIF) incentives.

2.0 Current Property Conditions

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

2.1 Property Eligibility

As indicated in Section 1.1.1, the subject property is considered "eligible property" as defined by Act 381, Section 2. Additional information regarding property eligibility is provided in the Sections below.

2.2 Summary of Environmental Conditions

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

2.2.1 Environmental Investigations

The environmental investigations completed on the subject property are summarized following.

- Phase I Environmental Site Assessment (ESA), for 7905 and 7931 Grand Street and (no address) Baker Street prepared on October 30, 2001 by Clayton Group Services, Inc. (Clayton)
- Subsurface Investigation, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on November 15, 2001 by Clayton
- Subsurface Investigation, for 7905 and 7931 Grand Street and (no address) Baker Street prepared in March 2002 by Gaiatech
- Baseline Environmental Assessment, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on April 1, 2002 by Gaiatech
- Section 7a Compliance Analysis and Due Care Plan, for 7905 and 7931 Grand Street and (no address) Baker Street prepared in September of 2002 by Gaiatech
- UST Removal Oversight and Sample Collection Summary Report, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on March 20, 2012 by AKT Peerless
- Phase I ESA, for Parcels 7905 and 7931 Grand Street and (no address) Baker Street prepared on March 23, 2012 by AKT Peerless
- Baseline Environmental Assessment, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on March 23, 2012 by AKT Peerless
- Phase II ESA, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on April 15, 2015 by AKT Peerless
- Soil Gas Survey, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on June 24, 2015 by AKT Peerless
- Soil Gas Survey, for 7905 and 7931 Grand Street and (no address) Baker Street prepared on June 22, 2016 by AKT Peerless
- Comprehensive Remedial Investigation, for 7905, 7931 & 7961 Grand Street and (no address) Baker Street prepared on April 17, 2017 by AKT Peerless

Summaries of the reports and activities relevant to site conditions, since at least 2012, are provided in the following sections.

2.2.1.1 AKT Peerless’ March 2012 Phase I ESA Report

AKT Peerless conducted a Phase I ESA for the subject property on March 23, 2012. The Phase I ESA included, but was not limited to: a site walkover; review of government records; assembly and review of data from area maps, as well as historical resources; and interviews with the site owner, others familiar with the subject property, and government officials. This assessment has revealed evidence of the following recognized environmental conditions (RECs) associated with the subject property:

- REC 1** - Historical manufacturing/industrial operations were conducted at the subject property that included the storage and use of petroleum products and solvent-based products between the mid-1940s and approximately 2007.
- REC 2** - The reported improper storage of paints, oils, and solvents located along the southern exterior of the subject building.
- REC 3** - Interior floor drains (sealed) that reportedly discharged to the parking lot located to the south of the subject building.
- REC 4** - Interior trench drains (sealed) that are in the northwestern and southeastern portion of the subject building have historically discharged to a liquid waste sump system consisting of a 5,600 gallon AST located to the south of the subject building.
- REC 5** - Historical operations conducted at the subject property included the utilization of a hazardous material storage shed located directly south of the subject building.
- REC 6** - Oil stained hay bales were formerly located along the southwest subject property margin to collect oily run-off generated from parked vehicles and delivery trucks.
- REC 7** - Based on the results of the subsurface investigations completed by Clayton and GaiaTech, soil and groundwater contamination was identified above MDEQ GRCC, and the subject property met the definition of a facility.
- REC 8** - Based on AKT Peerless' site reconnaissance, file review completed at the Village of Dexter offices, and completion of a GPR survey of portions of the subject property, a 12,000-gallon #4 heating oil UST was discovered and removed on March 9, 2012. Based on the laboratory analytical results of the soil samples collected during the removal of the UST, contaminant concentrations of fluorene, phenanthrene, 2-methylnaphthalene, and/or naphthalene were detected above MDEQ GRCC from the soil samples collected beneath the former UST piping run (UST-1) and the stockpiled soil that was returned to the excavation (UST-2).
- REC 9** - During the completion of a subsurface investigation conducted in 2001 by Clayton, PCBs were detected above laboratory method detection limits at the SB-1, SB-2, SB-6, and SB-7 soil boring locations. Further, PCBs were detected above 1,000 parts per billion (ppb) at the SB-1 (10-12'), SB-2 (0-2'), and SB-7 (2-4') soil sample locations and above MDEQ GRCC (4,000 ppb) at the SB-1 soil boring location. The source of the PCBs was not determined.
- REC 10** - The southeastern adjoining property occupants have operated a gasoline filling station from the mid-1950s through the present day, and have stored significant quantities of gasoline, diesel fuel, kerosene, and generated and stored used oil in USTs. According to the EDR Report, two releases have been confirmed from the regulated UST systems currently and/or formerly located at the site. Response and corrective actions have not been completed and the site remains an "open" LUST site.

2.2.1.2 AKT Peerless' February 2015 Phase II ESA

On April 15, 2015, AKT Peerless conducted a Phase II ESA at the subject property for the following purposes: (1) evaluate for the presence of contamination on the subject property based on the RECs identified within AKT Peerless' March 2012 Phase I ESA; and (2) to obtain current data related to select

historical concentrations of contamination after learning during a meeting in the fall of 2014 with the client that the existing cap would be disturbed upon further redevelopment and that additional assessment was warranted to further define the extent of PCB impacted soils for the purpose of evaluating options related to the proposed redevelopment of the site, including potential remediation/engineering control activities, and/or the completion of a self-implementing cleanup of PCB impacted soils.

AKT Peerless conducted the following scope of work: (1) the advancement of 32 soil borings, (2) the collection of 136 soil samples, and (3) the submittal of 83 soil samples for laboratory analysis of PCBs. The results of the Phase II ESA investigation identified the following:

- AKT Peerless submitted 83 soil samples for laboratory analysis of PCBs. The results of the laboratory analyses of the soil samples did not indicate concentrations above laboratory analytical method detection limits in 82 of the 83 samples submitted for analysis. At only one location (AKT-32) were PCBs detected above laboratory analytical method detection limits (100 ppb) at a concentration of 320 ppb, however, this concentration is below the TSCA Risk Based Screening Levels of 1,000 ppb.
- Based on a review of previously completed environmental investigations of the subject property in conjunction with AKT Peerless' February 2015 Phase II ESA, the previously identified PCB soil contaminated soils could not be substantiated.

2.2.1.3 AKT Peerless' June 2015 Soil Gas Survey

In June 2015, AKT Peerless conducted a soil gas survey on behalf of MMB Equities, LLC to evaluate the potential vapor intrusion risk associated with the known occurrence of volatile organic compounds (VOCs) and polynuclear aromatic hydrocarbons (PNAs) in soil and/or groundwater beneath and adjacent to the subject buildings relative to the proposed development.

AKT Peerless installed six temporary soil gas sampling points near the location of the former 12,000-gallon heating oil underground storage tank (UST). Soil gas sampling was completed within a 100-foot radius of an area of known subsurface contamination where soil and/or groundwater contaminants exceed MDEQ soil and/or groundwater vapor intrusion screening values.

Soil gas screens were installed from approximately 2.5 feet to 3 feet below ground surface (bgs). Soil gas samples were collected from each location for analysis of VOCs and PNAs. These activities were conducted in general accordance with the MDEQ's Guidance Document for the Vapor Intrusion Pathway (May 23, 2013). Based on a review of the laboratory analytical report, several VOCs were identified in the soil gas samples at concentrations that exceed laboratory analytical method detection limits. None of the VOCs detected exceeded the MDEQ Non-Residential Vapor Intrusion Shallow Soil Gas (sub-slab) Screening Levels or 10% of the Non-Residential Screening Levels. PNAs were not detected in any of the soil gas samples at concentrations exceeding laboratory analytical method detection limits.

2.2.1.4 AKT Peerless' June 2016 Soil Gas Survey

Consistent with the recommendations following the June 2015 soil gas screening event, to further evaluate the potential for vapor intrusion related to the proposed residential redevelopment of the subject property, on June 21, 2016, AKT Peerless supervised the installation of 21 additional temporary soil gas sample points within the footprint of the proposed residential buildings.

A total of 21 soil gas screens were installed and one soil gas sample was collected from each location. Samples were submitted for laboratory analysis to determine presence and concentration of VOCs.

In summary, benzene was identified at only one of the 21 soil gas locations at a concentration that exceeded the residential vapor intrusion screening level. VOCs were identified at five locations at concentrations greater than 10% of the Residential screening levels, but below all Vapor Intrusion Screening Levels.

Based on the results of the investigation, AKT Peerless concluded that a vapor mitigation system would be necessary at one of the seventeen proposed residential buildings and additional monitoring would be necessary to demonstrate that the remaining VOCs do not represent a vapor intrusion threat to the potential residential occupants.

2.2.1.5 AKT Peerless' April 2017 Comprehensive Remedial Investigation

Based on a meeting with the MDEQ, it was conveyed that additional assessment of the soil, groundwater, and soil gas would be necessary to obtain additional data in areas of the site not previously investigated to eliminate some uncertainty related to exercising due care based on the proposed residential redevelopment.

During the week of February 20, 2017, AKT Peerless conducted a supplemental subsurface investigation at the subject property that included: (1) the advancement of 40 soil borings, (2) the installation of 7 temporary groundwater monitoring wells, (3) installation of 15 additional soil gas sample points, and (4) the collection and submittal of 39 soil samples, 7 groundwater samples, and 20 soil gas samples. The following is a summary of the analytical results.

Metals (i.e. arsenic, copper, mercury, selenium, and silver) were detected above MDEQ Residential Drinking Water Protection (DWP) Criteria, Groundwater Surfacewater Interface Protection (GSIP) Criteria and/or Direct Contact (DC) criteria in soil samples at the subject property.

In five of 39 soil samples submitted for laboratory analysis of SVOCs, concentrations exceeded the laboratory analytical method detection limit but were below the MDEQ RCC. In one sample, the concentration of 2-methylnaphthalene and phenanthrene were detected exceeding the MDEQ GSIP Criteria.

AKT Peerless submitted 39 soil samples for laboratory analysis of VOCs. At three locations, low levels of n-butylbenzene, ethylbenzene, or 1,1,1-trichloroethane were detected at concentrations exceeding the laboratory analytical method detection limit but below MDEQ RCC. At one soil boring location, concentrations of n-butylbenzene, naphthalene and 1,2,4-trimethylbenzene were detected at concentrations exceeding the Residential VISLs, GSIP and/or DWP Criteria.

AKT Peerless submitted 7 groundwater samples for laboratory analysis of VOCs. Concentrations of n-butylbenzene, 2-methylnaphthalene, n-propylbenzene, 1,2,3-trimethylbenzene, 1,2,4-trimethylbenzene, and 1,3,5-trimethylbenzene were detected exceeding Residential VISLs or GSIP Criteria.

AKT Peerless submitted 12 shallow (sub-slab) soil gas samples for analysis of VOCs. The results of the laboratory analyses of the soil gas samples did not indicate concentrations above residential VISLs (sub-slab) or at concentrations greater than 10% of the Residential VISLs in 10 of the 12 samples submitted for analysis. Benzene was the only contaminant detected at two locations at concentrations that exceed 10% of the Residential screening levels.

AKT Peerless submitted 8 additional soil gas samples for analysis of VOCs. These samples were collected from soil gas monitoring points at depths greater than the proposed elevation of the residential development based on the grading plan. The results of the analysis did not indicate concentrations above Residential VISLs (sub-slab) or at concentrations greater than 10% of the Residential VISLs in 7 of the 8 samples submitted for analysis. Benzene was the only contaminant detected at concentrations that exceed 10% of the Residential VISLs (sub-slab).

Based on a review of the subsurface investigations completed at the subject property, metals, PCBs, SVOCs, and VOCs have been identified in the soil and/or groundwater at concentrations that exceed the MDEQ Generic Residential Cleanup Criteria and the subject property meets the definition of a “facility” as defined by Public Act 451 of 1994, as amended.

2.2.2 Summary of Current Known Conditions

As demonstrated in the preceding section, the subject property has been thoroughly investigated to determine the soil, soil gas and groundwater quality that currently exist. The following sections summarize the current known conditions relative to applicable Part 201 residential cleanup criteria (RCC).

Based on the analytical results obtained during AKT Peerless’ most recent subsurface investigations of the subject property, the following hazardous substances were detected in soil and/or groundwater samples.

Summary of Part 201 Exceedances in Soil

Parameter (CAS Number)	Part 201 Generic Residential Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration (µg/kg) ⁽²⁾
Arsenic (7440-38-2)	DWP GSIP DC	SB-6 SB-7 DB-11 DB-12 AKT-1-Berm AKT-2-Berm AKT-3-Berm AKT-4 AKT-5-Berm AKT-6 AKT-7 AKT-9 AKT-15 AKT-18 AKT-19 AKT-20 AKT-21 AKT-22 AKT-23 AKT-24 AKT-27	14,000

Parameter (CAS Number)	Part 201 Generic Residential Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration (µg/kg) ⁽²⁾
		AKT-29 AKT-30 AKT-31 AKT-33 AKT-36	
Cadmium (7440-43-9)	GSIP	SB-7	5,400
Copper (7440-50-8)	GSIP	SB-6 SB-7 AKT-31	2,700,000
Mercury (7439-97-6)	GSIP	DB-11 AKT-1-Berm	260
Selenium (7782-49-2)	GSIP	AKT-20 AKT-25	640
Silver (7440-22-4)	DWP GSIP	SB-7 AKT-1-Berm AKT-2-Berm	25,000
Zinc (7440-66-6)	GSIP	SB-6 SB-7	2,200,000
Polychlorinated biphenyls (PCBs) (1336-36-3)	DC VISL	SB-1 SB-2 SB-7	6,100
Dibenzofuran (132-64-9)	VISL	AKT-37	450
Benzo(a)pyrene (50-32-8)	DC	SB-6	20,000
Benzo(b)fluoranthene (205-99-2)	DC	SB-6	29,000
Dibenzo(a,h)anthracene (53-70-3)	DC	SB-6	4,400
Fluoranthene (206-44-0)	GSIP	SB-6	25,000
Fluorene (86-73-7)	GSIP	UST-1	6,600

Parameter (CAS Number)	Part 201 Generic Residential Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration (µg/kg) ⁽²⁾
2-Methylnaphthalene (91-57-6)	GSIP VISL	UST-1 UST-2 AKT-37	53,000
Phenanthrene (85-01-8)	GSIP VISL	SB-6 UST-1 UST-2 AKT-37	25,000
n-Butylbenzene (104-51-8)	VISL	AKT-37	780
Naphthalene (91-20-3)	GSIP VISL	UST-1 UST-2 AKT-37	11,000
1,2,4-Trimethylbenzene (95-63-6)	DWP GSIP VISL	AKT-37	3,800

⁽¹⁾ - Sample identification: B-# indicates soil boring and (#-#) indicates sample depth in feet.

⁽²⁾ – µg/kg = micrograms per kilogram.

Summary of Part 201 Exceedances in Groundwater

Parameter (CAS Number)	Part 201 Generic Residential Cleanup Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration (µg/L) ⁽²⁾
Barium (7440-39-3)	GSI	SB-4	1,100
Chromium, Total (7440-47-3)	GSI	SB-3 DB-4	56
Copper (7440-50-8)	GSI	DB-4	14
Lead (7439-92-1)	DW	DB-4	13
Mercury, Total (7439-97-6)	GSIP	DB-4	0.5

Parameter (CAS Number)	Part 201 Generic Residential Cleanup Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration (µg/L) ⁽²⁾
Bis(2-Ethylhexyl)phthalate (117-81-7)	DW GSIP	SB-2	220
2-Methylnaphthalene (91-57-6)	GSIP VISV	AKT-37w	290
Phenanthrene (85-01-8)	GSIP	SB-5	5.2
n-Butylbenzene (104-51-8)	VISV	AKT-37w	2.8
1,1-Dichloroethane (75-34-3)	VISV	SB-3 SB-4 SB-5	6.9
Methyl-tert-butyl-ether (MTBE) (1634-04-4)	DW	SB-6	210
Naphthalene (91-20-3)	GSI VISV	AKT-37w	160
n-Propylbenzene (103-65-1)	VISV	AKT-37w	2.1
1,2,3-Trimethylbenzene (526-73-8)	VISV	AKT-37w	22
1,2,4-Trimethylbenzene (95-63-6)	GSI VISV	AKT-37w	47
1,3,5-Trimethylbenzene (108-67-8)	VISV	AKT-37w	11

⁽¹⁾ - Sample identification: B-# indicates soil boring and (#-#) indicates sample depth in feet.

⁽²⁾ – µg/L = micrograms per liter.

Summary of Part 201 Exceedances in Soil Gas

Parameter (CAS Number)	Part 201 Generic Residential Cleanup Criteria Exceeded	Sample Identification ⁽¹⁾	Maximum Concentration ($\mu\text{g}/\text{m}^3$) ⁽²⁾
Benzene (71432)	Vapor Intrusion Shallow Soil Gas Screening Levels	AKT-SG-2 VS-17	190

⁽³⁾ – $\mu\text{g}/\text{m}^3$ = micrograms per cubic meter.

DWP – Drinking Water Protection Criteria
 GSIIP – Groundwater Surfacewater Interface Protection Criteria
 GSI – Groundwater Surfacewater Interface Criteria
 VISL – Residential Vapor Intrusion Screening Levels
 VISV – Residential Vapor Intrusion Screening Values
 DC – Direct Contact Criteria

2.3 Functionally Obsolete

"Functionally obsolete" means that the subject property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the subject property itself or the subject property's relationship with other surrounding subject property.

A functionally obsolete designation has not been requested at this time.

2.4 Blighted

"Blighted" means property that meets any of the following criteria as determined by the governing body: (i) Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance. (ii) Is an attractive nuisance to children because of physical condition, use, or occupancy. (iii) Is a fire hazard or is otherwise dangerous to the safety of persons or property. (iv) Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use. (v) Is tax reverted property owned by a qualified local governmental unit, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a qualified local governmental unit, county, or this state after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of this act. (vi) Is property owned or under the control of a land bank fast track authority, whether or not located within a qualified local governmental unit. subject property included within a brownfield plan prior to the date it meets the requirements of this subdivision to be eligible property shall be considered to become eligible property as of the date the property is determined to have been or becomes qualified as, or is combined with, other eligible property. The sale, lease, or transfer of the property by a land bank fast track authority after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of this act.

(vii) Has substantial subsurface demolition debris buried on site so that the property is unfit for its intended use.

A blight designation has not been requested for the subject property at this time.

2.5 Adjacent and Contiguous

The City of Dexter is not considered a qualified local governmental unit as provided in Act 146 of 2000, as amended. The definition of “Eligible Property” in PA 381 of 1996, as amended, includes property that is not located in a qualified local governmental unit and is a facility, functionally obsolete, or blighted and includes parcels that are adjacent or contiguous to that property if the development of the adjacent and contiguous parcels is estimated to increase the captured taxable value of that property.

7905 and 7961 Grand Street and (no address) Baker Road

The parcels with addresses 7905 and 7961 Grand Street and (no address) Baker Road are adjacent or contiguous to the facility (7931 Grand Street). The development of these adjacent and contiguous parcels will increase the captured taxable value of the facility (7931 Grand Street). Therefore, the subject property is considered “Eligible Property” since it has been deemed a “facility” and is adjacent or contiguous to qualifying parcels and it is not located in a qualified local governmental unit.

3.0 Scope of Work

The following scope of work has been identified to address the subject property’s Brownfield conditions.

3.1 MDEQ Eligible Activities

The subject property will be prepared to make it suitable for development. Appropriate baseline environmental assessment (BEA) activities and due care activities have been and will be performed to prevent exposure to materials hazardous to human health and safety, and the environment. The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the subject property will be captured and used to reimburse the cost of the eligible activities completed on the subject property, as authorized by Act 381, as amended and pursuant to the terms of a Reimbursement Agreement (refer to Appendix C) with the Authority. Refer to Table 1 for a detailed description of the eligible activities for the Project and Table 2 for tax increment financing information.

3.1.1 Department Specific Activities

A Phase I ESA, Phase II ESA and a BEA have been completed for the subject property. Supplemental investigations (described in detail in section 2.2.1) have also been completed.

The following due care activities are necessary for redevelopment of the subject property. Due care activities include oversight, planning, soft costs and project management costs that are directly associated with the individual due care activities.

3.1.1.1 Due Care Planning

Phase I and Phase II ESAs have been completed for the subject property. A BEA was completed for the facility parcels on March 23, 2012. A due care plan has been completed for the existing use of the property. Documentation of Due Care Compliance (DDCC) is anticipated to be completed for each phase of the construction and for operation of the subject property post-construction.

The DDCC more commonly known as “due care” plans will be completed in accordance with Part 201 of the Natural Resources and Environmental Protection Act (NREPA), 1994 Public Act (PA) 451, as amended, and Michigan Department of Environmental Quality (MDEQ) Instructions for Preparing and Disclosing Baseline Environmental Assessments and Section 7a Compliance Analyses, effective March 11, 1999. The due care plans will document completed due care activities and evaluate the potential exposure risks associated with soil and groundwater contamination at the subject property in light of the nature of the proposed development construction activities and occupancy of the developed property. A detailed breakdown of the costs associated with this task is provided later in this section.

A summary of construction activities is anticipated to be included in the post-development DDCC which will be available to the MDEQ after completion of each phase of the development activities. The summary will include the due care issues addressed during the construction activities and may include such items as photographic documentation, disposal manifests, fill material load tickets, utility abandonment logs (if any), site plans, etc. to verify that the development construction activities were conducted in accordance with approved plans.

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

- Michigan Occupational Safety and Health Act;
- Section 111(c)(6) of CERCLA;
- Occupational Safety and Health Administration requirements 29 CFR 1910 and 1926;
- Standard Operating Safety Guide Manual (revised November 1984) by the Office of Emergency and Remedial Response; and
- Occupation Safety and Health guidance manual for Hazardous Waste Site Activities (NIOSH/OSHA/USCG/EPA, DHHS [NIOSH] Publication No. 85-115, October 1985).

The HASPs will include the following elements:

- Authorized personnel and definition of responsibilities;
- proposed activities;
- personal protective equipment;
- decontamination procedures;
- work zone restrictions and delineations;
- personal protection upgrade/downgrade action limits;
- emergency information and telephone numbers;
- incident documentation procedures; and
- contingency plans.

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

- The type, location, quantities, etc., of materials removed from the site and disposed at the landfill or other appropriately licensed disposal operation.

- The final disposition and location of any contaminated media that can be managed on-site in accordance with due care requirements.
- Characterization of excavated fill soil to determine if the soil will remain on-site.
- Monitoring for unanticipated materials and/or materials previously not identified, including collection of samples for additional waste characterization during demolition and construction activities, if necessary.
- The type, location, materials and construction of vapor mitigation systems installed at the site to prevent future potential indoor air inhalation exposures.

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

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

3.1.1.2 Incremental Sampling of Greenspace Areas

Arsenic was identified at concentrations above MDEQ Direct Contact Criteria. The Developer will engage an environmental consultant to complete incremental sampling of arsenic, PCBs, VOCs and PNAs, in the proposed green space areas on the subject property to ensure there is no threat to human health and safety. Incremental sampling will be completed as each phase of the project is completed. Refer to Figure 7 in the Appendices for a site map with proposed incremental sampling areas.

3.1.1.3 Pre and Post Construction Soil Gas Sampling Areas

To further evaluate potential VI concerns related to the proposed residential buildings that are not anticipated to have sub-slab depressurization (SSD) systems constructed, the Developer will engage an environmental consultant to collect soil gas data post grading and pre-construction as well as after construction to demonstrate that the contaminants (if any) do not represent a potential exposure risk.

~~3.1.1.3~~ 3.1.1.4 Greenspace Soil Management

If the results of the incremental sampling indicate that arsenic is present at concentrations that exceed the MDEQ DC Criteria, the soils will be excavated and transported to a landfill for disposal. An estimated 7,500 tons of contaminated soil in greenspace areas may require excavation and off-site disposal. The estimated cost includes excavation to a depth of 8", transportation and disposal, and backfill.

~~3.1.1.4~~ 3.1.1.5 Demarcation Barrier

If the analytical results of the incremental sampling reveal that concentrations of arsenic in the green space areas exceeds MDEQ DC, those soils will be excavated and disposed of at an appropriate landfill. After excavation, a demarcation barrier will be installed and the area will be backfilled with clean fill/soil to protect human health and safety.

3.1.1.5-3.1.1.6 PCB Removal EPA Work Plans

Previously identified PCB-impacted soils will be excavated and removed from the subject property. Two EPA-approved work plans for this activity will be prepared by an environmental consultant prior to excavation. One work plan is anticipated to be prepared for Area A and a second for Areas B and C.

3.1.1.6-3.1.1.7 Characterization for Landfill

If necessary, soils will be characterized prior to disposal at the landfill.

3.1.1.7-3.1.1.8 Soil Management – Targeted Remedial Excavation Areas

Based on previous environmental subsurface investigations, five excavation areas (refer to Figure 6 in the Appendices) have been targeted for remedial excavation. An environmental professional will oversee all excavation activities and collect soil verification samples in the excavation areas to verify the excavation boundaries. An environmental professional will also oversee all construction activities to ensure due care compliance. Costs have been included to complete on-site oversight, project management and reporting for these activities. All excavations will be completed by a licensed contractor.

PCB-Impacted Soil Management

Proposed excavation Areas A, B and C relate to areas on the subject property that are known to contain PCB-contamination. Approximately 275 tons will be excavated from Area A, approximately 1,250 tons will be excavated from Area B and approximately 550 tons will be excavated from Area C. All contaminated soil will be disposed at a licensed landfill. The estimated cost for this activity includes excavation, transportation, disposal and backfill.

Verification samples will be taken in Areas A, B and C and submitted for laboratory analysis to confirm the excavation boundaries.

Source Removal

Residual petroleum compounds were identified in the area of the former 12,000-gallon heating oil UST (Area D). Approximately 1,250 tons of contaminated soil will be excavated from this area of the subject property and will be disposed off-site to reduce the potential for additional mass leaching to the shallow water table aquifer. Removal of petroleum contaminated soils in this area will further assist in mitigating the vapor intrusion potential. The estimated cost for this activity includes excavation, transportation, disposal and backfill.

Large Pond

Historical subsurface sampling indicates that an area located along the western edge of the parking lot (Area E) appeared to be a collection point for surface run-off of materials historically stored south of the subject building. Based on a review of the laboratory analytical results of the samples collected in this area of the subject property, approximately 275 tons of contaminated soils will be excavated and disposed off-site to eliminate the potential for exposure and/or migration into the nearby Mill Creek Wetland. The estimated cost for this activity includes excavation, transportation, disposal and backfill.

An additional estimated 2,695 tons of soil will be excavated from Area E to form a retention pond for stormwater runoff collection. It is anticipated that these spoils will not be able to be reused on-site. The cost for transportation and off-site disposal for the 2,695 tons of soil is included in this work plan.

~~3.1.1.8~~ 3.1.1.9 Soil Management - Footings Spoils

An estimated 5,700 tons of soil will be excavated to install footings for the construction of Buildings N and O on the southern boundary of the subject property. The estimated cost for transportation and off-site disposal is included in this work plan.

3.1.1.10 Dewatering

To support the proposed construction activities, a temporary groundwater dewatering system will be installed during the excavation of subsurface soils and construction of the proposed building foundation and utility corridors, as necessary. Dewatering will be undertaken by jetted points, placement of temporary drain sumps or laterals, or a combination of each. The dewatering discharge will be disposed in accordance with all applicable rules and regulations. It is anticipated that up to 4,860,000 gallons of contaminated groundwater will be extracted and discharged to the municipal sanitary sewer. Water will be pre-treated on-site prior to discharge as necessary and required under the approved discharge permit. The discharge quality will be monitored to verify pre-treatment efficacy and compliance with any permits.

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~~3.1.1.9~~ 3.1.1.11 Storm Water Seals and Gaskets

Due to the contamination on the Property, chemical resistant utility seals and gaskets may be installed, as appropriate, to prevent exacerbation by infiltration into the storm water system.

3.1.1.10 ~~3.1.1.12~~ Vapor Mitigation Systems

As previously discussed in section 2.2, benzene was identified in soil gas samples collected at the subject property at concentrations above the shallow soil vapor intrusion screen level. The detections were identified in the central portion of the site in the general area of the former heating oil UST. Despite the proposed plan to excavate and remove petroleum impacted soils in the area of the former fuel oil UST during site redevelopment, the Developer intends to construct vapor mitigation systems in several of the proposed buildings in this area of the site as a presumptive remedy.

Active sub-slab depressurization (SSD) vapor mitigation systems are proposed for these selected buildings. The design parameters for the active SSD systems will include a mechanically induced -vacuum provided by in-line electric blowers. Each SSD system will be designed to provide a negative pressure differential -in the event of power failure (i.e., passive SSD). Components of the SSD systems will include perforated horizontal PVC pipe or pre-manufactured low-profile venting material installed within an aggregate sub-base, non-perforated PVC manifold materials/fittings, PVC vent stacks and wind turbine style rain caps. As part of performance monitoring, the sub-slab pressure differential will be measured throughout the footprint of each building equipped with a SSD system. -The Developer will also engage an environmental consultant to conduct SSC monitoring to determine the effectiveness of the engineering control. The estimated cost for this activity includes design and installation of the SSD system, vent riser installation, mobilization, testing and related soft costs.

3.1.2 Preparation of Brownfield Plan and Act 381 Work Plan

AKT Peerless has prepared a Brownfield Plan and MDEQ Act 381 Work Plan for the subject property in accordance with all applicable MDEQ guidance

3.2 Local-Only Eligible Activities

3.2.1 Excavation (Basements)

An estimated 8,395 tons of soil and fill material will be excavated for the construction of the basements of the two new residential homes on the southern edge of the subject property boundary and removal of fill material in the large pond. The estimated cost is for excavation only.

3.2.2 Backfill & Compaction

An estimated 3,000 tons of clean fill material will be imported to the subject property to backfill areas where unstable fill material was excavated.

3.2.3 Demolition

All existing development on the subject property will be demolished to prepare the site for new construction. Demolition will likely occur in phases. Included in the estimated cost are: the cost for preparing bid documents, building demolition, site demolition, on-site oversight of demolition activities and project management.

3.2.4 Lead & Asbestos Survey & Abatement

A pre-demolition asbestos and hazardous materials survey has already been completed for the subject property. An estimated 1,260 square feet of asbestos containing materials will need to be safely removed from the subject buildings prior to demolition. Included in the estimated cost for this activity are on-site oversight of activities, project management and reporting.

4.0 Schedule and Costs

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

4.1 Schedule of Activities

Project activities will commence in the fall of 2017 following the Washtenaw County Brownfield Redevelopment Authority and MDEQ approval. Completion of the Project is anticipated to be within approximately 5 years.

4.2 Estimated Costs

The itemized estimated costs to complete the environmental including all labor, equipment, subcontractors, and materials under this Act 381 Work Plan is provided in Section 4.2.1 below and in the attached Table 1. Actual interest associated with the eligible activities not to exceed 5% simple interest on unreimbursed eligible activities to address the true cost of conducting the eligible activities associated with the development of this site is also included.

4.2.1 Description of MDEQ Eligible Activities Costs

The estimated cost for the activities plus contingency, fees, and interest described in this section is ~~\$2,206,2584,909,820~~. The Developer desires to be reimbursed for the costs of eligible activities. Individual costs associated with these activities are provided in the table below. See Table 1 for further details.

4.2.2 Contingency

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

MDEQ Eligible Activities

Eligible Activity	Total Est. Cost
Department Specific Activities	
Phase I ESA	\$2,350
Phase II ESA	\$31,005
BEA	\$4,000
Soil Gas Investigation	\$20,000
Site-Specific Health and Safety Plan	\$5,000
Additional Subsurface Investigation - (PCB and Other Areas)	\$50,000
Documentation of Due Care Compliance (DDCC) (Three Reports by Phase)	\$15,000
Construction Management Plan	\$5,000
Due Care Planning	\$9,000
Incremental Sampling of greenspace areas for Arsenic, <u>PCBs, VOCs and PNAs</u> (Phase I, II, III)	\$35,000 <u>\$50,000</u>
Greenspace Soil Management (E, T, D, & B) (8" removal and fill)	\$300,000
Demarcation Barrier	\$56,850
PCB Removal EPA Work Plan (2 - 1 for areas B/C and 1 for A)	\$10,000
Characterization for Landfill (if necessary)	\$15,000
PCB-Impacted Soil Management (E, T, D & B) (Areas A, B & C)	\$83,000
Soil Remediation Verification Samples for PCB	\$6,000
Source Removal - Excavation Area D - E, T, D & B	\$50,000
Soil Management - Excavation Area E (E, T, D & B) (Large Pond)	\$11,000
Soil Management -(T & D) (Large Pond)	\$80,850

Eligible Activity	Total Est. Cost
Soil Remediation Verification Samples	\$5,000
Soil Management (Building Footings for N & O) T&D	\$171,000
Storm Water Seals and Gaskets	\$16,000
<u>Dewatering Disposal (300 gpm for 45 days)</u>	<u>\$24,300</u>
<u>Dewatering Permitting, Pre-Treatment (if required), Analytical and Reporting</u>	<u>\$15,000</u>
On-Site Due Care Oversight for Soil Management (Phase I and II)	\$40,500
On-Site Planning, Evaluation & Supervision During Due Care Activities	\$20,000
Field Oversight During Construction Activities	\$40,500
Vapor Mitigation System (VMS)	
VMS: active sub slab depressurization (7)	\$92,250
VMS: vent riser installations (14)	\$21,000
VMS: mobilization (7)	\$17,500
One Year of VMS Testing (post-installation - 4)	\$40,000
One Year of VMS Testing (post-installation - 3)	\$30,000
VMS Design (4)	\$40,000
<u>Pre and Post Construction Soil Gas Testing for Buildings w/o VMS</u>	<u>\$27,500</u>
Due Care - Administrative Project Management	\$4,630
Subtotal of Environmental Eligible Activities	\$1, 409,235 <u>27,435</u>
Contingency (A 15% contingency factor has been included to accommodate unexpected conditions that may be encountered during redevelopment)	\$202,19,782 <u>512</u>
Brownfield Plan & Act 381 Work Plan Prep	\$25,000
Subtotal	\$1, 637,017 <u>542,947</u>
Interest	\$389,241 <u>66,873</u>

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Eligible Activity	Total Est. Cost
Total MDEQ Eligible Activities	\$ 2,026,2584,909,820

5.0 Project Costs and Funding

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

5.1 Total Estimated Project Costs

The total costs of eligible activities under this Act 381 Work Plan are provided in Table 1. The Developer anticipates making an investment of up to \$25 million in real and personal property improvements on the subject property.

5.2 Sources and Uses of Funds

The Developer anticipates investment of approximately \$25 million in real property improvements on the subject property including acquisition of the land. Redevelopment of the subject property is expected to subsequently generate increases in taxable value and result in incremental taxable value beginning in 2018. The initial taxable value for the brownfield plan will be the subject property's 2016 assessment, because the brownfield plan received final approval in 2016. Tax increment revenue will be utilized to reimburse the cost of eligible activities. Table 2 provides an estimate of tax increment revenue. The Developer will finance all eligible activities under this Act 381 Work Plan related to improvements on the subject property.

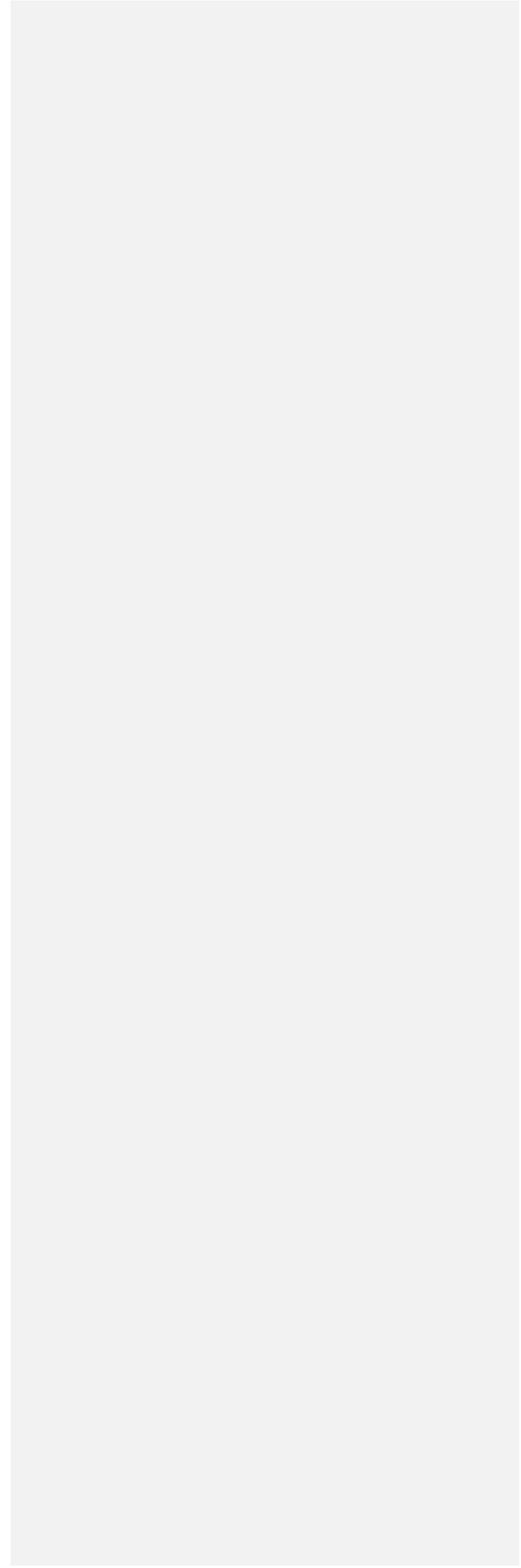
6.0 Limitations

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

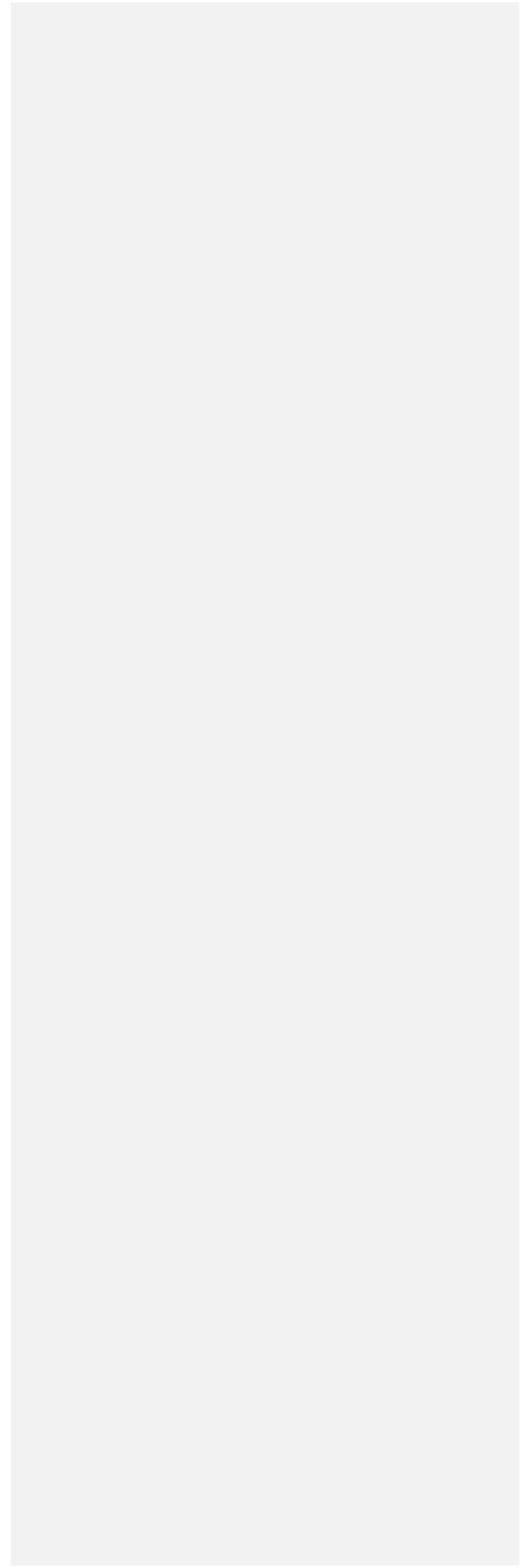
The incremental tax revenue estimates for the proposed development could vary from this estimate affecting the time period it takes to reimburse the eligible activities. The cost estimates included within this Act 381 Work Plan are just that—estimates—and the actual costs incurred may vary depending on site conditions. If in fact the eligible activity costs exceed the estimated amount for reimbursement, the Developer and the Authority may submit an amended Brownfield Plan and Act 381 Work Plan. Please reference the Brownfield Plan in Appendix A for additional information.

All reimbursements authorized under this Act 381 Work Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Act 381 Work Plan are intended to authorize the Authority to fund such reimbursements and does not obligate the Authority or the County to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Act 381 Work Plan, or which are permitted to be reimbursed under this Act 381 Work Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Act 381 Work Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Act 381 Work Plan, will be provided solely under the Reimbursement Agreement contemplated by this Act 381 Work Plan.

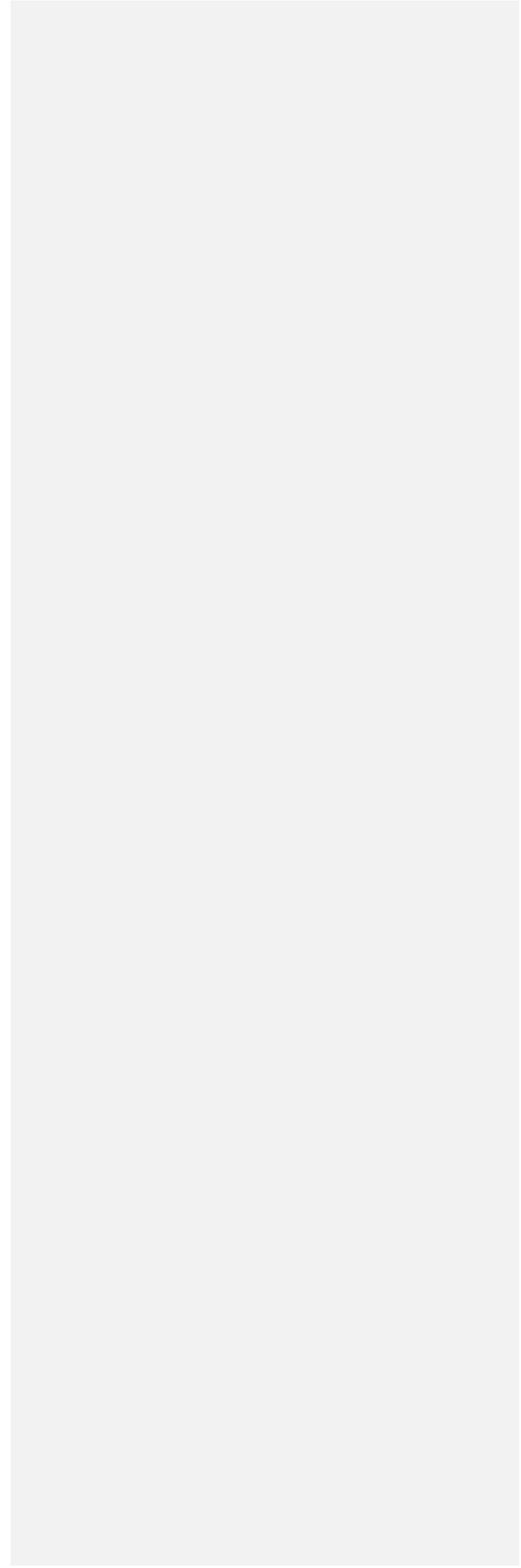
Figures



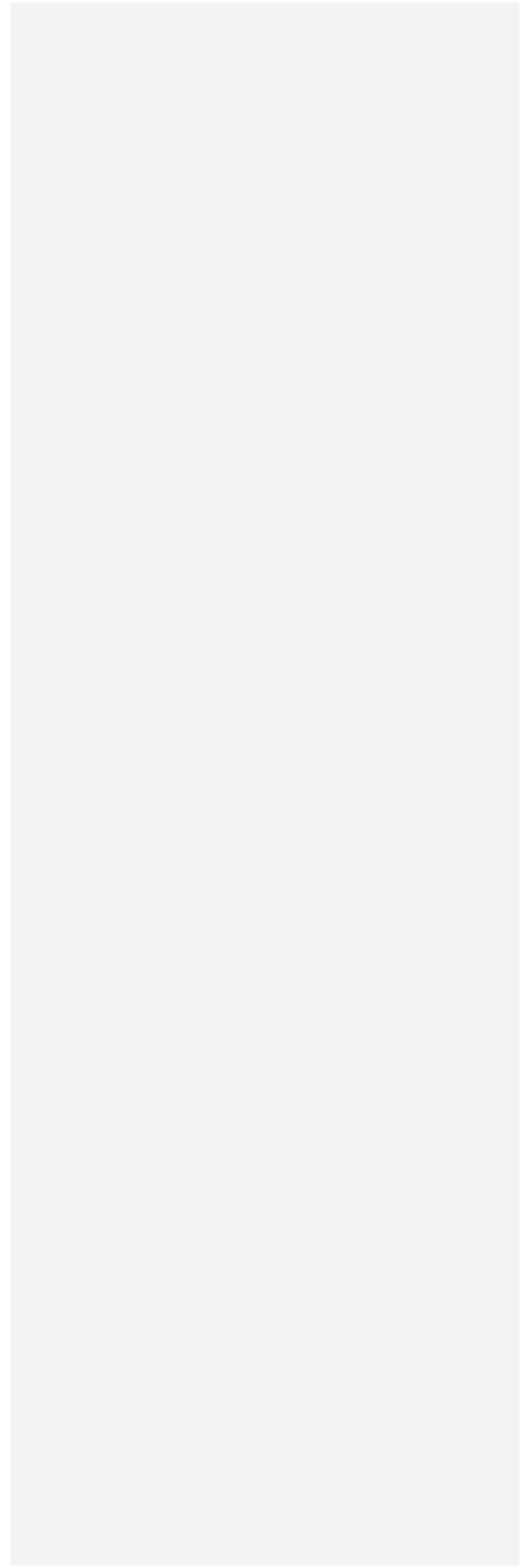
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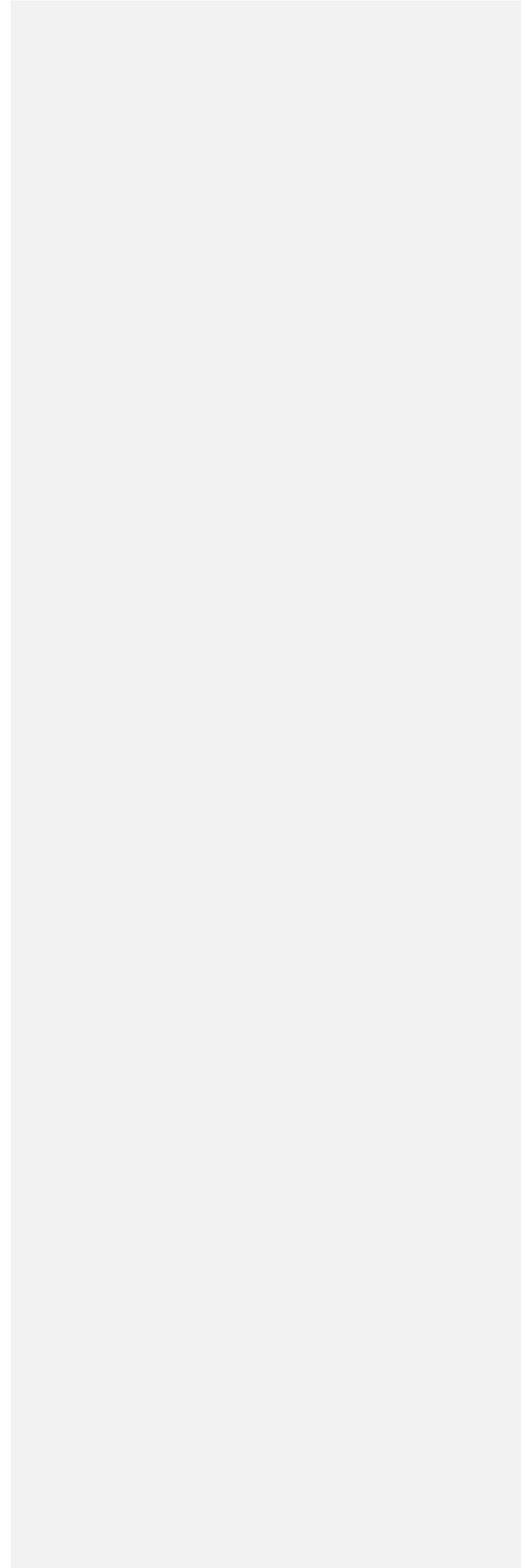
Appendix A
Brownfield Plan



Appendix B
Resolutions



Appendix C
Executed Reimbursement Agreement



Appendix D
Supplemental Material

