

Dexter, Michigan  
Downtown Development Authority

MEETING NOTICE

**NOVEMBER 15, 2012**

**7:30 AM**

**DEXTER SENIOR CENTER  
7720 ANN ARBOR STREET  
DEXTER, MICHIGAN 48130**

# Dexter Downtown Development Authority

Meeting Agenda

November 15, 2012 <> 7:30 AM

**Dexter Senior Center**

7720 Ann Arbor Street

Dexter, MI 48130

1. Call to Order:

2. Roll Call

Bellas, Rich

Brouwer, Steve

Covert, Tom

Darnell, Don

Finn, Doug

Jones, Carol

Keough, Shawn

Lundy, Dick

Model, Fred

O'Haver, Dan

Schmid, Fred

Willis, Randy

3. Approval of Minutes from October 18, 2012:

4. Approval of Agenda:

5. Arranged Audience Participation:

6. Non-Arranged Citizen Participation:

7. Treasurer's Report: **SENT IN SEPARATE EMAIL**

a) Invoices: PNC Bank-Bond Payment **\$39,151.92**

Approve after payment because of invoice due date.

b) Approval of Treasurer's Report- October

8. Correspondence / Communications: None

9. Action Items:

a) Extension of the Mill Creek Terrace Development Agreement

b) Accept Membership Roster for 2013

10. Discussion and Updates:

a) Broad Street Redevelopment Update-

11. Village Reports:

- a) President
- b) Staff Update

12. Chairman's Report:

Items for December Agenda:

- CIP 2012-2017 Review
- 

13. Non-Arranged Citizen Participation:

14. CLOSED SESSION FOR THE PURCHASE OF PROPERTY MCL 15.268 Sec. 8

15. Adjournment

# Dexter Downtown Development Authority

October 18, 2012 <> 7:30 AM

**Dexter Senior Center**  
7720 Ann Arbor Street  
Dexter, MI 48130

## MINUTES

1. Call to Order: Called to order at 7:31 by Chairman Steve Brouwer.

2. Roll Call

Bellas, Rich	Brouwer, Steve	Covert, Tom
Darnell, Don	Finn, Doug	Jones, Carol
Keough, Shawn	Lundy, Dick-ab	Model, Fred
O'Haver, Dan-ab	Schmid, Fred-ab	Willis, Randy

Also in attendance: Donna Dettling, Dexter Village Manager; Scott Munzel, DDA Attorney; and Brian Kuberski of ASTI

3. Approval of Minutes from September, 20, 2012: Motion by Tom, second by Don to approve the minutes of September 20, 2012 as presented. Motion carries.

4. Approval of Agenda: Motion by Fred M, second by Doug to approve the agenda as presented. Motion carries.

5. Arranged Audience Participation: None

6. Non-Arranged Citizen Participation: None

7. Treasurer's Report:

a) Invoices: # 802463400 to US Bank for \$61,273.13 and # 802503000 to US Bank for \$47,689.38. Motion by Shawn, second by Randy to pay the two invoices to US Bank for the total amount of \$109,062.51

b) Approval of Treasurer's Report: Motion by Shawn, second by Rich to accept the Treasurer's Report for October as presented. Motion carries.

8. Correspondence / Communications: None

9. Action Items: None

10. Discussion Updates:

a) Broad Street Redevelopment Update – Tom Colis was contacted regarding the taxable bond on the property and reported that if the revenue drops below \$80,000 on the property this bond can be refinanced to a non-taxable bond.

11. Village Reports:

- a) President - Shawn reported on two tours of Mill Creek Park that he conducted on Friday, September 28 to the President of the Village of Pinckney and representatives of the MDEQ. Shawn thanked the DDA for their cooperation on this project and the work done on Forest and Jeffords Streets. The contractor for the park project is still working at finishing the project.
- b) Staff Support Update – Items for the November Agenda:
  - DDA Reappointments
  - 2012-2017 CIP Review

12. Chairman's Report: None

13. Non-Arranged Citizen Participation: None

14. CLOSED SESSION FOR THE PURPOSE OF DISCUSSION OF POTENTIAL PROPERTY PURCHASE IN ACCORDANCE WITH MCL 15.268 Sec. 8

Motion Doug and second Fred M to move into Closed Session at 7:41 AM for the purpose of discussion of potential property purchase in accordance with MCL 15.268 Sec. 8.

Ayes: Rich Bellas, Steve Brouwer, Tom Covert, Don Darnell, Doug Finn, Carol Jones, Shawn Keough, Fred Model and Randy Willis

Nays: None

Absent: Dick Lundy, Dan O'Haver, and Fred Schmid

Motion carries

Shawn Keough left the meeting at 8:30 AM.

Motion Doug and second Tom to leave closed session at 8:43 AM.

Motion carries

15. Adjournment: Motion by Fred M and second by Don to adjourn the meeting at 8:43 AM. Motion carries.

Respectfully submitted,

Carol Jones  
Secretary

PNC BANK, N.A.  
 P O BOX 340777  
 PITTSBURGH PA 15230-7777

0009181



Commercial Loan Statement

Direct any questions regarding your statement to the above address.

Portfolio	Obligation	Obligor	Interest Paid Year to Date
010	605163477	34239695	9,027.00
Maturity Date	Billed Date	Due Date	Total Amount Due
05/01/20	10/17/12	11/01/12	39,151.92

VILLAGE OF DEXTER  
 8140 MAIN STREET  
 DEXTER MI 48130

Payment must be made in the amount indicated in the "Total Amount Due" section above to avoid additional interest and/or delinquency charges.

**Loan Summary**

Previous Interest Due	Interest Debits and Credits	Current Interest Due	Total Interest Due	Total Fees Due
9,027.00	9,027.00-	8,151.92	8,151.92	0.00
Previous Principal Due	Principal Debits and Credits	Current Principal Due	Total Principal Due	Total Late Charges Due
59,000.00	59,000.00-	31,000.00	31,000.00	0.00

**Activity Detail**

Date	Tran Description	Interest Rate	Fee Amount	Principal Amount	Principal Balance	Days	Interest
05/01/12	Balance Forward	2.950000			612,000.00		9,027.00
04/30/12	Interest Paymt	2.950000			612,000.00		9,027.00
04/30/12	Principal Paymt	2.950000		59,000.00-	553,000.00		
05/01/12	Adjustment				553,000.00		4.83
11/01/12	Int. Accrual	2.950000			553,000.00	180	8,156.75

*394-850.000-997.005  
 ma*

Please return this portion with payment. Make check payable to "PNC Bank".

**PNC Bank Commercial Loan Statement**

VILLAGE OF DEXTER

PNC BANK, N.A.  
 COMMERCIAL LOAN OPERATIONS  
 P O BOX 747046  
 PITTSBURGH PA 15274-7046

Interest Due	Principal Due	Due Date
8,151.92	31,000.00	11/01/12
Fees Due	Late Charges Due	Total Amount Due
0.00	0.00	39,151.92
Portfolio	Obligation	Obligor
010	605163477	34239695

Amount Paid

201000100605163477342396954000039151923

**DDA Cash Balances Report  
10-31-12**

<b>Fund</b>	<b>Account Name</b>	<b>General Ledger Balance</b>	<b>Notes</b>
248 - DDA General	DDA Pooled Account	\$ 184,258.03	
394 - DDA Debt	DDA Pooled Account	\$ 1,241.39	
494 - DDA Project	DDA Pooled Account	\$ 4,000.00	
	<b>Total DDA Pooled Account</b>	<b>\$ 189,499.42</b>	
394 - DDA Debt	Ann Arbor State Bank CD	\$ 80,626.51	For State Issue - Matures 12/3/2012 @ .50%
394 - DDA Debt	Ann Arbor State Bank CD	\$ 120,682.26	For 5/13 Bond Payment - Matures 11/20/2012 @ .50%
394 - DDA Debt	United Bank CD	\$ 127,096.40	For 11/13 Bond Payment - Matures 5/22/2013 @ .3%
	<b>Total Certificates of Deposit</b>	<b>\$ 328,405.17</b>	
Total General Cash		\$ 184,258.03	
Total Debt Cash		\$ 329,646.56	
Total Project Cash		\$ 4,000.00	
Total Bond Project Cash		\$ -	
		<b>\$ 517,904.59</b>	
Month End Cash		\$ 517,904.59	
Reserved for State Capture Refund		\$ (80,000.00)	
Projected FY 12/13 Revenue All Funds		\$ 626,130.13	
Projected FY 12/13 Expenditures All Funds		\$ (507,803.95)	
Due to Other Units		\$ -	
<b>Projected Year End Cash</b>		<b>\$ 556,230.77</b>	<b>FY 12/13 Bond Payments = \$335,909</b>

PERIOD ENDING 10/31/2012

GL NUMBER	DESCRIPTION	2012-13 ORIGINAL BUDGET	2012-13 AMENDED BUDGET	END BALANCE 10/31/2012 ONTH 10/31/2012 ONTH 10/31/2012	ACTIVITY FOR INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDDT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY							
Revenues							
Dept 000.000-ASSETS, LIABILITIES & REVENUE							
248-000.000-415.000	TAX CAPTURE REVENUE	363,700.00	363,700.00	266,864.90	61,012.47	96,835.10	73.38
248-000.000-665.000	INTEREST EARNED	500.00	500.00	114.72	62.23	385.28	22.94
248-000.000-665.003	DAPCO CD INTEREST	266,900.00	266,900.00	0.00	0.00	266,900.00	0.00
248-000.000-667.000	RENTS (GENERAL)	38,000.00	38,000.00	0.00	0.00	38,000.00	0.00
248-000.000-671.000	OTHER REVENUE	0.00	0.00	1,368.52	0.00	(1,368.52)	100.00
Total Dept 000.000-ASSETS, LIABILITIES & REVENUE							
		669,100.00	669,100.00	268,348.14	61,074.70	400,751.86	40.11
TOTAL Revenues							
		669,100.00	669,100.00	268,348.14	61,074.70	400,751.86	40.11
Expenditures							
Dept 248.000-ADMINISTRATION							
248-248.000-803.000	CONTRACTED SERVICES	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00
248-248.000-820.000	PLANNING CONSULTING	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00
248-248.000-880.000	DOWNTOWN EVENTS	500.00	500.00	0.00	0.00	500.00	0.00
248-248.000-935.002	DAPCO BUILDING MAINTENANCE	40,258.00	40,258.00	0.00	0.00	40,258.00	0.00
248-248.000-957.002	DDA CAPTURE REFUNDS	5,000.00	5,000.00	0.00	0.00	5,000.00	0.00
Total Dept 248.000-ADMINISTRATION							
		49,258.00	49,258.00	0.00	0.00	49,258.00	0.00
Dept 442.000-DOWNTOWN PUBLIC WORKS							
248-442.000-803.015	VILLAGE MAINTENANCE	7,500.00	7,500.00	0.00	0.00	7,500.00	0.00
248-442.000-970.000	CAPITAL IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 442.000-DOWNTOWN PUBLIC WORKS							
		7,500.00	7,500.00	0.00	0.00	7,500.00	0.00
Dept 965.000-TRANSFERS OUT - CONTROL							
248-965.000-999.394	TR OUT FOR BOND PAYMENTS - 394	342,000.00	342,000.00	149,500.00	149,000.00	192,500.00	43.71
248-965.000-999.494	TR TO DDA PROJECT FUND - 494	32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
Total Dept 965.000-TRANSFERS OUT - CONTROL							
		374,500.00	374,500.00	149,500.00	149,000.00	225,000.00	39.92
TOTAL Expenditures							
		431,258.00	431,258.00	149,500.00	149,000.00	281,758.00	34.67
Fund 248:							
TOTAL REVENUES							
		669,100.00	669,100.00	268,348.14	61,074.70	400,751.86	40.11
TOTAL EXPENDITURES							
		431,258.00	431,258.00	149,500.00	149,000.00	281,758.00	34.67
NET OF REVENUES & EXPENDITURES							
		237,842.00	237,842.00	118,848.14	(87,925.30)	118,993.86	49.97

GL NUMBER	DESCRIPTION	2012-13 ORIGINAL BUDGET	2012-13 AMENDED BUDGET	END BALANCE 10/31/2012 NCRM (ABNORM)	ACTIVITY FOR 10/31/2012 INCR (DECR)	AVAILABLE BALANCE NCRM (ABNORM)	% BDTG USED
<b>Fund 394 - DDA DEBT FUND</b>							
<b>Revenues</b>							
Dept 000.000-ASSETS, LIABILITIES & REVENUE							
394-000.000-665.000	INTEREST EARNED	1,000.00	1,000.00	621.73	4.37	378.27	62.17
394-000.000-671.000	OTHER REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
394-000.000-695.248	TRANSFER IN FROM DDA FUND 248	342,000.00	342,000.00	149,500.00	149,000.00	192,500.00	43.71
	<b>Total Dept 000.000-ASSETS, LIABILITIES &amp; REVENUE</b>	<b>343,000.00</b>	<b>343,000.00</b>	<b>150,121.73</b>	<b>149,004.37</b>	<b>192,878.27</b>	<b>43.77</b>
<b>TOTAL Revenues</b>							
		<b>343,000.00</b>	<b>343,000.00</b>	<b>150,121.73</b>	<b>149,004.37</b>	<b>192,878.27</b>	<b>43.77</b>
<b>Expenditures</b>							
Dept 850.000-LONG-TERM DEBT							
394-850.000-992.000	BOND FEES	1,000.00	1,000.00	0.00	0.00	1,000.00	0.00
394-850.000-997.001	DDA 2001 BOND (\$900K)	0.00	0.00	0.00	0.00	0.00	0.00
394-850.000-997.003	DDA 2008 TAXABLE BOND (\$1.6M)	138,653.00	138,653.00	61,273.13	61,273.13	77,379.87	44.19
394-850.000-997.004	DDA 2008 BOND (\$2+M)	121,279.00	121,279.00	47,689.38	47,689.38	73,589.62	39.32
394-850.000-997.005	2011 REFUNDING BOND (\$620K)	80,728.38	80,728.38	39,151.92	39,151.92	41,576.46	48.50
	<b>Total Dept 850.000-LONG-TERM DEBT</b>	<b>341,660.38</b>	<b>341,660.38</b>	<b>148,114.43</b>	<b>148,114.43</b>	<b>193,545.95</b>	<b>43.35</b>
<b>TOTAL Expenditures</b>							
		<b>341,660.38</b>	<b>341,660.38</b>	<b>148,114.43</b>	<b>148,114.43</b>	<b>193,545.95</b>	<b>43.35</b>
<b>Fund 394:</b>							
	<b>TOTAL REVENUES</b>	<b>343,000.00</b>	<b>343,000.00</b>	<b>150,121.73</b>	<b>149,004.37</b>	<b>192,878.27</b>	<b>43.77</b>
	<b>TOTAL EXPENDITURES</b>	<b>341,660.38</b>	<b>341,660.38</b>	<b>148,114.43</b>	<b>148,114.43</b>	<b>193,545.95</b>	<b>43.35</b>
	<b>NET OF REVENUES &amp; EXPENDITURES</b>	<b>1,339.62</b>	<b>1,339.62</b>	<b>2,007.30</b>	<b>889.94</b>	<b>(667.68)</b>	<b>149.84</b>

GL NUMBER	DESCRIPTION	2012-13 ORIGINAL BUDGET	2012-13 AMENDED BUDGET	END BALANCE 10/31/2012 ONTH 10/31/2012	ACTIVITY FOR INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDTG USED
Fund 494 - DDA PROJECT FUND							
Revenues							
Dept 000.000-ASSETS, LIABILITIES & REVENUE							
494-000.000-695.248	TRANSFER IN FROM DDA FUND 248	32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
Total Dept 000.000-ASSETS, LIABILITIES & REVENUE		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
TOTAL Revenues							
32,500.00		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
Expenditures							
Dept 248.000-ADMINISTRATION							
494-248.000-820.000	PLANNING CONSULTING	0.00	0.00	0.00	0.00	0.00	0.00
Total Dept 248.000-ADMINISTRATION		0.00	0.00	0.00	0.00	0.00	0.00
Dept 908.000-TUPPER REDEVELOPMENT							
494-908.000-830.000	ENGINEERING CONSULTING	13,500.00	13,500.00	0.00	0.00	13,500.00	0.00
494-908.000-830.008	ENVIRONMENTAL STUDY	19,000.00	19,000.00	0.00	0.00	19,000.00	0.00
Total Dept 908.000-TUPPER REDEVELOPMENT		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
TOTAL Expenditures							
32,500.00		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
Fund 494:							
TOTAL REVENUES							
32,500.00		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
TOTAL EXPENDITURES							
32,500.00		32,500.00	32,500.00	0.00	0.00	32,500.00	0.00
NET OF REVENUES & EXPENDITURES							
0.00		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES - ALL FUNDS							
1,044,600.00		1,044,600.00	1,044,600.00	418,469.87	210,079.07	626,130.13	40.06
805,418.38		805,418.38	805,418.38	297,614.43	297,114.43	507,803.95	36.95
239,181.62		239,181.62	239,181.62	120,855.44	(87,035.36)	118,326.18	50.53

# **VILLAGE OF DEXTER**

8140 Main Street Dexter, MI 48130-1092

[ddettling@villageofdexter.org](mailto:ddettling@villageofdexter.org)

Phone (734)426-8303

Fax (734)426-5614

## **MEMO**

**To: DDA Board**  
**From: Donna Dettling, Village Manager**  
**Date: November 15, 2012**  
**Re: Extension of Mill Creek Terrace Development Agreement**

Attached are several documents related to the extension of the Mill Creek Terrace Development Agreement and Site Plan.

First, the Planning Commission at their meeting on November 5, 2012 approved the applicant's request to extend the site plan for 2 years, to December 1, 2014. Attached is a copy of the memorandum of action by the Planning Commission and a copy of the applicant's letter requesting the extension. As the Planning Commission's action is a recommendation to Village Council; this item will be on the Council's agenda at the November 26, 2012 meeting for final approval.

Second, are documents related to the Development Agreement entered into between the DDA and Schulz Development and Consulting LLC, in 2007. Below is a list of the documents provided for your review.

- Proposed: Third Amendment to the Development Agreement
- Second Amendment to the Development Agreement, approved November 18, 2010.
- First Amendment to the Development Agreement, approved November 19, 2009.
- Development-Purchase/Sales Agreement, approved May 8, 2008.

These documents are provided for your review, as many of you may not have seen them before. The DDA is being asked to approve a 3<sup>rd</sup> amendment to the Development Agreement.



## Memorandum

To: Village Council  
Donna Dettling, Village Manager  
From: Laura Kreps, AICP, Planning Consultant  
Re: Mill Creek Terrace final site plan extension request  
Date: November 6, 2012

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Attached is a request submitted by Schulz Development and Consulting LLC, owner of the proposed Mill Creek Terrace, for extension of the final site plan for the Mill Creek Terrace building, 8140 Forest Street.

### ORDINANCE EXCERPT

Pursuant to Article 21, Section 21.04E9, Final Site Plan Review, Extensions of Time Limits: Time limits set forth in this article may be extended upon showing of good cause, and by written agreement between the petitioner and the **recommendation of the Planning Commission and approval by Village Council.**

### PLANNING COMMISSION ACTION

On November 5 the Planning Commission moved to recommend extension of the site plan to December 1, 2014 based on the economic conditions. The DDA will discuss extending the Development Agreement at their November 15, 2012 meeting.

### REVIEW

The Mill Creek final site plan was originally approved by the Village Council on November 26, 2007. Article 21, Site Plan Review and Approval states that all final site plans are valid for two (2) years. Additional extensions were granted to the applicant in December 2009 and 2010 making the applicant's current site plan expire on December 1, 2012. The applicant was granted a one year extension by the DDA for the Development agreement at that time. The applicant's second site plan extension request was for two (2) years until December 2012. The DDA also granted the applicant for the development agreement at that time for the same period.

This is the applicant's third site plan extension request. The applicant is requesting a 2-year extension, until December 1, 2014.

### RECOMMENDATION

The applicant has requested a site plan extension for 2 years, to December 1, 2014, given the current economy and difficulty obtaining project financing. The applicant has indicated that they are still interested in completing the project and are not interested in selling the property at this time. The applicant hopes to be under construction in 2013.

The DDA has also in the past, extended the development agreement until December 1, 2012, which obligates the applicant to completion of the building shell and exterior site construction by that time. The DDA will consider extending the development agreement to coincide with the site plan extension at their November meeting.

Please feel free to contact me prior to the meeting with questions.

Thank you.

### **SUGGESTED MOTION**

Based on the information provided by the applicant and the provisions set forth in Section 21.04(E)9, Site Plan Extensions and the Planning Commission's recommendation the Village Council moves to (APPROVE/DENY) the applicant's request to extend the Mill Creek Terrace final site plan (until December 1, 2014) based on the following:

- List Reasons for Approval  
OR
- List Reasons for Denial



October 16, 2012

Ms. Laura Kreps  
Carlisle/Wortman Associates, Inc.  
C/O Village of Dexter  
8140 Main Street  
Dexter, MI 48130-1092

Re: Site Plan Extension for the Mill Creek Terrace Building

Dear Laura,

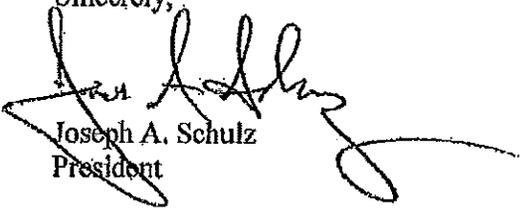
I am writing to request that the current site plan for the Mill Creek Terrace building be extended for a period of two additional years.

The project has incurred continued delays due to the economic downturn and the difficulty in obtaining financing for the project. We currently have commitments for 20% of the building. The real estate market and the economy seem to be getting stronger, although slowly, and we are diligently working to finalize commitments with other interested parties which may allow us to obtain financing and begin construction in 2013.

We greatly appreciate your consideration of our request for the above mentioned site plan extension for our development.

If you have any questions with the above information please feel free to contact me.

Sincerely,

  
Joseph A. Schulz  
President

## THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

### Mill Creek Building Project

This Third Amendment to Development Agreement ("Third Amendment") is made November 15, 2012, by and between the Dexter Downtown Development Authority, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130 ("DDA"); and Mill Creek Terrace, LLC, a Michigan limited liability company, whose address is 150 S. Fifth Avenue, Suite 203, Ann Arbor, Michigan 48104 ("Developer"). (The DDA and Developer are collectively referred to as the "Parties.")

#### Recitals

- A. The Developer and the DDA entered into a Development Agreement, dated May 8, 2008, related to land and a development project located in the Village of Dexter (the "Agreement").
- B. The Agreement contained a schedule for tasks to be completed by both the DDA and the Developer; not all such tasks have been completed within the schedule.
- C. The Parties desire to extend the schedule for all uncompleted tasks, upon the terms contained in this First Amendment.

#### Agreement to Amend

THEREFORE, based upon the Recitals and for valuable consideration, the sufficiency and receipt of is acknowledged, the Parties agree to amend the Agreement on the following terms:

- 1. **Project Schedule.** Section 2 of the Agreement shall be amended as follows:
  - 2.1 Developer shall commence construction on the Project within 90 days after the later of: 1) the Effective Date of this Agreement; 2) the conveyance of the Village Property to Developer; or 3) the date Developer obtains financing for the Project. Developer shall complete construction of the Project by no later than December 1, 2014, subject to Sections 6, 10.9 & 10.12. "Completion of construction" shall mean completion of the Building core and shell and site improvements.
- 2. **Miscellaneous.** Except as modified above, all terms of the Agreement remain in effect. This Second Amendment may be executed in counterparts and such counterparts taken together shall be construed as an original.

Mill Creek Terrace, LLC

By: \_\_\_\_\_  
Joe Schulz

Its: Member

Dated: \_\_\_\_\_, 2012

DexterDowntown Development Authority

By: \_\_\_\_\_  
Steve Brouwer

Its: DDA Chairperson

Dated: November 15, 2012

## SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

### Mill Creek Building Project

This Second Amendment to Development Agreement ("Second Amendment") is made November 18, 2010, by and between the Dexter Downtown Development Authority, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130 ("DDA"); and Mill Creek Terrace, LLC, a Michigan limited liability company, whose address is 150 S. Fifth Avenue, Suite 203, Ann Arbor, Michigan 48104 ("Developer"). (The DDA and Developer are collectively referred to as the "Parties.")

#### Recitals

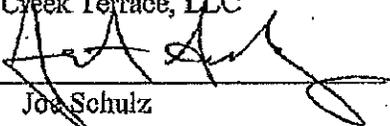
- A. The Developer and the DDA entered into a Development Agreement, dated May 8, 2008, related to land and a development project located in the Village of Dexter (the "Agreement").
- B. The Agreement contained a schedule for tasks to be completed by both the DDA and the Developer; not all such tasks have been completed within the schedule.
- C. The Parties desire to extend the schedule for all uncompleted tasks, upon the terms contained in this First Amendment.

#### Agreement to Amend

THEREFORE, based upon the Recitals and for valuable consideration, the sufficiency and receipt of is acknowledged, the Parties agree to amend the Agreement on the following terms:

1. **Project Schedule.** Section 2 of the Agreement shall be amended as follows:
  - 2.1 Developer shall commence construction on the Project within 90 days after the later of: 1) the Effective Date of this Agreement; 2) the conveyance of the Village Property to Developer; or 3) the date Developer obtains financing for the Project. Developer shall complete construction of the Project by no later than December 1, 2012, subject to Sections 6, 10.9 & 10.12. "Completion of construction" shall mean completion of the Building core and shell and site improvements.
2. **Miscellaneous.** Except as modified above, all terms of the Agreement remain in effect. This Second Amendment may be executed in counterparts and such counterparts taken together shall be construed as an original.

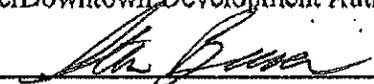
Mill Creek Terrace, LLC

By:   
Joe Schulz

Its: Member

Dated: November 18, 2010

DexterDowntown Development Authority

By:   
Steve Brouwer

Its: DDA Chairperson

Dated: November 18, 2010

## FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

### Mill Creek Building Project

This First Amendment to Development Agreement ("First Amendment") is made 11-19, 2009, by and between the Dexter Downtown Development Authority, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130 ("DDA"); and Mill Creek Terrace, LLC, a Michigan limited liability company, whose address is 150 S. Fifth Avenue, Suite 203, Ann Arbor, Michigan 48104 ("Developer"). (The DDA and Developer are collectively referred to as the "Parties.")

#### Recitals

- A. The Developer and the DDA entered into a Development Agreement, dated May 8, 2008, related to land and a development project located in the Village of Dexter (the "Agreement").
- B. The Agreement contained a schedule for tasks to be completed by both the DDA and the Developer; not all such tasks have been completed within the schedule.
- C. The Parties desire to extend the schedule for all uncompleted tasks, upon the terms contained in this First Amendment.

#### Agreement to Amend

THEREFORE, based upon the Recitals, and for valuable consideration, the sufficiency and receipt of is acknowledged, the Parties agree to amend the Agreement on the following terms:

1. **Project Schedule.** Section 2 of the Agreement shall be amended as follows:

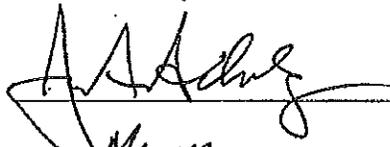
2.1 Developer shall commence construction on the Project within 90 days after the later of: 1) the Effective Date of this Agreement; 2) the conveyance of the Village Property to Developer; or 3) the date Developer obtains financing for the Project. Developer shall complete construction of the Project by no later than December 1, 2010, subject to Sections 6, 10.9 & 10.12. "Completion of construction" shall mean completion of the building core and shell and Village acceptance of site improvements.

2.2 The DDA shall coordinate construction of the Public Improvements with the Developer, and shall complete the Public Improvements as set forth in Exhibit 4A; specifically Phase 1 improvements shall be completed by November 1, 2008 and Phase 2 improvements shall be completed no later than December 1, 2009, subject to Sections 7, 10.9 & 10.12, so as to allow the Developer to complete the construction of the Project within the timeframe required by Section 2.1.

2. **Miscellaneous.** Except as modified above, all terms of the Agreement remain in effect. This First Amendment may be executed in counterparts and such counterparts taken together shall be construed as an original.

Mill Creek Terrace, LLC

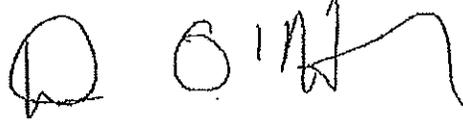
Dated: November 20, 2009

By: 

Its: Member

Dexter Downtown Development  
Authority

Dated: November 19, 2009

By: 

Its: Chair person

## DEVELOPMENT-PURCHASE/SALES AGREEMENT

### Mill Creek Building Project

This Development-Purchase/Sales Agreement (“Agreement”) is made \_\_\_\_\_, 2007, by and between by and between the Dexter Downtown Development Authority, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130, (“DDA”); the Village of Dexter, a Michigan municipal corporation, whose address is 8140 Main Street, Dexter, Michigan 48130; and Schulz Development and Consulting, LLC, a Michigan limited liability company, whose address is 150 S. Fifth Avenue, Suite 203, Ann Arbor, Michigan 48104 (“Developer”). (The DDA, Village, and Developer are individually referred to as a “Party” and collectively as the “Parties.”) The “Effective Date” of this Agreement shall be the date on which the last of the Parties executes this Agreement, which shall be inserted into Section 34.10.

#### Recitals

- A. The Developer owns land in the Village of Dexter (Tax Parcel No. 08-06-210-007 and referred to as “Land 007”), described in the attached Exhibit 1, which it desires to re-develop, and to construct a mixed-use building, as more specifically described below (the “Project”).
- B. To construct the Project, Developer must obtain additional land owned by the Village, and also additional land which is located within a platted (but never improved) alley, all of which adjoin Developer’s land. Because of the benefits the Project will create for the Village, the Village desires to convey its land and a portion of the alley to Developer, upon the terms contained in this Agreement.
- C. To construct the Project, Developer seeks assistance from the DDA for certain public improvements, and because of the benefits the Project will create for the DDA and the Village, the DDA desires to complete such improvements, upon the terms contained in this Agreement.

#### Agreement

THEREFORE, based upon the Recitals, and for valuable consideration, the sufficiency and receipt of is acknowledged, the Parties agree on the following terms:

**1. Description of Property.** The Village owns the land known as Tax Parcel No. 08-06-210-006 (referred to as "Land 006") and Tax Parcel No. 08-06-210-050 (referred to as "Land 050"). All of Land 006, and a triangular portion of Land 050, are required for the Developer to construct the Project. The Village also owns land contained within a platted (but never improved) alley, a portion of which is also required to construct the Project (the "Alley Land"). All of the land owned by the Village which is required for the Developer to construct the Project is referred to as the "Land," as is described in the attached Exhibit 2. The legal description of the Land shall be verified by the Survey described in Section 8.

**2. Description of and Uses within the Project.** The Project and the uses within the Project are described as:

2.1 The Project is described generally in the conceptual site plan (prepared by Nederveld, dated \_\_\_\_\_, 2007) and elevations and floor plans (prepared by Architects Design Group, dated \_\_\_\_\_, 2007), both attached as Exhibit 3. The Project is further described as A) constructing all utilities required for the Project; B) constructing a first class, brick-clad, three story mixed use building, containing approximately 25,000 square feet, whose highest elevation shall not exceed 42 feet above Forest or Jeffords Streets (the "Building")(the southern portion of which will be located within the public right of way); C) constructing a private bituminous surface parking lot, related circulation drives, and 11 covered parking spaces on Land 007; D) installing landscaping and pedestrian areas at the south end of the Building (which improvements will be located within the public right of way); E) constructing and/or upgrading water and sanitary sewer service leads and providing water service dedicated to a fire protection system; and F) connecting the Project to the existing underground storm detention system. In support of the Project, the DDA shall construct a public bituminous surface parking lot, related circulation drives, and public sidewalk on a portion of the Alley Land, on Land 050, and in the northern portion of Forest Street (all referred to as the "Public Improvements").

2.2 The uses within the Building and the Project shall comply with the Village of Dexter Zoning Ordinance, Section 15.A. In addition, except for those portions of the first floor required for Building operations, the first floor of the Building shall be used for or occupied by only traditional retailing, restaurant and dining, or general merchandising uses, which are oriented to pedestrians. The deed conveying the Land to the Developer shall contain this restriction as a covenant benefiting the Village, and which shall run with the land and bind Developer's successors and assigns.

2.3 The Building and Project shall be a condominium form of ownership; the condominium documents to be prepared by Developer shall contain typical, commercially reasonable terms. If, however, the Village does not exercise its option to purchase a condominium unit from Developer (as stated in Section 32 below), Developer may elect not to create the condominium form of ownership for the Building and Project.

**3. Project Schedule.** The Parties shall act according to the following schedule (the "Project Schedule"):

3.1 Within 14 days of the Effective Date, Developer shall apply for site plan approval from the Village for the Project. The site plan application shall comply with all

applicable Village requirements. Developer shall diligently pursue approval of the Project, including submittal of additional information requested by the Dexter Planning Commission or Village Council.

3.2 The Inspection Period (defined below in Section 11) for the Developer to conduct its due diligence investigations shall commence on the Effective Date.

3.3 Within 30 days after Developer applies for site plan approval, the Village shall begin the process of abandoning the alley located between Land 006, Land 007, Tax Parcel ID No. 08-06-210-002, and Land 050, with the goal of completing the abandonment process by December 1, 2007.

3.4 Within 90 days after Developer applies for site plan approval, the DDA shall approve the contract to begin the preliminary engineering and design for the construction of the Public Improvements.

3.5 Within 60 days of receiving final site plan approval, Developer shall apply for all required grading, soil erosion, and construction permits required to construct the Project, whether required by the Village or any other governmental entity, and shall diligently pursue approval of all such permits.

3.6 Within 10 days of obtaining all permits required by the Village to construct the Project, and provided all other requirements and obligations contained in this Agreement have been fulfilled by all Parties, including but not limited to those stated in Section 16, the Developer and the Village shall close on the conveyance of the Land to Developer (the "Closing").

3.7 Developer shall commence construction on the Project within 30 days of Closing, and shall not allow construction to cease for more than 10 consecutive business days. Developer shall complete construction of the Project within 16 months from the Closing. "Completion of construction" shall mean approval by the Washtenaw County Building Department of a Certificate of Occupancy for the Building core and shell and site improvements.

3.8 The DDA shall coordinate construction of the Public Improvements with the Developer, and shall complete the Public Improvements in a timely fashion so as to allow the Developer to complete the construction of the Project within the timeframe required by Section 3.7, subject however to the requirements of Section 30.

3.9 If Developer fails to comply with the Project Schedule and requirements contained in Paragraphs 3.1, 3.5, 3.6, and 3.7 as noted above, the Village or the DDA may provide written notification of such failure, and if Developer does not cure such failure within ten days, Developer shall be in default under this Agreement, and subject to all the remedies for default contained in Section 24.

4. **Purchase Price.** The purchase price ("Purchase Price") for the Land shall be \_\_\_\_\_ Thousand and 0/100 Dollars (\$ \_\_\_\_\_ .00), paid at Closing with immediately available funds. The Purchase Price shall be calculated by multiplying the square footage contained in the Land by Forty and 0/100 Dollars (\$40.00) per square foot.

5. **Earnest Money Deposit.** Within three days of the Effective Date, Developer shall deliver to Absolute Title, Inc. ("Title Company") a check in the amount of Ten Thousand and 0/100 Dollars (\$10,000.00) as an earnest money deposit ("Deposit"). The Deposit shall be placed in an interest-bearing account, and all interest earned on the Deposit shall become a part of the Deposit. The Deposit shall be applied to the Purchase Price at Closing. The Deposit shall be returned to Developer or retained by the Village, as the case may be, in accordance with the terms of this Agreement.

6. **Conveyance.** At Closing, the Village shall each execute a warranty deed, conveying marketable title to the Land to Developer free and clear of all liens, encumbrances and easements, except easements of record acceptable to Developer. The Village shall also convey an easement for the construction of the Building in the Forest Street right of way; the easement shall contain a reverter clause such that if the Building does not occupy the right of way, the easement shall revert to the Village and terminate.

7. **Title Insurance Commitment and Policy.** The Village will provide, within 14 days after the Effective Date, at the Village's sole cost and expense, a commitment for an owners policy of title insurance, without standard exceptions, in the amount of the Purchase Price dated on or after the date of this Agreement ("Commitment"), from the Title Company, committing the Title Company to insure Developer as owner of the Land, and evidencing marketable title in Developer free of all liens, encumbrances, easements, building and use restrictions and restrictions of record except those approved by Developer, together with a copy of all documents of record affecting the Land. At Closing, the Village shall cause the Title Company to "mark-up" the Title Commitment to reflect the condition of title at the date of Closing and show Developer as owner. The Village shall cause the Title Company to issue the owner's policy of title insurance and endorsements required under this Agreement as soon as possible after Closing. Any existing mortgages or security interests upon the Land shall be paid and discharged by the Village at Closing.

8. **Survey.** Within 14 days of the Effective Date, at its expense, the Developer shall cause to be prepared and delivered to the Parties a survey of the Land prepared by a surveyor licensed to practice in the State of Michigan, in accordance with the most recent Minimum Standard Detail Requirements for ALTA/ASCM Land Title Surveys, and which meets the accuracy standards of a suburban survey as adopted by ALTA and ASCM (the "Survey"). The Survey shall be acceptable to the all of the Parties. The Survey will be certified to Developer, the Title Company, Developer's lender, and the Village, and will otherwise be in a form that permits the issuance of a title insurance policy without standard exceptions.

9. **Objections To Title And Survey.**

9.1 If Developer objects to the condition of title of the Land based on the Commitment in writing within 10 days of receipt of the Commitment, the Village shall have 20

days from receipt of Developer's written objection to use good faith efforts to cure the title defect(s) or provide evidence satisfactory to Developer that the title defect(s) will be cured on or before the Closing, and to provide Developer with an updated commitment (the "Updated Commitment"), which evidences that Developer's objection has been cured and will be adequately insured against, as determined by Developer in its sole discretion. If the Village is unable to remedy the defect(s) within the 20 day period, then (i) Developer, at its option, may waive the defect(s) and the Parties shall continue to perform their obligations, subject to the terms and conditions of this Agreement; or (ii) Developer may terminate this Agreement, in which event Developer shall receive a prompt refund of the Deposit and the Parties shall have no further rights or obligations under this Agreement. If, at the Closing, there exists any lien or other encumbrance that secures or seeks to enforce against the Land a specified sum of money that has not been discharged or satisfied by the Village, Developer may, in addition to its other rights and remedies, elect to satisfy and discharge or assume the payment of said lien or encumbrance, in which event Developer shall receive a credit against the Purchase Price equal to the amount expended or assumed by Developer. Developer shall have the continuing right at any time prior to Closing to object to the condition of the title to the Land for matters which arise or which are disclosed subsequent to the initial Commitment, and the Parties shall have the same rights to cure or waive such defect or terminate this Agreement as provided above.

9.2 If Developer objects in writing to the Survey within 10 days of receipt of the Survey, the Village shall have 20 days from receipt of Developer's written objection to use good faith efforts to cure the defect(s) or provide evidence satisfactory to Developer, in its sole discretion, that the defect(s) will be cured on or before the Closing. If the Village is unable to remedy the defect(s) within the 20 day period, then (i) Developer, at its option, may waive the defect(s) and the Parties shall continue to perform their obligations, subject to the terms and conditions of this Agreement; or (ii) Developer may terminate this Agreement, in which event Developer shall receive a prompt refund of the Deposit and the Parties shall have no further rights or obligations under this Agreement.

**10. Delivery of Materials for Review.** Within seven days after the Effective Date, the Village and the DDA shall deliver to Developer any and all reports, studies, plans, permits, and other documents related to the Land in their possession in hard copy or computer disk form (the "Documents").

**11. Inspection Of Land, the Project, Documents; and Obligation to Purchase.**

11.1 For a period of 60 days after the Effective Date (the "Inspection Period"), Developer shall have the right to inspect or cause to be inspected, at Developer's sole cost, all elements and aspects of the Land and the Project, including but not limited to the Documents, physical and environmental condition of the Land, current permits and governmental approvals, the location and availability of utilities, drainage and access, existing soil and structural conditions, the impact of governmental requirements on Developer's proposed use of the Land, an environmental site assessment or other environmental investigation of the Land, and the availability of financing for Developer's purchase of the Land and the construction of the Project.

11.2 Prior to conducting any on-site investigations, Developer shall obtain commercial general liability insurance in an amount no less than \$2,000,000.00, naming the Village as an additional insured, and shall deliver proof of such insurance to the Village. At all reasonable times during the term of this Agreement, the Village grants to Developer, and those persons designated by Developer, the right to enter upon the Land in order to inspect it and to make engineering and environmental tests and studies to determine the feasibility of the Project. Developer shall use all reasonable efforts to minimize any damage to the Land and, in the event any portion of the Land is disturbed or altered by Developer's investigations, Developer shall promptly, at its sole cost, restore the Land to substantially the same condition that existed prior to such disturbance or alteration, and Developer shall defend, indemnify and hold the Village harmless from any cost or expense incurred by the Village as a result of such disturbance or alteration or any actions taken by Developer at the Land.

11.3 Except for A) final site plan approval, B) confirmation from the Village that the Alley Land has been abandoned as an alley, and C) confirmation that the DDA will construct the Public Improvements, if Developer, in its sole discretion, determines that the condition of the Land or the Project is unsatisfactory, the Developer may, at any time prior to 5:00 p.m., local time, on the first business day following the conclusion of the Inspection Period (the "Notification Date"), elect in writing to terminate this Agreement. If Developer elects to terminate this Agreement, the Deposit shall be returned to Developer, Developer shall return to the Village and the DDA the Documents and the Parties shall have no further rights or obligations under this Agreement. If Developer does not provide the Village and the DDA with notice of termination on or before the Notification Date (except for A), B), and C) above), Developer shall be deemed to have elected to proceed with this Agreement, and the Parties shall proceed to perform their respective obligations in accordance with and subject to the terms and conditions of this Agreement.

11.4 If despite good faith efforts, Developer A) fails to obtain final site plan approval for the Project, B) fails to obtain confirmation from the Village that the Alley Land has been abandoned as an alley, or C) fails to obtain confirmation that the DDA will construct the Public Improvements, within 90 days following the date of its application for site plan approval, Developer may elect in writing to terminate this Agreement by providing notice to the Village and the DDA, at any time prior to 5:00 p.m., local time, on the first business day following the conclusion of the 90 day period. If Developer elects to terminate this Agreement pursuant to this Section 11.4, the Deposit shall be returned to Developer, Developer shall return to the Village and the DDA the Documents and the Parties shall have no further rights or obligations under this Agreement.

11.5 If, after the expiration of the Inspection Period, Developer A) obtains site plan approval for the Project, and B) obtains confirmation that the Village has abandoned the Alley Land, and C) obtains confirmation that the DDA will construct the Public Improvements; or if Developer fails to terminate this Agreement as provided in Section 11.4, Developer shall be deemed to have elected to proceed with this Agreement, and the Parties shall proceed to perform their respective obligations in accordance with and subject to the terms and conditions of this Agreement.

11.6 Developer acknowledges that it is purchasing the Land "as is," and that pursuant to this Section 11, it has the opportunity to investigate all aspects of the Land and the Project prior to purchasing the Land and proceeding with the Project.

**12. Developer Financing.** Within 60 days of the Effective Date, Developer shall submit to the Village a plan for the financing of the purchase of the Land and construction of the Project so as to demonstrate to the Village that Developer has the financial capability of successfully purchasing the Land and completing the Project. Prior to the Closing, Developer shall provide to the Village a commitment, in a form acceptable to the both the Village in its sole discretion, from Developer's lending institution evidencing that Developer has secured financing to purchase the Land and construct the Project. The Village may ask that such commitment be updated prior to the beginning of construction.

**13. Village's Cooperation.** During the term of this Agreement, the Village and the DDA agree to cooperate with Developer's investigation of the Land and the Project.

**14. Leases.** The Village warrants and represents to Developer that there are no tenant leases pertaining to the Land, and the Village agrees not to enter into any leases for the Land during the term of this Agreement.

**15. Maintenance of the Property and Possession.** Until Closing, the Village and the DDA shall not take any actions or fail to take any actions which would have a material adverse effect upon the Land.

**16. Closing.** The Closing shall take place within 10 days of Developer A) obtaining all permits required by the Village to construct the Project, B) confirming that the Village has abandoned the Alley Land, C) confirming that the DDA will construct the Public Improvements (subject to Section 30), and D) the Village being satisfied that Developer has adequate financing to construct and complete the Project, all so long as none of the Parties have previously terminated the Agreement pursuant to its terms. The Closing shall take place at the offices of the Title Company, or such other location as shall be mutually acceptable to the parties.

**17. Representations, Warranties, and Disclaimers.** As of the date of the execution of this Agreement and the date of Closing, the Village represents and warrants to the other Parties, to the best of the Village's knowledge:

17.1 The Village has full power and authority to execute this Agreement, and perform its obligations under this Agreement;

17.2 The Village is the owner of fee simple marketable title in and to Land 006, Land 050, and the Alley Land;

17.3 Land 006, Land 050, and the Alley Land are not subject to any unrecorded encumbrances, easements, boundary disputes, agreements, or other matters not of record, or not disclosed in the Survey;

17.4 Land 006, Land 050, and the Alley Land are not subject to any claim of lien or special assessments, and no improvements have been made within 120 days prior to the date of this Agreement;

17.5 There are no taxes or assessments which are past due or which have become a lien upon Land 006, Land 050, or the Alley Land, except for current taxes which (if applicable) are being prorated and adjusted in connection with the Closing;

17.6 The Village has received no notices of violation of any law, regulation, or ordinance related to Land 006, Land 050, or the Alley Land;

17.7 The sale of Land 006, Land 050, and the Alley Land does not violate any provision of the Michigan Land Division Act.

If prior to the Closing, one of the other Parties discovers that any of the Village's representations and warranties are incorrect, then notwithstanding the expiration of the Inspection Period, that Party, at its option, shall have the right to terminate this Agreement with no liability on its part and the Deposit shall be immediately refunded to Developer, and the Parties shall have no further obligation to each other. These representations and warranties shall survive the Closing.

Furthermore, as of the date of the execution of this Agreement and the date of Closing, Developer represents and warrants to the other Parties, to the best of Developer's knowledge:

17.8 Developer has full power and authority to execute this Agreement, and perform its obligations under this Agreement, and has been authorized to enter into this Agreement;

17.9 Developer is duly organized under the laws of the State of Michigan and is in good standing;

17.10 Developer has no notice of any litigation or administrative action which would affect Developer's ability to perform its obligations under this Agreement;

17.11 Developer is financially capable of undertaking and successfully completing the Project.

17.12 Developer owns, or has control equivalent to ownership, of Land 007.

If prior to the Closing, one of the other Parties discovers that any of Developer's representations and warranties are incorrect, that Party, at its option, shall have the right to terminate this Agreement with no liability on its part and the Deposit shall be immediately refunded to the Developer, minus any actual expenses incurred by the Village or the DDA as a result of its obligations under this Agreement, and the Parties shall have no further obligation to each other. These representations and warranties shall survive the Closing

Additionally, as of the date of the execution of this Agreement and the date of Closing, the DDA represents and warrants to the other Parties, to the best of the DDA's knowledge:

17.13 The DDA has full power and authority to execute this Agreement, and perform its obligations under this Agreement.

17.14 The DDA will complete the Public Improvements within 18 months after its obligation to construct the Public Improvements becomes effective, pursuant to the requirements of Section 30, unless the DDA is relieved of this obligation due to Developer's default.

If prior to the Closing, one of the other Parties discovers that any of the DDA's representations and warranties are incorrect, then notwithstanding the expiration of the Inspection Period, that Party, at its option, shall have the right to terminate this Agreement with no liability on its part and the Deposit shall be immediately refunded to Developer, and the Parties shall have no further obligation to each other. These representations and warranties shall survive the Closing.

17.15 Neither the Village nor the DDA makes any representations or warranties as to whether or when the site plan, abandonment of the Alley Land, permits for the Project, or obligation to construct the Public Improvements may be approved or issued, if at all. The Developer acknowledges that the Village and the DDA are separate entities, and therefore neither the Village nor the DDA has no control over the other entity.

**18. Indemnification.** The Developer shall indemnify, defend and hold harmless the Village and the DDA, and their successors and assigns, from and against any and all claims, expenses, costs, damages, losses and liabilities suffered by the Village or the DDA, whether before or after the date of Closing, as a result of, on account of or arising from (a) any breach of any covenant, representation, warranty, document, or agreement by the Developer, or (b) any act or omission by Developer. Both the Village and the DDA, respectively, shall indemnify, defend and hold harmless the Developer, and its successors and assigns, from and against any and all claims, expenses, costs, damages, losses and liabilities suffered by the Developer, whether before or after the date of Closing, as a result of, on account of or arising from (a) any breach of any covenant, representation, warranty, document, or agreement by the Village or the DDA, respectively, or (b) any act or omission by the Village or the DDA.

**19. Notice of Violation.** All notices of violation of any law, statute, ordinance, rule, or regulation of any governmental agency having jurisdiction issued to either Party prior to the Closing against or affecting the Land shall be sent to the other Parties and shall be satisfied or complied with by that Party prior to the Closing.

**20. Restrictions on Sale, Transfer, and Encumbrances.** Until completion of the Project, Developer shall not sell, transfer, assign or convey any of its rights under this Agreement without the prior written consent of the Village. The Village shall not encumber the Land while this Agreement remains in force without the prior written consent of the Developer. These restrictions shall survive the Closing.

**21. Closing Documents.** At the time and place of Closing, the Parties shall deliver the following documents:

21.1 A fully-executed deed conveying the Land to Developer;

21.2 Affidavits or other documents required for issuance of the title policies as required under this Agreement;

21.3 Closing statements documenting the cash flows at the Closing

21.4 An easement from the Village to Developer for the construction of the Building within the Forest Street right of way (but containing a reverter clause such that if the Building ever does not occupy the right of way, the easement shall terminate).

21.5 An easement for construction of streetscape improvements within the Forest Street right of way.

21.6 All other documents required to complete the transaction contemplated by this Agreement.

## **22. Adjustments and Prorations.**

22.1 All taxes and benefit charges affecting the Land (if any) for which bills have been issued prior to the date of Closing shall be paid, respectively, by the Village. Current Taxes (if any) shall be prorated and adjusted as of the date of Closing in accordance with the due date basis of the municipality or taxing unit in which the Land is located based on a 30 day month. The Village shall be responsible for payment of all special assessments levied against the Land prior to the Closing; Developer shall pay all future installments of special assessments. Current Taxes shall mean the winter and summer tax bills issued for the Land within 12 months immediately preceding the date of Closing.

22.2 The Village shall pay the transfer taxes generated by the sale of the Land, unless exempt under state law. Developer shall pay any recording fees and closing fees charged by the Title Company related to the Closing and the Land.

**23. DDA's Default.** In the event the DDA defaults in the performance of the terms and conditions of the Agreement before Closing, Developer shall receive an immediate refund of the Deposit, this Agreement shall terminate, and the Parties shall have no further obligations to each other. In the event the DDA defaults in the performance of the terms and conditions of the Agreement after Closing, the Village shall not be entitled to the Credit (as stated in Section 32), and the Parties shall complete all other obligations to each other.

**24. Developer's Default.** In the event Developer defaults in the performance of the terms and conditions of this Agreement before the Closing, the Village shall be entitled to retain the Deposit, this Agreement shall terminate, and the Parties shall have no further obligations to each other. The Village and the DDA shall divide the Deposit between them based on their respective costs in preparation for the Closing. In the event Developer defaults in the performance of the terms and conditions of this Agreement after Closing, A) the DDA shall have no obligation to complete the Public Improvements, B) the Village's Option (as stated in Section 32) shall remain in effect (except that the Developer shall not be obligated to provide the Credit if the DDA refuses to construct the Public Improvements), and the Village's right to re-purchase land (as provided in Section 33) shall also remain in effect.

**25. The Village's Default.** In the event the Village defaults in the performance of the terms and conditions of the Agreement before Closing, Developer shall receive an immediate refund of the Deposit, this Agreement shall terminate, and the Parties shall have no further obligations to each other.

**26. Brokerage.** The Village, the DDA and Developer represent to each other that there is no broker involved in this transaction. Each Party shall indemnify and hold the other Parties harmless from any claim of any real estate brokerage commission or fees pertaining to this transaction arising out of the breach of this representation.

**27. Condemnation.** If prior to Closing any authority having the right of eminent domain shall commence legal actions for the temporary or permanent taking or acquiring of any part of the Land, the Village shall immediately give written notice to Developer and Developer, at its option, shall be entitled to either: (i) terminate this Agreement upon written notice to the Village, in which case the Deposit shall be returned to Developer, the Agreement shall terminate, and the Parties shall have no further obligations to each other; or (ii) proceed to close the transaction.

**28. Affidavit of Non-Foreign Status.** At the Closing, the Village shall furnish to Developer an Affidavit certifying that it is not a foreign person.

**29. Developer Streetscape Improvements.** Developer, at its sole cost, shall provide all streetscape improvements pursuant to the approved site plan, all consistent with DDA standards. The Village shall convey a construction and permanent easement to Developer for the construction of these streetscape improvements located in the public right of way, which easement shall be executed and delivered at the Closing. Streetscape improvements include but are not limited to such items as brick, trees, and other landscaping elements common to the Village of Dexter.

**30. DDA Streetscape and Other Improvements on Village's Land, and Grant of Easement.** The DDA shall construct A) on Land 050 and the adjoining vacated portion of the Alley Land, a public bituminous surface parking lot, related circulation drives, and pedestrian walkways, as shown on the site plan attached as Exhibit 4 (the "DDA Site Plan"), or comparable to those improvements shown on the DDA Site Plan; and B) in the northern portion of Forest Street, a public bituminous surface parking lot and related circulation drives, as shown on the DDA Site Plan. The Village shall grant a construction easement to the DDA for the purpose of constructing these improvements. The DDA's obligation to construct the Public Improvements shall not become effective until the Developer completes construction of all underground and foundation work for the Project and Building, and receives approval from all appropriate governmental authorities that all such work has been completed according to the approved plans, and all applicable regulations.

**31. Compliance with Laws.** Developer must comply with all applicable laws, ordinances, and regulations of the Village and any other governmental entity having jurisdiction over the Land or the Project.

**32. Option to Purchase of Condominium Unit within Project.** The Village has, and by this Agreement, the Developer grants to the Village, an option to purchase a condominium unit within the Project for use as municipal offices (the "Option"). To secure the Option, at Closing, Developer shall execute an option agreement containing all relevant details, and a memorandum of option, in recordable form, which the Village may record. The Option allows the Village to purchase up to 5,700 square feet of second floor space within the Project, at a price equal to \$100/square foot. The price per square foot shall be for the constructed space, which has received a certificate of occupancy, but which has not been built out for final use. Developer shall convey the condominium unit free and clear of all encumbrances, mortgages or liens, except for the typical condominium master deed requirements. Furthermore, the Option shall stipulate that at the closing on the purchase of the condominium unit, the Village shall receive a credit equal to Two Hundred Twenty Six Thousand Four Hundred Sixty Seven and 0/100 Dollars (\$226,467.00)(the "Credit"), which is approximately equal to the value of the Public Improvements contributed to the Project by the DDA. The Option shall run with the land and be binding on Developer's successors and assigns, and be superior to the mortgage placed on the Land by the Developer.

**33. Right to Re-Purchase Land and to Purchase Developer Land.** If Developer fails to begin construction on the Project within the time required by this Agreement, the Village has the option to re-purchase the Land, and to purchase Land 007, from Developer. The price for the Land and Land 007 shall be equal to the purchase price paid by the Developer, plus any actual costs of construction that the Developer may have spent on the Project or the Building. This right to re-purchase the Land and to purchase Land 007, however, shall terminate at such time as Developer begins framing of the Building.

**34. Miscellaneous.**

34.1 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any way, then all the remaining provisions of the Agreement shall remain in full force and effect to the extent permitted by law.

34.2 Written Notice. All requirements for notice contained in this Agreement shall be deemed to require notice in writing sent to the appropriate party and counsel for the parties at the following addresses by hand delivery or facsimile followed by mail, with service being effective upon delivery or sending. Offers, acceptances and notices required by this Agreement may be delivered by facsimile followed by mail.

To DDA:

Dan O'Haver  
Chairperson  
Dexter Downtown Development Authority  
c/o Village of Dexter  
8140 Main Street  
Dexter, Michigan 48130  
Fax: (734) 426-5614

To the Village: Donna Dettling  
Village Manager  
Village of Dexter  
8140 Main Street  
Dexter, Michigan 48130  
Fax: (734) 426-5614

With a copy to: John Iacoangeli  
Planning Consultant Beckett & Raeder  
535 W. William Street  
Ann Arbor, Michigan 48103  
Fax: (734) 663-6759

With a copy to: Scott E. Munzel  
Counsel for the DDA 121 W. Washington Street, Suite 400  
Ann Arbor, Michigan 48104  
Fax: (734) 994 6615

To Developer: Joseph Schulz  
Schulz Development and Consulting, LLC  
150 S. Fifth Avenue, Suite 203  
Ann Arbor, Michigan 48104  
Fax: (734) 213-0553

With a copy to: insert name  
Counsel for Developer:

Fax: (734)

34.3 Binding Effect. This Agreement shall be binding upon the heirs, legal representatives, successors and assigns of the Parties.

34.4 Construction. This Agreement shall be construed in accordance with the laws of the State of Michigan.

34.5 Integration. This Agreement constitutes the entire agreement of the Parties with respect to the transaction contemplated herein and supersedes all prior understandings or agreements between the Parties. There are no promises, conditions, agreements, undertakings, warranties or representations, oral or written, express or implied, with respect to the Land other than as set forth in this Agreement. This Agreement may be modified only by a writing signed by all of the Parties or their respective successors in interest.

34.6 Time is of the Essence. Time shall be of the essence in this Agreement.

34.7 Survival. The representations, warranties, covenants and agreements of the Parties contained in this Agreement shall survive the Closing.

34.8 Execution in Counterparts. This Agreement may be executed in counterparts and such counterparts taken together shall be construed as an original.

34.9 Day of Completion. If a day for the performance of an event under this Agreement occurs on a weekend or on a holiday on which normal business is not transacted, the day for performance shall be delayed until the next week day which is not a weekend or a holiday.

34.10 Effective Date. The Effective Date is the date on which the last of the Parties executes this Agreement, which is \_\_\_\_\_, 2007.

34.11 Waiver of Violation. Failure by a Party to object to a violation of the terms of this Agreement shall not be a waiver of any continuing or subsequent violation.

34.12 Costs of Enforcement. If any Party must seek legal action to enforce any of the terms or conditions of this Agreement, the prevailing Party shall be reimbursed by the non-prevailing Party for the costs to enforce the Agreement, including reasonable attorneys' fees.

Village of Dexter

Dated: \_\_\_\_\_, 2007

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

Its: \_\_\_\_\_

Schulz Development and Consulting, LLC

Dated: \_\_\_\_\_, 2007

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

Its: \_\_\_\_\_

Dexter      Downtown      Development  
Authority

Dated: \_\_\_\_\_, 2007

By:

Its: \_\_\_\_\_

**ACKNOWLEDGMENT OF RECEIPT**

The Village acknowledges receipt of Developer's acceptance of this Agreement on \_\_\_\_\_, 2007 (the "Effective Date"), which shall be inserted into Section 34.10 of the Agreement.

The Village of Dexter

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

Its: \_\_\_\_\_

# VILLAGE OF DEXTER

8140 Main Street Dexter, MI 48130-1092

[ddettling@villageofdexter.org](mailto:ddettling@villageofdexter.org)

Phone (734)426-8303

Fax (734)426-5614

## MEMO

**To: DDA Board**  
**From: Donna Dettling, Village Manager**  
**Date: November 15, 2012**  
**Re: DDA Board Roster**

At the May 29, 2012 Council Meeting, Village Council took action on the Downtown Development Authority re-appointment for DDA Board Members with expiring terms in 2012. Presented below is an updated DDA Roster.

Michigan compiled law requires staggered 4-year terms.

<b>DDA Board Member</b>	<b>Term</b>
Tom Covert, Treasurer	2012-2016
Don Darnell	2012-2016
Rich Bellas	2012-2016
Steve Brouwer, Chairman	2009-2013
Fred Schmid	2009-2013
Carol Jones, Secretary	2010-2014
Fred Model	2010-2014
Randy Willis	2010-2014
Dan O'Haver, Vice Chair	2011-2015
Dick Lundy	2011-2015
Doug Finn	2011-2015
Shawn Keough	Village President Term 2016