

**RESOLUTION 2007 -**  
**MICHIGAN ECONOMIC GROWTH AUTHORITY**

**Washtenaw County Brownfield Redevelopment Authority**  
**Broadway Village at Lower Town Amendment #1**  
**Ann Arbor, Michigan**

At the meeting of the Michigan Economic Growth Authority ("MEGA") held on June 19, 2007 in Lansing, Michigan.

WHEREAS, MEGA has been established by 1995 PA 24, as amended (the "Act");

WHEREAS, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

WHEREAS, captured school operating tax revenues may be used under 1996 PA 381 as amended, for infrastructure improvements that directly benefit eligible property, for lead or asbestos abatement, and for structure demolition and site preparation that are not response activities under the Natural Resources and Environmental Protection Act, 1994 PA 451;

WHEREAS, the MEGA Board approved a work plan request for the Broadway Village at Lower Town project on September 14, 2004, Resolution #2004-59, for eligible activities including demolition, site preparation, public infrastructure and interest;

WHEREAS, the Washtenaw County Brownfield Redevelopment Authority (the "Authority") and the City of Ann Arbor have submitted a letter requesting amendments for property located on Broadway and Maiden Lane within the City of Ann Arbor, known as the Broadway Village at Lower Town project;

WHEREAS, the amendments being requested include:

- (a) An additional five years to complete the eligible activities;
- (b) Removing the requirement that the reimbursement of interest is contingent on the issuance of a municipal bond by the City of Ann Arbor;
- (c) Increasing the maximum amount of capture for school taxes due to changes in the assumptions of the value of the project.

WHEREAS, the project meets the guidelines as transformational due to the following reasons: 1) it is regionally transformational; 2) the state and region will benefit from the project; 3) the project addresses a major redevelopment need in the community; 4) the project will not move forward without support of interest reimbursement; and 5) the project economics require a strong subsidy.

NOW, THEREFORE, BE IT RESOLVED, that the MEGA Board authorizes the following amendments:

(a) An additional five (5) years to complete the Eligible activities for this project;

(b) The reimbursement of interest if financed by a municipal bond and/or by a private financial institution or entity;

(c) The proportional capture of taxes levied for local and school operating purposes up to a maximum of \$96,375,347 as presented in Exhibit C: Table 2 of Attachment C of the work plan dated August 2004 for costs of non-environmental eligible activities, including interest, with the capture of taxes levied for school operating purposes being approximately \$44,028,778;

BE IT FURTHER RESOLVED, the MEGA Board is only authorizing additional school tax capture for interest reimbursement and is not authorizing additional school tax capture for the reimbursement of principal eligible activities, including demolition, site preparation, public infrastructure, project management and other costs, and a 15 percent contingency, as identified in the work plan dated August 2004, with a maximum amount of local and school tax capture of \$36,000,000 for these activities;

BE IT FURTHER RESOLVED, that the MEGA Board approves the project as transformational, and therefore, is allowing for the capture of interest, regardless if paid for a municipal bond or private financial transaction;

BE IT FURTHER RESOLVED, that all other provisions of Resolution #2004-59 are reaffirmed and the MEGA authorizes the staff of MEGA to implement the terms of this resolution.

ADOPTED

AYES:

NAYS:

June 19, 2007  
Lansing, Michigan