



**Brownfield Plan  
for  
GELD LLC**

Prepared for:

Ada Township Brownfield Redevelopment Authority  
7330 Thornapple River Drive  
Ada, Michigan 49301

Prepared with the assistance of:

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1. **Summary of Project**

Geld LLC (the “Developer”) is the current or prospective owner of most of the property located in the Village of Ada as depicted on the drawing attached as Exhibit A, and as legally described in Exhibit B, in Ada, Michigan (collectively the “Property”). The portion of the Property not owned by Geld is adjacent to property owned by Geld. There is petroleum contamination at the Property from former gas station operations that makes the property a “brownfield” and “eligible property” as defined in Act 381 of 1986, as amended (“Act 381”).

2. **Basis of Eligibility**

The Property consists of approximately 26.5 acres. The soil and groundwater are contaminated with several petroleum compounds, including benzene, ethylbenzene, toluene, zylene and other compounds that exceed the residential cleanup criteria of Part 201 of the Natural Resources and Environmental Protection Act (“Part 201”). Therefore, the Property is “eligible property” as defined by Act 381 because it has been determined to be a “facility” as defined in Part 201 as a result of the described contamination.

3. **Required Elements of Brownfield Plan**

A. **A description of costs intended to be paid for with tax increment revenues. (MCLA 125.2663(1)(a))**

The Developer intend to use local taxes generated through tax increment financing to reimburse the cost of “eligible activities” as provided in this Plan. Those costs are more fully identified in Section 2 below.

B. **A brief summary of the eligible activities that are proposed for each eligible property. (MCLA 125.2663(1)(b))**

“Eligible activities” are defined in the Act as meaning one or more of the following: (i) baseline environmental assessment activities; (ii) due care activities; and (iii) additional response activities. “Baseline environmental assessment activities” are defined in the Act as meaning those response activities identified as part of a brownfield plan that are necessary to complete a baseline environmental assessment (“BEA” defined in Section 20101 of Part 201) for an eligible property in the brownfield plan.

“Due care activities” are defined in the Act as meaning “those response activities identified as part of a brownfield plan that are necessary to allow the owner or operator of an eligible property in the Plan to comply with the requirements of Section 20107a” of Part 201. Developer will be required to comply with the requirements of Section 20107a of Part 201, to exercise due care with respect to the existing contamination, prevent exacerbation of the contamination, and take reasonable precautions against reasonably foreseeable acts or omissions of third parties (collectively, “due care”). As part of their due care activities, the Developer has conducted and will conduct Phase II investigations to evaluate due care concerns and will incur other expenses to address the contamination at the Property.

Table 1 – Eligible Expenses	
1. BEA activities	\$10,000
2. Due care activities	\$110,000
3. Additional Response activities	\$300,000
4. Demolition and asbestos abatement	\$860,000
5. Contingencies (15%)	\$182,000
6. Brownfield plan and work plan development and preparation	\$20,000
7. Authority Administrative Costs	
8. *Interest at rate of 4%	
TOTAL	\$1,482,000

\*Interest to be calculated annually by the Authority

The cost of eligible activities for Developer is estimated in Table 1 above and includes the following:

- i. BEA Activities. The Developer has conducted and will conduct Phase I Environmental Site Assessments and Baseline Environmental Assessments at the Property.
- ii. Due Care Activities. The Developer has conducted and will conduct Phase II investigations to evaluate due care concerns and will take necessary precautions to prevent unacceptable exposure to and exacerbation of contamination at the Property. Among other things, a vapor barrier may be required for new construction on certain portions of the Property.
- iii. Additional Response Activities. Additional Response Activities may include management, removal and disposal of contaminated soil at the Property.
- iv. Demolition. There are buildings and site improvements on the Property that will require demolition.
- v. Contingencies (15%). A contingency of 15% has been added to the four items above.
- vi. Brownfield/Work Plan Preparation and Development. The Developer will incur expense for brownfield plan and Act 381 Work Plan development and preparation, which are also eligible activities.
- vii. Brownfield Redevelopment Authority Administrative Costs. The Brownfield Redevelopment Authority (“Authority”) will incur certain administrative expenses in connection with implementation of the Plan.

- C. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of eligible property and in the aggregate. (MCLA 125.2663(1)(c))

An estimate of the captured taxable value and tax increment revenues by year for real and personal property is attached as Exhibit C.

- D. The method by which the costs of the Plan will be financed, including a description of any advances made or anticipated to be made for the costs of the Plan from the Township. (MCLA 125.2663(1)(d))

The costs of the Plan will be financed by the Developer. No advances from the Township are contemplated at this time.

- E. The maximum amount of the note or bonded indebtedness to be incurred, if any. (MCLA 125.2663(1)(e))

None at this time.

- F. The duration of the Plan, which shall not exceed the lesser of (1) the period required to pay for the eligible activities from tax increment revenues plus the period of capture authorized for the local site remediation revolving fund or (2) 30 years. (MCLA 125.2663(1)(f))

The maximum duration is thirty years from the first year of capture. It is estimated that redevelopment of the Property will be completed in five to ten years and that it could take up to thirty years to recapture eligible costs through tax increment revenues. The first year of capture is 2018.

- G. An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the Property is located. (MCLA 125.2663(1)(g))

Tabular estimates of the incremental tax increases are attached as Exhibit C.

- H. A legal description of each parcel of eligible property to which the Plan applies, a map showing the locations and dimensions of each eligible property, a statement of the characteristics that qualify the property as eligible property and a statement of whether personal property is included as part of the eligible property. (MCLA 125.2663(1)(h))

- i. See legal description at Exhibit B.
- ii. Location and site map: See Exhibit A.
- iii. Characteristics of Property: Portions of the “eligible property” have historically been used for gas stations. The Property has soil and groundwater contamination in excess of Part 201 criteria as a result of past activities and therefore is a facility as that term is defined in Part 20101.
- iv. Personal Property: New personal property is included as part of the eligible property.

- I. An estimate of the number of persons residing on each eligible property to which the Plan applies and the number of families and individuals to be displaced, if any. (MCLA 125.2663(1)(i))

There are no persons residing on this Property who will be displaced.

- J. A plan for establishing priority for the relocation of persons displaced by implementation of the Plan, if applicable. (MCLA 125.2663(1)(j))

This Section is inapplicable to this site as there are no persons residing on this Property who will be displaced.

- K. Provision for the costs of relocating persons displaced by implementation of the Plan, and financial assistance and other reimbursement of expenses, if any. (MCLA 125.2663(1)(k))

This Section is inapplicable to this site as there are no persons residing on this Property who will be displaced.

- L. A strategy for compliance with the Michigan Relocation Assistance Act, if applicable. (MCLA 125.2663(1)(l))

This Section is inapplicable to this site as there are no persons residing on this Property who will be displaced.

- M. A description of the proposed use of the local site remediation revolving fund. (MCLA 125.2663(1)(m))

The local site remediation revolving fund may be used for such purposes permitted under the Brownfield Redevelopment Financing Act and any brownfield redevelopment plans that are in place at the time that the revolving fund exists.

- N. Other material that the Authority or the Township Board considers pertinent. (MCLA 125.2663(1)(n))

Developer is not aware of any material or information falling within this category.

EXHIBIT A  
LOCATION AND SITE MAP



## Exhibit B

### Legal Description

#### Description of East Brownfield Property:

Part of the North 1/2 of Section 34, T7N, R10W, Ada Township, Kent County, Michigan, described as: Commencing at the North 1/4 corner of said Section 34; thence S04°43'42"W 814.12 feet along the East line of the NW 1/4 of said Section 34 to a point on the Southerly right of way line of Relocated Highway M-21 (said line being parallel with and 100 feet Southerly from the construction centerline of said Highway) and the PLACE OF BEGINNING of this description; thence Easterly 273.29 feet along said Southerly line on a 3919.83 foot radius curve to the left, the chord of which bears S81°04'59"E 273.24 feet; thence S83°02'07"E 392.49 feet along said Southerly line; thence S55°44'20"W 272.32 feet; thence N52°56'12"W 12.76 feet; thence N79°05'26"W 127.77 feet; thence S41°38'38"W 241.66 feet; thence S60°15'48"W 146.45 feet; thence N20°40'30"W 45.61 feet; thence N89°36'40"W 204.56 feet; thence S03°09'05"W 162.37 feet; thence S80°02'04"W 76.90 feet; thence N71°40'01"W 322.25 feet; thence S17°12'00"W 45 feet, more or less, to the left bank of the Thornapple River; thence meandering Northwesterly and Southwesterly along said bank to its intersection with the Northeasterly line of Thornapple River Drive (Formerly Robinson Street); thence Northwesterly along said Northeasterly line to a point which lies 260.37 feet Southeasterly from the intersection of said Northeasterly line and the Southerly line of Ada Drive (Formerly Cascade Street); thence Northerly perpendicular to Thornapple River Drive, 152.55 feet; thence Northwesterly 120 feet, more or less, to a point on the Southerly line of Ada Drive which lies 267.37 feet Northeasterly from the intersection of said Southerly line and the Northeasterly line of Thornapple River Drive; thence Northeasterly along said Southerly line to the Southerly right of way line of Relocated Highway M-21; thence Easterly along said Southerly line to the place of beginning. This land contains approximately 22 acres.

#### Description of West Brownfield Property:

Part of the SE 1/4 of Section 28, part of the SW 1/4 of Section 27, part of the NW 1/4 of Section 34 and part of the NE 1/4 of Section 33, T7N, R10W, Ada Township, Kent County, Michigan, described as: Commencing at the South 1/4 corner of said Section 28; thence N89°00'57"E 2065.94 feet along the South line of said SE 1/4 to the PLACE OF BEGINNING of this description; thence N00°59'03"W 177.12 feet; thence N22°10'20"E 275.04 feet to the Southwesterly line of Fulton Street (Highway M-21); thence S67°49'40"E 769.27 feet along said Southwesterly line to the Westerly line of Headley Street; thence S02°47'44"E 147.43 feet along said Westerly line; thence S57°49'12"W 22.36 feet along the Northerly line of Headley Street; thence N85°54'03"W 354.98 feet along said Northerly line; thence S89°00'57"W 177.39 feet along said Northerly line (also being the South line of said SE 1/4); thence N00°59'03"W 129.10 feet; thence N67°49'40"W 222.19 feet along a line which is parallel with and 213 feet Southwesterly from the Southwesterly line of Fulton Street; thence S22°10'20"W 39.95 feet; thence S00°59'03"E 179.74 feet to the Northerly line of Headley Street and the South line of said SE 1/4; thence S89°00'57"W 50.00 feet along said Northerly line to the place of beginning. This parcel contains 197,872 square feet (4.542 acres).



That part of the Southeast 1/4, Section 28, Town 7 North, Range 10 West, Ada Township, Kent County, Michigan, described as: Commencing at the Southeast corner of Section 28; thence S88°11'03"W 731.35 feet along the South line of Section 28; thence N21°20'26"E 249.28 feet to the PLACE OF BEGINNING of this description; thence N73°32'40"W 406.48 feet; thence S21°20'26"W 36.05 feet; thence N49°21'W 47.68 feet; thence N21°20'26"E 323.28 feet; thence S68°39'34"E 450.00 feet along the former centerline of Highway M-21; thence S21°20'26"W 268.39 feet to the place of beginning. This parcel contains 2.998 Acres.

## **Exhibit C**

### **TIF Table**