# CITY OF IONIA
## BROWNFIELD REDEVELOPMENT AUTHORITY
## BOARD OF DIRECTORS SPECIAL MEETING
**City of Ionia City Hall – Council Chambers**

**July 13, 2026, 4:00 PM**

CALL TO ORDER
ROLL CALL

I. APPROVAL OF AGENDA

II. APPROVAL OF MINUTES
   a. Minutes from May 11, 2026

III. PUBLIC COMMENTS

IV. FINANCIAL REPORT
   a. Budget report – FY25/26 activity

V. NEW BUSINESS
   a. Brownfield Plan Reimbursement Agreement – Heritage Row (Ionia Development Company)
   b. Brownfield Plan Reimbursement Agreement – Austin Pines West (Allen Edwin Homes)

VI. ADJOURNMENT

**Next regular meeting – October 12, 2026, 4:00 PM**

# CITY OF IONIA
# Brownfield Redevelopment Authority
# Board of Directors
# May 11, 2026
# Meeting Minutes

## CALL TO ORDER

Chairperson Vroman called the meeting of the City of Ionia Brownfield Redevelopment Authority Board of Directors for May 11, 2026, to order at 4:00 PM.

## ROLL CALL

Present: Board Members Dan Balice, Ted Paton, Tom Dickinson and Mark Vroman; and Deerfield/Riverside Steering Committee Members Gordon Kelley, Ionia County and Bill Vaarburg, Berlin Township

Absent: Melinda Braman, BRA; Logan Bailey, Steering Committee

Also Present: City Manager Precia Garland, Jonathan Bowman, Assistant City Manager, developer representatives, and Reporter Tim McAllister, The Daily News

## APPROVAL OF AGENDA

A motion was made by Balice, seconded by Dickinson to approve the agenda as presented. MOTION CARRIED.

## APPROVAL OF MINUTES

Minutes from the regular meeting of April 20, 2026, were reviewed. It was moved by Balice, seconded by Paton to approve the minutes as presented. MOTION CARRIED.

**PUBLIC COMMENTS** – None.

## NEW BUSINESS

a. **Act 381 Brownfield Plan – Austin Pines West (Allen Edwin Homes)** – Brian Farkas of Allen Edwin Homes again reviewed his company's request for a Brownfield Plan/Act 381 Workplan requesting tax increment financing support for a 96-housing unit development to be known as Austin Pines West. Joe Agostinelli from Michigan Growth Advisors offered additional information regarding the company's request for a housing TIF subsidy, interest reimbursement and proforma documenting project need. City Manager Garland noted that since the prior's month's staff report provided to BRA Board members, which analyzed the plan given the criteria established in the City's "Policy for Administration of Brownfield Redevelopment Projects," MSHDA has issued new area income and rent limits for 2026. The new numbers served to reduce the amount of rent subsidy requested by AE Homes, which further reduced the requested amount of eligible activity reimbursements from 22 years to 21 years. Board members asked several questions of the developer representatives.

Motion was made by Dickinson, seconded by Paton to approve the Austin Pines West Brownfield Plan as presented and recommend for final approval to the Ionia City Council following the required public hearing. MOTION CARRIED.

b. **Act 381 Brownfield Plan – Heritage Row (Ionia Development Company)** – Olivia Selby of Fishbeck spoke on behalf of Ionia Development Co's request for a brownfield plan that would create a 14 housing unit development -- Heritage Row -- to be constructed on the former site of the Ionia Community Hospital. Of the 14 units, seven would be made available to renters at 120% of area median income or less with three of the seven locked in at 98% of AMI for the life of the plan capture (20 years). City Manager Garland reviewed the staff report analyzing the proposed plan given the criteria established in the City's "Policy for Administration of Brownfield Redevelopment Projects."

   Motion was made by Balice, seconded by Paton to approve the plan as presented and recommend final approval to the Ionia City Council. MOTION CARRIED.

**OLD BUSINESS**
None.

**ADJOURNMENT**
Motion by Balice, seconded by Paton to adjourn the meeting at 4:44 PM. MOTION CARRIED.

Next meeting scheduled for Monday, July 13, 2026, at 4:00 PM, Ionia City Hall.

Respectfully Submitted,

Precia Garland, Recording Secretary

# BALANCE SHEET REPORT FOR CITY OF IONIA
Balance As Of 06/30/2026

| GL Number | Description | YTD Balance 06/30/2025 | YTD Balance 06/30/2026 |
|---|---|---|---|
| **Fund: 247 BROWNFIELD DEVELOPMENT** | | | |
| ***** Assets ***** | | | |
| **Account Classification: Unclassified** | | | |
| 247-000.000-007.000 | COMMON CASH ACCOUNT | 61,847.32 | 68,661.27 |
| Unclassified | | 61,847.32 | 68,661.27 |
| **Total Assets** | | 61,847.32 | 68,661.27 |
| ***** Liabilities ***** | | | |
| **Account Classification: LIABILITIES** | | | |
| 247-000.000-222.000 | DUE TO COUNTY TREASURER | (0.28) | (0.28) |
| LIABILITIES | | (0.28) | (0.28) |
| **Total Liabilities** | | (0.28) | (0.28) |
| ***** Fund Equity ***** | | | |
| **Account Classification: RESERVES & BALANCES** | | | |
| 247-000.000-390.000 | FUND BALANCE CREDIT BALANCE | 61,934.21 | 61,847.60 |
| RESERVES & BALANCES | | 61,934.21 | 61,847.60 |
| **Total Fund Equity** | | 61,934.21 | 61,847.60 |
| **Total Fund 247:** | | | |
| **TOTAL ASSETS** | | 61,847.32 | 68,661.27 |
| **BEG. FUND BALANCE** | | 61,934.21 | 61,847.60 |
| **+ NET OF REVENUES & EXPENDITURES** | | (86.61) | 6,813.95 |
| **= ENDING FUND BALANCE** | | 61,847.60 | 68,661.55 |
| **+ LIABILITIES** | | (0.28) | (0.28) |
| **= TOTAL LIABILITIES AND FUND BALANCE** | | 61,847.32 | 68,661.27 |

# REVENUE AND EXPENDITURE REPORT FOR CITY OF IONIA

Balance As Of 06/30/2026

| GL Number | Description | 25-26 Amended Budget | YTD Balance 06/30/2026 | Activity For 06/30/2026 | Available Balance 06/30/2026 | % Bdgt Used |
|---|---|---|---|---|---|---|
| **Fund: 247 BROWNFIELD DEVELOPMENT** | | | | | | |
| **Account Category: Revenues** | | | | | | |
| **Department: 000.000** | | | | | | |
| 430.000 | TAX INCREMENT FINANCING | 0.00 | | | 0.00 | 0.00 |
| 450.000 | LICENSES AND PERMITS | 6,000.00 | 6,000.00 | | 0.00 | 100.00 |
| 665.000 | INTEREST | 1,500.00 | 1,550.20 | | (50.20) | 103.35 |
| Total Dept 000.000 | | 7,500.00 | 7,550.20 | 0.00 | (50.20) | 100.67 |
| Revenues | | 7,500.00 | 7,550.20 | 0.00 | (50.20) | 100.67 |
| **Account Category: Expenditures** | | | | | | |
| **Department: 558.000 ADMINISTRATIVE** | | | | | | |
| 801.000 | CONTRACTUAL & PROFESSIONAL SEV | 10,000.00 | 736.25 | | 9,263.75 | 7.36 |
| Total Dept 558.000 - ADMINISTRATIVE | | 10,000.00 | 736.25 | 0.00 | 9,263.75 | 7.36 |
| Expenditures | | 10,000.00 | 736.25 | 0.00 | 9,263.75 | 7.36 |
| Fund 247 - BROWNFIELD DEVELOPMENT: | | | | | | |
| TOTAL REVENUES | | 7,500.00 | 7,550.20 | 0.00 | (50.20) | 100.67 |
| TOTAL EXPENDITURES | | 10,000.00 | 736.25 | 0.00 | 9,263.75 | 7.36 |
| NET OF REVENUES & EXPENDITURES: | | (2,500.00) | 6,813.95 | 0.00 | (9,313.95) | |

# CITY OF IONIA
## STAFF REPORT FOR BRA AGENDA ITEM

Agenda Item: V - 1a

TO: Brownfield Redevelopment Authority

FROM: Precia Garland, City Manager

DATE: July 13, 2026

RE: Brownfield Plan Reimbursement Agreement – Homes of Heritage Row

**Background:**
Subject to the BRA's recommendation on May 11, 2026, the Ionia City Council approved the Act 381 Brownfield Plan for the Homes of Heritage Row project on June 3, 2026. As you may recall, the Brownfield Plan identifies the following project parameters and eligible activities, to be reimbursed to the developer through capture of tax increment revenues:

| | |
|---|---|
| Number of housing units | 14 (7 for sale units; 7 rental units) |
| Number of units <= 120% AMI | 7 units (50% of total) – 3 will be certified 120% AMI |
| Plan/TIF capture period | 20 years |
| Affordability term for 120% AMI units | 20 years (2 of the 7 rentals at <=98% AMI) |
| Reimbursables/Eligible Activities | Infrastructure, site prep, housing gap = $1,499,254 |
| Total project investment | $4,450,000 |
| TIF reimbursement to developer | $1,499,254 |
| Total TIF incentive per unit | $107,090 |
| State vs. local millage capture ratio | 37.5% state to 62.5% local |

Following the approval of the Act 381 Brownfield Plan, a Brownfield Plan Reimbursement Agreement is prepared. The Agreement details the process and method for capturing and reimbursing tax increment revenues to the Developer and any factors that might impact such reimbursement. This agreement has been closely reviewed by City staff and the City attorney as to form. The Brownfield Plan Reimbursement Agreement requires the final approval of the City of Ionia BRA.

**Requested Action:**
It is requested the Brownfield Redevelopment Authority consider approving the proposed Brownfield Plan Reimbursement Agreement for the Homes of Heritage Row development project and authorize its chairperson, Mark Vroman, to execute the agreement on behalf of the BRA.

Motion By:______________________ Seconded By: ______________________

Motion carried ____________
Motion defeated ____________

## BROWNFIELD PLAN DEVELOPMENT AND REIMBURSEMENT AGREEMENT

THIS BROWNFIELD PLAN DEVELOPMENT AND REIMBURSEMENT AGREEMENT (the "Agreement") is made between the **IONIA BROWNFIELD REDEVELOPMENT AUTHORITY** (the "BRA"), a Michigan public body corporate established pursuant to Act 381 of the Public Acts of 1996, as amended, MCL 125.2651 et seq. ("Act 381"), and **IONIA DEVELOPMENT COMPANY LLC**, a Michigan limited liability company (the "Developer").

Property Name/Address (the "Property"): Homes of Heritage Row, 458 to 492 East Washington Street and 457 to 479 Lafayette Street. The legal description of the Property is presented in Exhibit 1.

Maximum amount of Tax Increment Financing ("TIF") approved for reimbursement to the Developer: $1,499,254. This is the "Maximum Amount."

Maximum term in which Tax Increment Revenues ("TIR") can be captured under the Brownfield Plan or Combined Plan: **20 years.** This is the "Maximum Term."

Project: Homes of Heritage Row
Number of housing units that will be income restricted: Three

Brownfield Plan dated: April 21, 2026
Brownfield Plan Approved by BRA on: May 11, 2026
Brownfield Plan Adopted by Local Unit of Government on: June 3, 2026

### NOTICES AND REIMBURSEMENT

All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, or one day after being sent by overnight courier, or three days after being mailed by registered mail, return receipt requested, to the following addresses (or any other address that is specified in writing by either party):

| | |
|---|---|
| If to Developer: | Ionia Development Company<br>8091 Leonard Street<br>Coopersville, MI 49404 |
| If to the BRA: | City of Ionia Brownfield Redevelopment Authority<br>c/o City of Ionia City Manager<br>114 Kidd Street<br>Ionia, MI 48846 |

Reimbursement checks shall be payable to: Ionia Development Company.

**RECITALS**

A. The governing body has established the BRA, and the BRA, governing body, and any other bodies required by Act 381 have adopted a Brownfield Plan or Combined Plan for the Property according to the dates above, pursuant to the provisions of Act 381.

B. Act 381 permits the real and personal property tax revenues generated from the increase in taxable value (the TIR) of Eligible Property to reimburse costs of conducting Eligible Activities ("Eligible Costs") and permits reimbursement to the Developer of Eligible Costs it has incurred.

C. The Property has been included in the Brownfield Plan or Combined Plan and qualifies as an "Eligible Property" under the terms of Act 381.

D. The Developer intends to develop the Property according to the Brownfield Plan or Combined Plan provided as Exhibit 2 (the "Project").

E. The BRA and its governing body have determined that the Project will result in a public benefit, and using TIR for the Project is appropriate.

F. The Project will require the Developer to incur Eligible Costs for Eligible Activities described in the Brownfield Plan or Combined Plan. For purposes of this Agreement, "Eligible Costs" means costs incurred in conducting Eligible Activities permitted under Act 381 and described in the Brownfield Plan or Combined Plan.

G. The parties are entering into this Agreement to establish the procedure for reimbursement to the Developer from TIR under Act 381 as amended.

H. The Developer's obligation to develop the Project on the Property is contingent upon the Developer's ability to secure all necessary approvals needed to develop and permit the use of the Property for the Project, which may include but are not limited to, a special use permit, site Brownfield Plan or Combined Plan approvals, zoning variances and/or rezoning, building permits, and any and all other permits, consents, and final approvals and authorizations necessary to develop, construct, and utilize the Property for the Project.

**NOW THEREFORE,** in consideration of the mutual covenants, conditions, and agreements set forth herein, the parties agree as follows:

1. **The Brownfield Plan or Combined Plan.** The Brownfield Plan or Combined Plan approved by the BRA, by the BRA's local governing body, and by any other governing body required by Act 381, is attached as Exhibit 2 and incorporated as part of this Agreement. To the extent provisions of the Brownfield Plan or Combined Plan or this Agreement conflict with Act 381, Act 381 controls.

2. **Term of Agreement.** Pursuant to the Brownfield Plan or Combined Plan and this Agreement, the BRA agrees it shall capture and reimburse the Developer the amount of TIR generated from real property taxes allowed by law on the Eligible Property. Capture will begin as shown in the Brownfield Plan or Combined Plan and will continue until the earlier of:

    a) Full reimbursement to the Developer as outlined in the Brownfield Plan up to the Maximum Amount, including reimbursement of Eligible Activities described in the Brownfield Plan or Combined Plan, and to the BRA of its Administrative Costs; **or**

    b) The Maximum Term, following the commencement of reimbursement to the Developer as outlined in the Brownfield Plan or Combined Plan.

3. **Eligible Activities.** The Developer shall diligently pursue completion of the Eligible Activities summarized in the Brownfield Plan or Combined Plan and construct the development in accordance with proper construction standards, local and state laws, ordinances, codes, regulations, rules, and this Agreement. The BRA shall, in accordance with the terms of this Agreement, reimburse the Developer for Eligible Costs incurred on or after the date of the inclusion of this Project in the Brownfield Plan or Combined Plan unless Eligible Costs are preapproved by Act 381 or are otherwise previously approved for reimbursement.

4. **Reimbursement Source.** During the term of this Agreement and except as otherwise set forth in this Agreement, the BRA shall reimburse the Developer for its Eligible Costs, in accordance with the process herein, and as limited under this Agreement, from all available, captured TIR collected from the real, and if applicable, personal property taxes on the Property.

5. **Reimbursement Process.**

**5.1. Cost Reimbursement Request.** The Developer will provide sufficient documentation of the Eligible Costs incurred, including:

a) A complete description of the work, including the dates of each Eligible Activity, schedule of values, and/or executed AIA Application and Certificate for Payment.
b) Detailed invoices for the costs involved for each Eligible Activity.
c) Proof of payment, such as lien waivers from the Developer's general contractor as verification that all applicable subcontractors were paid in full.
d) A written statement certifying to the BRA that all such costs are Eligible Costs.
e) Certificate(s) of occupancy to document completion of the Project.

The BRA may reasonably request other documentation before it approves the Developer's request for reimbursement for costs.

All documents required for the cost reimbursement request must be submitted within 90 days of the issuance of a certificate of occupancy, with multiple requests allowed as desired. A certificate of project completion, stating that no further invoices will be submitted for reimbursement of eligible activities or such other certificate as required by the BRA or its governing body, shall be submitted with the final reimbursement request. Failure to provide a timely and complete cost reimbursement request will result in foregone reimbursement to the Developer by the BRA for Eligible Costs.

**5.2. BRA Staff Review.** BRA Staff shall review each reimbursement request within 60 days after receiving it. If BRA Staff determines that the documentation submitted by the Developer is not complete, then Developer shall cooperate in the BRA's review by providing, within thirty (30) days of the BRA 's request, any additional documentation of the Eligible Costs as deemed reasonable and necessary by the BRA in order to complete its review. Within 30 days following the receipt of such supplemental information, the BRA shall make the determination of whether the costs are "Eligible Costs" for reimbursement. If the Developer wishes to challenge that determination, it shall provide written notice to the BRA within thirty (30) days of the determination, and the issue shall be brought to the BRA within forty-five (45) days thereafter for a final determination. The Developer shall not have any further appeal rights to challenge the final determination of the BRA and shall not be entitled to any claim or cause of action against the BRA as a result of any determinations made in good faith regarding whether or not any cost submitted by the Developer constitutes an "Eligible Cost," and hereby grants the City of Ionia, the BRA, and their respective officers, agents and employees, a complete release and waiver of any claims or causes of action as a result of the foregoing.

**5.3. Reimbursement.** Before June 30 of the year after the Developer delivers documentation of the Developer's Eligible Costs (and as property taxes are received each subsequent year) after both the summer and winter taxes are captured and collected on the Property, and after the Developer has provided an annual report to the BRA according to requirements in this Agreement, the BRA shall reimburse its Administrative Costs and pay approved Eligible Costs to the Developer from TIR generated from the Property in accordance with the Brownfield Plan or Combined Plan to the extent that taxes have been captured and are available in that fiscal year. The BRA shall receive its share of TIR each year until Eligible Costs are fully reimbursed, or according to the approved Brownfield Plan or Combined Plan.

Except as otherwise provided in this Agreement, while the property remains under the Developer's ownership, the Developer shall not be entitled to reimbursement under this Agreement unless all real property taxes have been timely and completely paid before the date on which they can no longer be paid without penalties or interest. The Developer acknowledges that, after homes included in the Brownfield Plan are sold, reimbursement under this Agreement depends on payment by individual property owners of their property taxes. The Developer assumes that the City of Ionia will expeditiously pursue tax payments from homeowners whose taxes are unpaid.

The BRA and Developer acknowledge that reimbursement is based on, and shall not exceed, available TIR, regardless of the amount of Eligible Costs or the amount of TIR projected in any given year. The BRA shall make annual payments from available property tax revenues toward the Developer's unpaid Eligible Costs during the term of this Agreement. Unless part of the approved Brownfield Plan or Combined Plan, the Developer shall not be entitled to receive any interest on amounts for which reimbursement is requested under this Agreement.

The repayment obligation under this Agreement shall expire upon the earlier of the full payment by the BRA to the Developer of the Maximum Amount or the end of the Maximum Term. If less TIR is captured for the Project than the projected amount, the Developer may request an amendment to the Plan to extend the Maximum Term of this Agreement for additional reimbursement to the Developer. An amendment to the Plan must be approved by the BRA and the City of Ionia in accordance with Act 381.

**5.4. Method of Reimbursement.** The BRA will reimburse the Developer for Eligible Costs by a check payable to the entity specified on page 1 of this Agreement and delivered by first class US mail to the address specified on page 1 of this Agreement, or by electronic transfer if available to the Developer.

6. **Adjustments.** The parties acknowledge that adjustments regarding the amount of TIR paid to the Developer may occur under any of the following circumstances:

**6.1. Audit or Court Ruling:** In the event that an audit of payments made to the Developer under this Agreement, or a court of competent jurisdiction, determines that any portion of the payments made to the Developer under this Agreement is unlawful, the Developer shall pay back to the BRA within 30 days of the determination made by the audit or the court, that portion of the payments made to the Developer. However, the Developer shall have the right before any such repayment is made to appeal on its or the BRA's behalf, any such determination made by an auditor or court. If the Developer is unsuccessful in such an appeal, the Developer shall repay the portion of payments found to be unlawful to the BRA within 30 days of the date when the final determination is made on the appeal. The

Developer shall be responsible for payment of the BRA's legal fees associated with any determination of whether a cost for which reimbursement is requested constitutes an "Eligible Cost" and all the BRA's legal fees associated with the review or determination of such issues by any state agency or court.

**6.2. Property Tax Appeal:** In the event the Developer, or any subsequent owner of a parcel on the Property, files an appeal related to the taxable value of parcels of property included in the Brownfield Plan or Combined Plan, the BRA shall do the following:

a) The BRA will continue to reimburse the Developer for Eligible Costs based upon the local tax assessor's assessment of the real property taxes for the Project.
b) Once any tax appeals are adjudicated, the BRA will make adjusted payments pursuant to this Agreement.

**6.3. Reduction of Property Assessments.** If the BRA (i) incurs Administrative Costs on behalf of the Developer with respect to the Project, Site, or Application and (ii) the Developer or a subsequent owner of property in the Project initiates, participates in, or supports any proceeding or process which results in a reduction of the tax increment capture for the Project from what was projected and along the same term as contained within the Brownfield Plan or Combined Plan, then a recalculation of the amount of TIR that the BRA previously paid to the Developer may be required (the excess amount determined to have been paid is the "Excess Amount") as a result of such lower assessments. If that amount is less than the actual amount of TIR the BRA has already paid to the Developer, the Excess Amount shall be offset against future reimbursements to the Developer of Eligible Costs.

7. **Responsibilities of Developer.** In consideration of the inclusion of the Property into the Brownfield Plan or Combined Plan and the resulting financial benefits which the Developer expects to receive, and the BRA's commitments to capture TIR and to assist the Developer in the Project, the Developer agrees to the following:

**7.1. Project.** At its sole expense, the Developer shall use its best efforts to conduct the activities described in the Brownfield Plan or Combined Plan and to construct the Project. Consistent with the Brownfield Plan or Combined Plan, the Developer agrees to reserve no fewer than three units of housing for households earning up to 120% of local Area Median Income according to the most recent guidance issued by the Michigan State Housing Development Authority (MSHDA).

Notwithstanding anything herein to the contrary, the Developer's obligation to commence construction of the Project shall be subject to the Developer's determination, in its business discretion, that the Project is viable. Subject to matters beyond the reasonable control of the Developer (e.g., war, acts of God, failure to obtain governmental approvals, governmental restrictions, exceptional health concerns for which a "stay at home" or "shelter in place" order is issued by an applicable governmental BRA, etc. and any other delays due to war, terrorism, lock-out, fire, or other casualty, unavailability of materials, unanticipated construction delay, acts or omission of governmental authorities, severe weather, or other causes beyond the reasonable control of the Developer and its contractors) (collectively "Force Majeure" events), the Developer shall commence construction of the Project within a commercially reasonable time after the date that the Developer secures all necessary approvals, authorizations, permits, and incentives for the Project and otherwise satisfies all requirements of the Developer's lenders or other financing parties for the Project (collectively, the "Approvals," and such date on which the Developer is required to commence construction being the "Commencement Date"). Subject to Force Majeure, the Developer shall use commercially reasonable efforts to substantially complete the

Project to the point of obtaining certificates of occupancy within 24 months after the Commencement Date.

The BRA shall not have any responsibility or liability for remediation or development of the Property, or for conducting any "Eligible Activities" at the Property, except for its obligations under this Agreement to provide funds to the extent available from TIR.

**7.2. Income and Price Monitoring.** The Developer shall monitor and annually provide to the BRA and / or a third party providing verification services to the BRA sufficient evidence to demonstrate its compliance with the Annual Unit Income Restriction.

Prospective renters of Income Restricted Units must verify eligibility to the Owner or their designee at the time of initial occupancy by self-certifying using the MSHDA Household Income Self-Certification form or other form approved by the BRA or MSHDA.

The Owner shall provide to the BRA no later than May 1 of each year during the Term of reimbursement under this Agreement, a report for the preceding calendar year pursuant to reporting requirements under Section 16 of Act 381, in a format provided by the BRA.

**7.3. Ordinances.** The Developer will develop the Property, including landscaping and all other improvements required for the Project, in compliance with all local ordinances, site plan reviews, zoning approvals, and this Agreement. This Agreement does not obligate any governing municipality to grant any such approvals.

**7.4. Promotion and Marketing.** The Developer allows the BRA to cite or to use any renderings, photographs, or other materials of the Project as an example of private/public partnership and brownfield site development.

**7.5. Cooperation.** The Developer shall provide a written report to the BRA annually on or before June 30 for the duration of tax capture and reimbursement. Data reported by the Developer to the BRA will include, but is not limited to, information that the BRA is required to report to the State of Michigan or other governmental agencies, such as the amount of Developer expenditures and capital investment, jobs created, square footage developed or rehabilitated, home sales and resales, liens collected or released, and income verification of any new homebuyer. The BRA will provide a list of reasonable requested information to the Developer.

**8. Responsibilities of the BRA.** In consideration of the preceding commitments of the Developer, the BRA further agrees to:

**8.1. Tax Increment Revenues.** Reimburse the Developer with TIR for Eligible Costs incurred by the Developer in completing the Project, subject to actual capture and as limited and detailed in this Agreement.

**8.2. Reporting.** To complete or cause to be completed mandatory annual reporting to the State of Michigan.

**9. Developer's Representations, Warranties and Covenants.** The Developer hereby makes the following representations, warranties, and covenants:

9.1. **Eligible Property.** To the Developer's knowledge and belief, the Property is "Eligible Property" as defined in Act 381 and is eligible for the capture of TIR pursuant to Act 381.

9.2. **Eligible Costs.** The Developer will only submit for reimbursement such costs that it has reasonably determined are Eligible Costs within the meaning of Act 381.

9.3. **Due Authorization.** The representatives signing this Agreement are duly authorized by the Developer to enter into this Agreement.

10. **Events of Default.** Each of the following shall constitute an event of default:

10.1. Any representation or warranty made by the Developer in this Agreement proves to have been incorrect or incomplete in any material respect when made or deemed to be made.

10.2. The Developer fails to observe or perform any covenant or agreement contained in this Agreement for 30 days after written notice thereof shall have been given to the Developer by the BRA.

10.3. The Developer abandons or withdraws from the Project.

10.4. The Developer fails to pay when due any funds which are required to be paid pursuant to this Agreement, including but not limited to its real property taxes, and such failure continues for 30 days after written notice from the BRA.

10.5. The Developer terminates its existence to avoid its obligations under this Agreement.

11. **Remedies upon Default**

11.1. If any event of default as defined above occurs and continues for 30 days after written notice of default from the BRA (or such additional time as may be reasonably necessary to cure the default at issue provided that the Developer has commenced such cure within the initial 30 days and is proceeding in good faith to cure), the BRA shall have the right, but not the obligation, to exercise any of the following rights and remedies either individually or concurrently:

a) Terminate this Agreement effective immediately upon notice to the Developer.

b) In addition, if Developer fails to substantially complete the Project with the timelines required by this Agreement (but subject to Force Majeure), of if Developer otherwise defaults prior to substantial completion of the Project, Developer shall repay the BRA (within thirty (30) days following demand by the BRA) any amounts paid to Developer as reimbursement for Eligible Costs with respect to such incomplete phases of the Project pursuant to the terms of this agreement or otherwise;

c) Withhold, suspend, or rescind reimbursement to Developer for Eligible Cost from Tax Increment Revenue according to this Agreement until Developer has cured such default to the satisfaction of the BRA. Any such action by the BRA shall not under any circumstances extend the Maximum Term unless specifically approved by the BRA; and

d) All other remedies available at law or in equity.

The BRA is responsible for its own costs and expenses, including attorney fees incurred by the BRA to enforce its rights under this Agreement, except as otherwise provided in Section 6.1 of this Agreement.

**11.2.** If the BRA fails in any material respect to perform or provide the TIR incentives, and such failure continues for a period of 30 days after written notice from the Developer to the BRA specifying the alleged default (or such additional time as may be reasonably necessary to cure the default at issue provided that the BRA has commenced such cure within the initial 30 days and is proceeding in good faith to cure), the Developer shall have the option to exercise one or any combination of remedies under this Agreement or otherwise available at law or in equity, including without limitation, to withhold or suspend the performance of all or any of the commitments under this Agreement. The Developer is responsible for its own cost and expenses, including attorney fees incurred by the Developer to enforce its rights under this Agreement.

12. **Legislative Authorization.** This Agreement is governed by and subject to the restrictions set forth in Act 381. If legislation is enacted in the future which alters or affects the amount of TIR subject to capture, Eligible Properties, or Eligible Activities, then the Developer's rights and the BRA's obligations under this Agreement may be modified accordingly by agreement of the parties.

13. **Freedom of Information Act.** The Developer stipulates that all petitions and documentation submitted by the Developer shall be open to the public under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976, MCL 15.231 et seq., and no claim of trade secrets or other privilege or exception to the Freedom of Information Act will be claimed by the Developer as it relates to this Agreement or petitions and supporting documentation.

14. **Brownfield Plan or Brownfield Plan Modification.** The Brownfield Plan or Combined Plan and this Agreement may be modified to the extent allowed under the Act by mutual agreement of the parties.

15. **Indemnification.** The Developer shall defend, indemnify, and hold harmless the BRA, its governing body, and any of their respective past, present, and future members, officials, employees, agents, or representatives from all losses, demands, claims, judgments, suits, costs, and expenses (including without limitation the costs and fees of attorneys or other consultants) arising from or related to (i) the capture and use of TIR paid to the Developer as a reimbursable payment under this Agreement made in excess of the amount of TIR the BRA is determined by the State or court to be allowed by law to use for that reimbursement, and (ii) the Project.

16. **Third Party Management.** The Developer may enter into a contract with a third-party property management firm ("Property Manager"), which may, as part of its contract with Developer, perform certain services described in this Agreement. Developer acknowledges that it remains responsible for all obligations, liable for all defaults, and subject to all remedies under this Agreement regardless of the performance of any Property Manager.

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

18. **Binding Effect/Third Parties.** This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors, but it may not be assigned by any party without the prior written consent of the other party, whose consent may not be unreasonably withheld, conditioned, or delayed (it being agreed that an arm's length sale of the Project shall be a reasonable assignment). The

Developer may make a collateral assignment of this Agreement to any institutional lender in connection with any financing for the Project. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.

19. **Waiver.** No failure of either party to complain of any act or omission on the part of the other party, no matter how long the act or omission may continue, is considered a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this or another provision.

20. **Authorization.** Each of the parties represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.

21. **Entire Agreement.** This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.

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

23. **Definitions.** The following capitalized terms are used in this Agreement with the following meanings:

    "Administrative Costs" means the BRA's out-of-pocket costs associated with the Project (including reasonable attorney fees and costs, environmental consulting fees and costs, and similar fees and costs) as well as the BRA's indirect costs associated with the Project (including allocation of the fixed costs of the BRA Staff).

    "Annual Unit Income Restriction" means the requirement that the Developer's net rent from Income Restricted Units per bedroom count does not exceed 120% of the MSHDA rent by bedroom count for the county in which the project is located and subject to income verification. Qualifying rents shall be adjusted to include utility allowances that ensure rents meet and do not exceed the Area Median Income requirements contained herein.

    "Brownfield Plan" is defined by Section 2(e) of Act 381.

    "Combined Plan" is defined by Section 2(h) of Act 381.

    "Eligible Activities" is defined by Section 2(o) of Act 381.

    "Eligible Property or Properties" is defined by Section 2(p) of Act 381.

    "Income Restricted Units" means the residential units that will be occupied by households that meet the Annual Unit Income Restriction, as described in the Brownfield Plan or Combined Plan.

    "Tax Increment Revenue" or "TIR" is defined by Section 2(ss) of Act 381, and, for purposes of this Agreement, includes school taxes and local (non-school) taxes.

**24. Exhibits.**

1. Legal Description of Property
2. Brownfield Plan
3. Act 381 Work Plan

**In witness of their intent to be legally bound by the terms of this Agreement, each of the parties has set forth its signature below by its duly authorized representative.**

CITY OF IONIA BROWNFIELD REDEVELOPMENT AUTHORITY

By: ______________________________

Its: ______________________________

Date: __________________________ This is the "Execution Date."

IONIA DEVELOPMENT COMPANY LLC

By: ______________________________

Its: ______________________________

Date: __________________________

## Exhibit 1

The legal descriptions for the Subject Property parcels are as follows:

Parcel ID No.: 34-204-400-000-001-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 1 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-002-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 2 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-003-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 3 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-004-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 4 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-005-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 5 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-006-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 6 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-007-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 7 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-008-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 8 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-009-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 9 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-010-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 10 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-011-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 11 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-012-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 12 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-013-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 13 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

Parcel ID No.: 34-204-400-000-014-00

P/O THE NW 1/4, SEC 20, T7N, R6W, CITY OF IONIA, IONIA COUNTY, MICHIGAN, DESC AS; UNIT 14 OF THE HOMES OF HERITAGE ROW CONDOMINIUMS. RECORDED AS 2025-08241ON 11-06-2025 SPLIT FROM 204-090-000-670-51 ON 11/18/2025

CITY OF IONIA

**STAFF REPORT FOR BRA AGENDA ITEM**

Agenda Item: V - 1b

TO: Brownfield Redevelopment Authority

FROM: Precia Garland, City Manager

DATE: July 13, 2026

RE: Brownfield Plan Reimbursement Agreement – Austin Pines West

**Background:**

Subject to the BRA's recommendation on May 11, 2026, the Ionia City Council approved the Act 381 Brownfield Plan on June 3, 2026 for the Austin Pines West Project. As you may recall, the Brownfield Plan identifies the following project parameters and eligible activities, to be reimbursed to the developer through capture of tax increment revenues:

| | |
|---|---|
| Number of housing units | 96 (20 for sale units; 76 rental units) |
| Number of units <= 120% AMI | 20 units; 21% of total |
| Plan/TIF capture period | 21 years (+ 2 years LBRF & 5% BRA admin fee) |
| Affordability term for 120% AMI units | 10 years |
| Reimbursables/Eligible Activities | Infrastructure, site prep, housing gap, interest = $13,769,087 |
| Total project investment | $31 million |
| TIF reimbursement to developer | $13,769,087 |
| Total TIF incentive per unit | $143,428 |
| State vs. local millage capture ratio | 42.3% state to 57.7% local |

Following the approval of the Act 381 Brownfield Plan, a Brownfield Plan Reimbursement Agreement is prepared. The Agreement details the process and method for capturing and reimbursing tax increment revenues to the Developer and any factors that might impact such reimbursement. This agreement has been closely reviewed by City staff and the City attorney as to form. The Brownfield Plan Reimbursement Agreement requires the final approval of the City of Ionia BRA.

**Requested Action:**

It is requested the Brownfield Redevelopment Authority consider approving the proposed Brownfield Plan Reimbursement Agreement for the Austin Pines West development project and authorize its chairperson, Mark Vroman, to execute the agreement on behalf of the BRA.

Motion By:____________________ Seconded By: ____________________

Motion carried __________

Motion defeated __________

# BROWNFIELD PLAN REIMBURSEMENT AGREEMENT

THIS BROWNFIELD PLAN REIMBURSEMENT AGREEMENT (the "Agreement"), is entered into as of the latter date of the signatures below, between CITY OF IONIA BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public body corporate, ("BRA"), whose address is 114 North Kidd Street, Ionia, Michigan 48846, and WFH Austin Pines West, LLC (the "Developer"), whose address is 2186 E. Centre Avenue, Portage, Michigan 49002.

*Recitals*

A. The BRA and the City of Ionia (the "City") have determined that brownfield redevelopment constitutes the performance of an essential public purpose which protects and promotes the public health, safety and welfare.

B. The City established the BRA, pursuant to the provisions of PA, 1996, Act 381, being MCL 125.2651, et seq., as amended ("Act 381") on April 8, 1997.

C. Developer intends to develop two parcels totaling approximately 26 acres in the City in accordance with the Austin Pines West Brownfield Plan (the "Plan"), approved by the City of Ionia on June 3, 2026 via Resolution No. 2026-17. The property is deemed an "Eligible Property" under Act 381. The legal description of the Eligible Property is found in Exhibit A. incorporated into this Agreement by reference.

The project ("Project") will involve preparing the site for development to make way for approximately 96 housing units, pending municipal approval. The housing units are all expected to include 84 single family homes, and 12 townhome units built across four (4) tri-plex buildings. Out of the approximately 96 units constructed, the Project will provide twenty (20) percent income restricted rental units at an average of 120% Area Median Income (AMI) or lower and rents at not more than 100% AMI for a duration of ten years. The total capital investment on the project is expected to be approximately $31 million.

D. Act 381 permits the use of the real and personal property tax revenues generated from the increase in the assessed value of property ("Tax Increment Revenues" or "TIR") within the Plan following redevelopment of such property to pay or reimburse the payment of costs of conducting Eligible Activities (these costs are referred to as "Eligible Costs"); and unless Developer is a liable party for the site contamination, permits the reimbursement to Developer of Eligible Costs it has incurred.

E. The BRA and Developer desire to establish the terms and conditions upon which the BRA shall utilize TIR captured pursuant to the Plan to reimburse the Developer for the Eligible Costs undertaken by the Developer.

NOW THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth below, the parties agree as follows:

1. *Recitals.* The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. *The Plan.* The Plan, approved by the BRA on May 11, 2026 and the Ionia City Council on June 3, 2026 via Resolution No. 2026-17, is incorporated as part of this Agreement and this Agreement is also included as an attachment to the Plan. To the extent provisions of the Plan or this Agreement conflict with Act 381, Act 381 controls.

3. *Term of Agreement.* At any time following the completion of the first housing unit, Developer may give the BRA written notice directing the BRA to commence the capture of such Tax Increment Revenues (the "Capture Commencement Notice"). The parties acknowledge that capture commencement more than five years after the Plan has been approved will reduce the total number of years of capture allowed under Act 381. Upon receipt of the Capture Commencement Notice and pursuant to the Plan, the BRA shall capture that amount of TIR generated from local, real, and personal property taxes, including school taxes approved by the State of Michigan, allowed by law generated from the Property. Capture will begin in the first full year after Developer's delivery of the Capture Commencement Notice and will continue until full reimbursement of the Developer's Eligible Costs for those Eligible Activities set forth in the Brownfield Plan, which, subject to Paragraph 3.1, shall not exceed 22 years of capture and an additional two (2) years for the Local Brownfield Revolving Fund.

Additionally, the Eligible Costs for the Eligible Activities shall not exceed $ $13,769,087 which includes simple interest, noted below in Paragraph 4.

3.1 In addition to the above, the BRA is entitled by Act 381 to capture TIR generated by this Project for certain administrative operating expenses incurred by the BRA. Ten (10) years after the Developer submits the Capture Commencement Notice, the BRA shall evaluate the projected future tax increment revenue ("TIR") and the remaining unreimbursed balance of approved Eligible Activities. If the actual tax capture is less than the capture estimate set forth in Table 2 because there are more homestead properties (as defined in MCL 206.520) than anticipated, the reimbursement period shall be extended for a period sufficient to fully reimburse all approved Eligible Costs. Any such extension shall not exceed three (3) additional years and, in no event, shall the total reimbursement period exceed twenty-five (25) years.

4. *Eligible Activities.* The Eligible Activities are described in Table 1, "Eligible Activity Cost Estimates" in the Plan and further defined in any approved Act 381 Work Plan. Developer is entitled to reimbursement of financing gap Eligible Costs related to the affordable housing units as stated in the Plan for so long as the requirements in paragraphs 10.2, 10.3 and 10.4 are met. If legislative or regulatory actions impede compliance with the required affordability period, the Developer shall be entitled to reimbursement of the full amount of Eligible Costs associated with site preparation, demolition, infrastructure and interest, as specified in the Plan.

Three and a half (3.5%) percent simple interest on all Eligible Costs other than financing gap Eligible Costs shall accrue on the unreimbursed Eligible Activity balance and shall be paid after full reimbursement of approved Eligible Activities.

5. *Evidence of Ownership*. Prior to requesting the initial reimbursement of Eligible Costs, Developer shall provide to the BRA evidence that the Developer acquired fee simple title to the Eligible Property. Evidence shall include (without limitation) a copy of a recorded deed to the Property in favor of the Developer and shall otherwise be in form and substance satisfactory to the BRA.

6. *Reimbursement Source*. During the term of this Agreement and except as set forth in Paragraph 7 below, the BRA shall reimburse the Developer for its Eligible Costs, as limited under this Agreement, from all applicable collected ad valorem real and personal property taxes on the Property that are subject to recapture under the Plan.

7. *Reimbursement Process*.

7.1 Cost Reimbursement Request. Before May 1 of each year after Developer has commenced construction of the Project (and in no event more than 2 years following completion of the Project) the Developer shall submit to the BRA the Eligible Costs Reimbursement Form, attached as Exhibit B that identifies the costs of each of the Eligible Activities completed to date as described in Paragraph 4. When submitting Exhibit B, the Developer will also provide sufficient documentation of the Eligible Costs incurred including, but not limited to, the dates, complete description of the work, proof of payment (accompanied by signed lien waivers from the applicable contractors or subcontractors) and detailed invoices for the costs involved for each Eligible Activity. Exhibit B and the above additional documentation comprise the "Completed Request." Developer may submit multiple Cost Reimbursement Requests; however, such requests shall not be submitted more frequently than twice annually.

7.2 BRA Review. The BRA shall review the Completed Request within 14 days after receiving it. If the BRA determines that the documentation submitted by the Developer is not a Completed Request, then Developer shall cooperate in the BRA's review by providing any additional documentation of the Eligible Costs as deemed reasonable and necessary by the BRA to complete its review.

7.3 Reimbursement. Once summer and winter taxes are collected and captured on the Eligible Property, including settlement with the Ionia County Treasurer's office for reimbursement of any unpaid taxes within the development area described in Exhibit A, the BRA shall pay approved Eligible Costs to the Developer within 60 days of receipt of Developer's Completed Request from such available TIR as stated in the Plan and under this Agreement. Consistent with the Tax Increment Revenue reimbursement schedule in the Plan, the BRA shall receive no more than five (5) percent of the local Tax Increment Revenues each year in Administrative Costs. If there are insufficient Tax Increment Revenues available in any given year to reimburse all of the Developer's Eligible Costs for Eligible Activities, as described in Paragraph 4, then the BRA shall reimburse the Developer only from available Tax Increment Revenues. The Developer shall receive the available Tax Increment Revenue, less the BRA's Administrative Costs, during the term of this Agreement, until all the amounts for which submissions have been made, including allowable interest, have been fully paid to the Developer, or the repayment obligation expires, whichever occurs first.

7.4 Method of Reimbursement. The BRA will reimburse the Developer for Eligible Costs as follows, or as the Developer shall specify in writing:

| | |
|---|---|
| Checks shall be payable to: | WFH Austin Pines West, LLC |
| Delivered to the following address: | 2186 E. Centre Ave. Portage, MI, 49002 |

8. *Contingencies*: The obligation of Developer to develop the Project on the Property is contingent upon Developer's ability to secure the following:

8.1 All necessary governmental and quasi-governmental approvals needed for land development and infrastructure.

8.2 Approval by Michigan State Housing Development Authority ("MSHDA") and any other state agencies of financial incentives needed by Developer for the Project, including without limitation the approval of the Act 381 Work Plan.

8.3 Marketable and insurable title to the Property.

9. *Adjustments.* The parties acknowledge that adjustments regarding the amount of TIR paid to Developer may occur under any of the following circumstances:

9.1 Audit or Court Ruling. If either a state agency of competent jurisdiction conducting an audit of payments made to the Developer under this Agreement or a court of competent jurisdiction determines that any portion of the payments made to the Developer under this Agreement is unlawful under Act 381, the Developer shall pay back to the BRA that portion of the payments made to the Developer within 30 days of such determination. However, the Developer shall have the right, before any such repayment is made to appeal on its or the BRA's behalf any such determination made by a state agency or court, and the BRA agrees to cooperate with Developer in any such appeal. If the Developer is unsuccessful in that appeal, the Developer shall repay the portion of payments found to be unlawful to the BRA within thirty (30) days of the date when the final determination is made on the appeal.

9.2 Reduction in Property Assessments. If during the term of this Agreement Developer successfully petitions the Michigan Tax Tribunal ("Tribunal") to lower the assessments levied by the City against the Eligible Property for tax purposes, the provisions under Paragraph 3 will require a redetermination regarding the amount of TIR that would be captured over the reimbursement term of this Agreement as a result of such lower assessments. If such amount is less than the actual amount of TIR that BRA has already paid to the Developer, Developer shall reimburse BRA the difference between the total amount of adjusted TIR captured over the reimbursement term and the amount actually paid to Developer. Otherwise, any refund due to the Developer as a result of the lower assessments is limited only to the amount such refund exceeds the amount of TIR paid to Developer for those years covered by the Tribunal's Order.

10. *Developer Commitments.* In consideration of the inclusion of the Property into the Plan, the additional financial incentives included with this Project and the resulting financial benefits which it expects to receive, Developer agrees to the following:

10.1 Project. The Project consists of two parcels totaling approximately 26 acres in the City of Ionia. The project will involve preparing the site for development to make way for up to 96 housing units. The housing units are all expected to include 84 single family homes and 12 townhome units built across 4 tri-plex buildings. Out of the up to 96 units constructed, the Project will provide 20 income restricted rental units over the course of the construction at an average of 120% Area Median Income (AMI) or lower and rents at not more than 100% AMI for the applicable rent by bedroom amounts, as described in the then applicable MSHDA Income and Rent Limits Table, less any applicable utility allowances, for a duration of ten (10) years.

10.2 Monitor Affordability Occupancy Requirement. The Developer shall monitor and ensure that at least at twenty (20) percent of the portion of the development that received certificates of occupancy (estimated at 20 single family homes upon full completion) are occupied by households or individuals that meet income requirements of 120% AMI and that the rents being charged on a monthly basis are no more than the 100% AMI rents for the applicable rent by bedroom amounts, as described in the then applicable MSHDA Income and Rent Limits Table less any applicable utility allowances for a period of ten years. If vacancies occur in the income qualified units, Developer will use best efforts to rent the next available unit or units to an income qualified household to meet the affordability occupancy requirement. Developer may designate units subject to income restriction and unilaterally substitute other units designated for income restriction during the term of affordability.

10.3 Satisfy MSDHA Eligibility Requirement. Developer shall ensure that households are eligible at the time of initial occupancy by requiring that households self-certify using the MSDHA Household Income Self-Certification Form or as otherwise approved by MSHDA.

10.4 Period of Affordability. The twenty (20) percent of income restricted homes shall be at an average of 120% AMI or lower for income and rents at not more than 100% AMI for a period of ten years. After ten-years of affordability, Developer may rent or sell the single-family homes at market rate.

10.5 Ordinances and Other Agreements. To develop and improve the Property, including landscaping and all other improvements required for the Project, in compliance with all applicable federal, state and local laws, rules and regulations, including, without limitation, building and zoning codes, site plan review, this Agreement and with any other agreement that relates to the Property or the Project.

10.6 Cooperation. To assist and cooperate with the BRA in providing information that the BRA may require in providing necessary reports to other governmental agencies.

11. *BRA Commitments.* In consideration of the preceding commitments of Developer the BRA agrees to the following:

11.1 Tax Increment Revenues. To utilize TIR to reimburse Developer for Eligible Costs incurred by Developer in completing the Project as detailed above.

11.2 Cooperation. To cooperate and utilize its best efforts to assist Developer in obtaining any governmental approvals contemplated for the Project, including the approval of MSHDA, to capture taxes levied for school operating purposes under Section 13b of Act 381.

11.3 Tax Credits/Other State Incentives. To assist and support Developer's application to receive state tax credits or other state incentives for which either Developer or the Project is eligible.

12. *Legislative Authorization.* This Agreement is governed by and subject to the restrictions set forth in Act 381. If there is legislation enacted in the future which alters or affects the amount of TIR subject to capture or Eligible Activities, then the Developer's rights and the BRA's obligations under this Agreement may be modified accordingly by written agreement of the parties.

13. *Freedom of Information Act.* Developer acknowledges that all documents submitted by Developer to the City or BRA may be subject to release under the Freedom of Information Act, Act No. 442 of the Public Acts of 1976 ("FOIA"), and that the City has the final determination regarding to what extent such documentation should be released, partially or in their entirety. No claim of trade secrets or other privilege or exception to FOIA will be asserted by Developer as it relates to this Agreement or such other documents.

14. *Plan and Agreement Modification.* The Plan and this Agreement may be modified to the extent allowed under Act 381 by mutual agreement of the parties.

15. *Notices.* All notices and other communications required or permitted under this Agreement are effective only if done in writing and delivered (i) personally, (ii) one day after being sent by overnight courier, or (iii) three days after being mailed by registered mail, return receipt requested, to the following addresses (or any other address that is specified in writing by either party) and (iv) via email, as indicated

| | |
|---|---|
| If to Developer: | WFH Austin Pines West, LLC<br>Thomas M. Larabel<br>Jessica McGivney<br>2186 E. Centre Ave.<br>Portage, MI, 49002<br>tlarabel@allenedwin.com<br>jmcgivney@allenedwin.com |
| With copy to: | Richard Cherry<br>Miller Johnson<br>100 West Michigan Ave - Suite 200<br>Kalamazoo, MI 49007 |

cherryr@millerjohnson.com

If to the BRA: Chairperson
Brownfield Redevelopment Authority

16. *Events of Default.* During the term of this Agreement any of the occurrences listed below may considered a default and may entitle the parties, with notice, to exercise any of their rights under Paragraph 17.

16.1 Project Criteria/Developer Commitments. Failure by Developer to substantially complete the Project in accordance with Project Plans, or to substantially meet the requirements set forth in the approved site plan. Developer's use of a phased construction schedule, including pauses between the phases of construction, does not constitute a breach.

16.2 Property Taxes. Failure by Developer to pay all taxes levied against the Property, or any personal property owned by Developer in connection with the Project or the Property.

16.3 Financial Integrity of Developer or Project. Actions by Developer that negatively impact the financial integrity or viability of the Project, including:

a) a judicial foreclosure action or initiation of foreclosure by advertisement to enforce mortgage, lien, or other encumbrance against Developer; or

b) appointment by a court of a receiver or trustee for Developer; or

c) a decree by a court adjudicating Developer bankrupt or insolvent, or for the sequestration of any of its property; or

d) the filing of a petition in bankruptcy by or against Developer under the U.S. Bankruptcy Code or any similar statute which is in effect; or

e) an assignment by Developer for the benefit of creditors or a written admission by Developer of the inability to pay debts generally as they become due.

16.4 Reimbursement of Eligible Costs. Failure by the BRA to reimburse Developer for Eligible Costs to which it is entitled under the Plan and this Agreement.

17. *Default Remedies.* If the parties fail to cure any event of default within thirty days of written notice of the default, the sole remedy of a default, if by the Developer, is limited to forfeiture of the portion of future TIR related to the event of default from the date of the BRA's notice of default, and if by the BRA, recoupment of TIR to which the Developer is entitled.

18. *Governing Law.* This Agreement is governed under applicable Michigan law. Both parties had the assistance of legal counsel in the negotiation and preparation of this Agreement. Therefore, no construction or ambiguity of this Agreement is resolved against either party.

19. *Binding Effect/Third Parties.* This Agreement applies to and benefits both parties and their successors. The interest of the parties shall not be assignable without the other parties' consent, which shall not be unreasonably withheld, except for (1) the Developer may assign this Agreement to one of its affiliates with notice and without consent. An "affiliate" means any business or entity that is commonly owned and operated by the principals of Allen Edwin Homes.; and (2) he Developer may make a collateral assignment of the TIR to a lender for financing purposes with notice and without consent.

20. *Annual Report on Project Status*. Once the BRA begins capturing taxes, the Developer shall annually submit a report to the BRA on the status of the project that includes: the amount of capital investment; the number of residential units constructed or rehabilitated; the amount, by square foot, of new or rehabilitated residential space; the number of new jobs created. The report will be on the form titled "Annual Report on Project Status" attached to this agreement as Exhibit D. The BRA may waive this requirement at any time.

21. *Waiver.* A party does not waive any of its rights under this Agreement if that party fails to complain about an act or omission by the other party, no matter the duration of such act or omission. And a waiver by either party, whether expressed or implied, of any breach of a provision in this Agreement is not considered a waiver or consent to any subsequent breach of this same or other provision.

22. *Authorization.* The parties represent and warrant that the individuals executing this agreement are authorized to do so on their behalf.

23. *Entire Agreement/Counterparts.* This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them. This Agreement may be signed in counterparts, which together shall comprise a single agreement.

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

25. *Definitions.* The terms set forth in this Agreement shall have the same meaning as commonly used, except any term that is defined under FOIA, Act 381 or any other applicable state statute shall have the meaning set forth under that statute, as such may be amended.

[*Signature page to follow.*]

Dated: _________, 2026 CITY OF IONIA BROWNFIELD REDEVELOPMENT AUTHORITY

By: ______________________________

Its: Chairperson

Dated: July 6, 2026 WFH Austin Pines West, LLC

By: ______________________________
Thomas Larabel
Its: Authorized Representative

Exhibit A – Legal Description
Exhibit B – Cost Reimbursement Form
Exhibit C – Annual Report on Project Status

# EXHIBIT A

PPN: 34-201-025-000-001-01 (22.8 acres)
PPN: 34-201-036-000-001-01 (3.58 acres)

## Legal Description

Part of the SE 1/4 of Section 25, and part of the NE 1/4 of Section 36, all in T7N, R7W, Berlin Township, Ionia County, Michigan, described as: Commencing at the SE corner of said Section 25; thence N01°07'08"E 33.00 feet along the East line of said Section; thence N88°39'08"W 117.92 feet parallel with the South line of said Section 25; thence Southwesterly 110.97 feet along the arc of a 333.00 foot radius curve to the left, the long chord of which bears S81°48'03"W 110.46 feet; thence Southwesterly 50.04 feet along the arc of a 267.00 foot radius curve to the right, the long chord of which bears S77°37'20"W 49.97 feet; thence S01°07'08"W 3.03 feet; thence Southwesterly 39.27 feet along the arc of a 270.00 foot radius curve to the right, the long chord of which bears S87°14'59"W 39.24 feet; thence N88°35'00"W 131.23 feet; thence N01°25'00"E 110.00 feet; thence N88°35'00"W 94.84 feet; thence N01°25'00"E 83.00 feet; thence N13°35'17"W 107.81 feet; thence N50°06'57"W 126.31 feet; thence S86°05'04"W 126.27 feet; thence N89°19'55"W 123.98 feet to the Point of Beginning; S01°28'36"W 230.21 feet; thence S85°04'19"W 120.74 feet; thence S01°25'00"W 177.87 feet; thence Southwesterly 24.82 feet along the arc of a 330.00 foot radius curve to the left, the long chord of which bears S89°15'45"W 24.81 feet; thence N88°35'00"W 69.22 feet; thence S01°25'00"W 118.00 feet; thence N88°35'00"W 225.33 feet along the North line of Countryside Estates as recorded in Liber 4 of Plats, Page 34, Ionia County Records; thence N01°05'40"E 296.01 feet; thence N88°35'00"W 475.77 feet; thence N88°54'00"W 153.25 feet; thence N01°06'00"E 1200.06 feet along the Historic West line of the East 1/2 of the SW 1/4 of said Section 25; thence S88°47'10"E 668.17 feet: thence S01°09'40"W 659.13 feet along the West line of Forest Glen No. 1 as recorded in Liber 4 of Plats on page 30, Ionia County Records; thence S88°43'45"E 616.84 feet along the South line of Forest Glen No. 1 as recorded in Liber 4 of Plats on page 30, and the South line of Forest Glen as recorded in Liber 4 of Plats on pages 12 and 13, Ionia County Records; thence S02°47'14"W 133.88 feet; thence S52°50'02"W 265.87 feet to the Point of Beginning.

# EXHIBIT B
## Cost Reimbursement Form

[See following page]

Docusign Envelope ID: 19CBC5E5-45AD-80E8-835C-E4967E7E8E4A

**Request for Approval of Eligible Activities**
***[Project Name]***
***Date***

| Eligible Activities Allowance Allocated in Brownfield Plan | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| EGLE Eligible Activities | | MSHDA Developer Eligible Activities | | | | | | | | | TOTAL |
| Pre-Approved Department Specific Activities | Department Specific Activities | Abatement | Demolition | Infrastructure | Site Preparation | Contingency | Affordable Housing Gap | Interest | Brownfield Plan & Work Plan Preparation | Brownfield Plan Implementation | |
| | | | | | | | | | | | $ - |

| | Eligible Activity Tracking Description | | | | | | Attachments | | Eligible Activities Incurred | | | | | | | | | | | Invoice Packet Tracking | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Date of Invoice/Date of Work | Vendor/Contractor | Description of Work | Eligible Activity | Invoice # | Proof of Payment | Invoice | Proof of Payment | Pre-Approved Department Specific Activities | Department Specific Activities | Abatement | Demolition | Infrastructure | Site Preparation | Contingency | Affordable Housing Gap | Interest | Brownfield Plan & Work Plan Preparation | Brownfield Plan Implementation | *Invoice Packet Number* | *Invoice Packet Page Numbers* |
| 1 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 2 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 3 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 4 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 5 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 6 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 7 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 8 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 9 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 10 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 11 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 12 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 13 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 14 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 15 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 16 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 17 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 18 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 19 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 20 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 21 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 22 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 23 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 24 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| 25 | | | | | | | ☐ | ☐ | | | | | | | | | | | | | |
| | | | | | | Total | ☐ | ☐ | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | | |

# EXHIBIT C
## Annual Report on Project Status

[See following page]

## ANNUAL ACTIVE PROJECT REPORT

| | |
|---|---|
| PROJECT NAME | |
| STATUS OF PROJECT COMPLETION | |
| CAPITAL INVESTMENT | |
| AMOUNT OF NEW RESIDENTIAL SQUARE FOOTAGE | |
| NUMBER OF NEW OR REHABILITATED RESIDENTIAL UNITS | |
| AMOUNT OF RETAIL SQUARE FOOTAGE | |
| AMOUNT OF INDUSTRIAL SQUARE FOOTAGE | |
| AMOUNT OF COMMERCIAL SQUARE FOOTAGE | |
| NUMBER OF JOBS CREATED | |
| NUMBER OF JOBS RETAINED | |
| TOTAL NUMBER OF HOUSING UNITS | |
| TOTAL NUMBER OF INCOME RESTRICTED UNITS | |
| UTILITY ALLOWANCES | Studio:<br>1-Bedroom:<br>2-Bedroom:<br>3-Bedroom:<br>4-Bedroom:<br>5-Bedroom: |
| TOTAL NUMBER OF INCOME QUALIFIED PURCHASERS | |
| TOTAL NUMBER OF INCOME QUALIFIED RENTING HOUSEHOLDS SERVED | |
| INCOME RESTRICTED UNIT RENTAL RATES | Studio:<br>1-Bedroom:<br>2-Bedroom:<br>3-Bedroom:<br>4-Bedroom:<br>5-Bedroom: |
| RACIAL AND SOCIOECONOMIC DATA ON INCOME QUALIFIED HOUSEHOLDS* | |
| *If this data is not available, provide the racial and socioeconomic data on the census tract in which the housing units are located | |