Brownfield Redevelopment Authority
14400 Dix Toledo Road
Southgate, MI. 48195
Caucus Room

Special Meeting
Wednesday July 29, 2026
5:00pm

I. Roll Call

II. Approval of Meeting Minutes from May 20, 2026 Special Meeting

III. New Business
   a. Southgate Tower Redevelopment Project First Amended and Restated Reimbursement Agreement
   b. Southgate Tower Redevelopment Project Reimbursement Request #1
   c. Memo from the Finance Director RE: Southgate Brownfield Board Redevelopment Authority Approval of Expenses
   d. Establishment of Regular Meeting Dates

IV. Old Business
   a. Update Re: Former Aquinas High School Redevelopment Project

V. Persons in the Audience / Public Comment

VI. Adjournment

Brownfield Redevelopment Authority
Special Meeting Minutes
May 20, 2026

Roll Call:
Present: Galanis, Moran, Oben, Oliver, Szatmari
Absent: Casanova, DiCarlo, Laskaris, Leonard

Also Present: Dan Marsh, City Administrator; Adriene Price, City Council Liaison; Jacob Bacall, Bacall Development/Applicant; Sara Jo Shipley, Pinchin/Project Manager

Meeting was called to order by acting Chairman Moran at 5:00pm.

Approval of Minutes
Motion by Galanis to approve meeting minutes dated November 19, 2025. Supported by Oben. Motion carried unanimously.

Review of Former Aquinas High School Redevelopment

Dan Marsh introduced the project. Jacob Bacall and Sara Jo Shipley presented the proposed plan and took questions.

Motion by Oben to recommend approval to the Southgate City Council of the Brownfield Plan which indicates reimbursable costs rom the local taxing jurisdictions a maximum $4,020,000 submitted by Pinchin on behalf of Northline Property Group, LLC for the redevelopment of the former Aquinas High School Property, as presented, pursuant to the provisions of the Brownfield Redevelopment Financing Act, Public Act 3811 of 1996, as amended. Supported by Galanis. Motion carried unaimosuly.

Other Business:
None

Persons in the Audience:
None

Adjournment:
Oben made motion to adjourn, supported by Szatmari. Motion carried unanimously. Meeting adjourned at 5:55pm

City of Southgate

Memorandum

To: Southgate Brownfield Redevelopment Authority Board Members

From: Dan Marsh, City Administrator DM

Date: July 24, 2026

Re: Recommendation for Approval of the Southgate Tower Redevelopment Project Amended Reimbursement Agreement

---

Following the approval of Amendment No. 1 to the Southgate Tower Redevelopment Project, which designated the City as "Developer 2," a corresponding amendment to the Reimbursement Agreement is necessary.

Included in the agenda packet are both a redline and clean copies of the proposed Brownfield Plan Amendment. Specifically, the proposed amendment does includes the following:

- Recognition of the City's eligible infrastructure costs;
- Conforming revisions throughout the agreement including updates to the Brownfield Plan References'
- A revision to the Developer's maximum reimbursement consistent with the Brownfield Plan Amendment #1 approved by City Council on January 7, 2026'
- Establishment of reimbursement priority between the Developer and the City'
- References the additional Collateral Assignment of TIF with Fifth Third Bank; and
- Acknowledgement that there is no default of the Collateral Assignments to Fifth Third or DCC for the making of this agreement.

Recommended Motion:

Approve the Southgate Tower Redevelopment Project First Amended and Restated Reimbursement Agreement.

NORMA J. WURMLINGER MUNICIPAL BUILDING
14400 DIX-TOLEDO ROAD • SOUTHGATE, MICHIGAN 48195 • 734-258-3022 • FAX: 734-246-1414

SOUTHGATE TOWER, LLC

FIRST AMENDED AND RESTATED

BROWNFIELD REIMBURSEMENT AGREEMENT

THIS AGREEMENT is entered into this _______ day of August, 2026 ("Effective Date"), by and between the **City of Southgate** ("City") and the **City of Southgate Brownfield Redevelopment Authority** ("BRDA") (the City and the BRDA are collectively referred to as the "Southgate Parties") and **Southgate Tower, LLC,** a Michigan limited liability company ("Developer") and amends and restates in its entirety that certain Brownfield Reimbursement Agreement dated October 22, 2022 by and between the parties hereto (collectively, the "Parties" and individually, a "Party").

WITNESSETH

WHEREAS, Developer ~~wishes to construct~~is constructing a multifamily development consisting of approximately 216 units having an estimated taxable value of approximately $13,000,000.00 as stated in the ~~Brownfield~~ Plan ("Development") on the property legally described on *Exhibit 1* attached hereto (the "Property");

WHEREAS, the City intends to incur certain Eligible Activity Costs, as later defined, for infrastructure/improvements on~~ property on~~, adjacent~~,~~ and/or contiguous to the Property and Development (the "City Infrastructure").

WHEREAS, the Property is functionally obsolete, is housing property ~~(~~, as defined in Section 2(p)(ii) of Act 381 of 1996, as amended (the "Act"), and the Development and City Infrastructure are on, adjacent, and/or contiguous to that Property and necessary to the redevelopment of the Property and therefore qualify for BRDA assistance under ~~Act 381 of 1996, as amended (the "Act");~~the Act;

WHEREAS, the Southgate Parties are desirous of assisting Developer with the Development and desirous of capturing incremental taxes to reimburse both the City and Developer for their respective Eligible Activity Costs, subject to the terms hereof;

WHEREAS, Developer agrees to develop the Development and be bound by certain terms and conditions required by the Southgate Parties as more fully set forth in the Developer's final Site Plan Approval and in accordance with the Building Permits to be issued and City shall construct the City Infrastructure as more fully described in the Plan ("Related Agreements");

WHEREAS, Developer obtained a loan from the Downriver Community Conference in the maximum amount of $1,200,000.00 for the purpose of conducting remediation on the Property (the "DCC Loan") and related to DCC Loan the Parties and the Downriver Community Conference entered into a Collateral Assignment of TIF Reimbursements dated ____________, 2022 (the "DCC Collateral Assignment").

WHEREAS, Developer obtained a loan from Fifth Third Bank, National Association ("Fifth Third") pursuant to a construction loan agreement (the "Fifth Third Loan") and related to Fifth Third Loan Developer and Fifth Third entered into a Collateral Assignment of TIF Reimbursements dated ___________, 2023 (the "Fifth Third Collateral Assignment").

TERMS

1. BRDA shall reimburse Developer and City for the Eligible Activities associated with the Development and the City Infrastructure as described on *Exhibit 2* hereto and in the Plan, which are hereby confirmed to be permitted by the BRDA Plan adopted on September 2, 2022 by the BRDA and by the City of Southgate City Council on ~~Otober~~October 5, 2022 as amended by Brownfield Plan, Amendment #1 to the BRDA Plan adopted on November 19, 2025 by the BRDA

(as so amended, the "Plan") and by the City of Southgate City Council on January 7, 2026 ("Eligible Activity Costs") pursuant to the terms hereof and the Plan. The estimated cost of the Developer and the City's Eligible Activity Costs are both set forth on *Exhibit 2* hereto. Developer may reallocate line item costs among the line items set forth on *Exhibit 2* with the City's approval, which shall not be unreasonably withheld. Notwithstanding the above, the BRDA's obligation to reimburse Developer for Eligible Activity Costs shall not exceed $3,~~859,962.00~~406,528 plus accrued interest as described in the Plan. It being understood that interest shall not accrue until such time as Developer provides evidence of the payment of $200,000.00 in Eligible Activity Costs, but not including any Eligible Activity Costs paid or reimbursed by the DCC Loan. For the purpose of this Agreement, the term Eligible Activity Costs shall include interest as described in the Plan, but Eligible Activity Costs which may be reimbursed shall not include any Eligible Activity Costs paid or reimbursed by the DCC Loan nor any interest related thereto. The Plan provides for interest to be calculated annually at three present (3%) simple interest on unreimbursed approved Eligible Activity Costs submitted by Developer in accordance with BRDA policy. As shown in the Plan, the accrued interest is to be paid to Developer after the payment of Developer's Eligible Activity Costs. The estimated amount for the City's Eligible Activity Costs is $4,567,300.00

2. After commencement of Eligible Activities on the Property, Developer and the City may commence submitting to the BRDA invoices for Eligible Activity Costs for which they seek repayment under the Plan. They may thereafter submit one or more additional invoices for Eligible Activity Costs for which each seeks repayment under the Plan no more than 6 times in any year thereafter. The BRDA shall pay to Developer an amount not to exceed the amount of all the approved Eligible Activity Costs including interest under the Plan expended, less the payment of

any other obligations to the City under this or any other agreement (the "Net Costs") and shall pay the then available portion of the Net Costs on or before April 15th and December 15th of each year, but limited to the amount of available incremental taxes permitted to be captured and then available for reimbursement and as further limited by Paragraph 2.3. After repayment of ~~Developer has been completed~~Developer's Net Costs, the BRDA shall commence repayment of the City's Eligible Activity Costs~~; provided if Developer's repayment of Developer's Eligible Activity Costs has~~. Notwithstanding anything to the contrary herein, Developer is not ~~been completed by December 31, 2036, reimbursement of the City's Eligible Activity~~to be reimbursed for more than its Net Costs ~~shall commence beginning in 2037 and~~plus the ~~reimbursement to each of the Developer and City for their respective Eligible Activity Costs shall be in proportion to the reimbursement owed to each based upon unreimbursed Eligible Activity Costs~~accrued interest thereon.

2.1 The Net Costs shall not be paid to Developer ~~or~~and the City's Eligible Activity Costs shall not be paid to City unless:

(a) Eligible for reimbursement pursuant to the ~~BRDA~~ Plan; and

(b) For activities that were defined as an "Eligible Activity" under the Act; and

(c) Approved by the BRDA pursuant to the terms hereof; and

(d) Incurred for activities consistent with those described by the Plan or any subsequent Plan amendment; and

(e) Actually paid by and/or on the behalf of Developer or the City as the case may be; and

(f) The Eligible Activity Costs are lawfully payable from tax increment revenues under the Act; and

(g) With respect to the Developer, there exists no uncured material Default by Developer under this Agreement, the Plan or the Related Agreements at the time the request for payment is made; and

(h) Paid prior to the Developer Termination Date or Termination Date (as each are later defined) as the case may be; and

(i) Payable from available tax increments from the Development.

2.2 The BRDA shall, within 45 days of its receipt of a request for payment of Net Costs by the Developer or the City, advise them in writing whether the payment request has been approved or of any defects in such submissions and whether such costs are accurate. If the BRDA determines that all or any portion of the requested payment is proper and otherwise in accordance with the terms of this Agreement, it shall process the approved portion as provided. If the BRDA determines that any portion of the payment request is not authorized or not in compliance with the terms of this Agreement, it shall notify the affected ~~party~~Party in writing of such determination and the reasons for its determination. Any and all line items of a payment request which are not objected to shall be approved for payment as herein provided if funds are available, notwithstanding that the BRDA shall have objected to other line items in such payment request. The Developer and the City shall have 30 days to address the reasons given by the BRDA for such non-payment and shall have an opportunity to meet with the BRDA representatives to discuss and resolve any remaining dispute. Upon the reasonable request of the City or BRDA, the 45-day period to review a request for payment shall be extended by 30 days to review the submission and for the first request from Developer, it is agreed to extend that 45-day period by 30 days.

If there is a dispute over whether a cost submitted by the Developer or the City is an Eligible Cost, the dispute shall be resolved by a knowledgeable professional chosen by the mutual agreement of the BRDA and the Developer or the BRDA and the City. If the affected ~~parties~~Parties are unable to agree on a knowledgeable professional, then the BRDA and the Developer or the BRDA and the City shall each chose an independent, knowledgeable professional to review the BRDA's determination. If the two knowledgeable professionals so selected agree that the costs submitted are Eligible Activity Costs, then the Developer or the City shall be reimbursed those costs in accordance with this Agreement. If the two professionals so selected cannot agree that the costs are eligible, then the two selected professionals shall appoint a third knowledgeable professional who shall make a final determination which shall be binding on the affected ~~parties~~Parties and the Developer or the City shall then be reimbursed those costs in accordance with this Agreement, to the extent determined by the third knowledgeable professional as being Eligible Activity Costs.

2.3 The Net Costs reimbursed to Developer or the Eligible Activity Costs reimbursed to the City shall be, in any year, the amount allowed to be paid under the Act and the Plan from available collected incremental taxes, as such amount may vary from year to year, less administrative costs permitted by the Plan and the BRDA and under ~~P.A. 381~~the Act ("Administrative Costs") as a result of this Development and the City Infrastructure will be paid in accordance with the Act ~~381~~ as more fully described in the Plan. After repayment of the ~~Developer~~Developer's Net Costs in full~~, but subject to the time limitation above in this Paragraph 2~~, the BRDA shall commence repayment of the City's Eligible Activity Costs. The Administrative Costs captured by the BRDA pursuant to this entire project shall not exceed five (5%) percent of the available capture annually. It is anticipated that the BRDA shall collect the Administrative Costs in the initial tax year if sufficient incremental taxes have been generated. Net Costs shall not include the amount of any property taxes received which the BRDA has not received the authority to retain and pay to either Developer or the City. The BRDA is under no obligation to retain school tax dollars or reimburse either ~~party~~Developer or the City on any Eligible Activity Costs, unless permitted to do so under the Approved 381 Work Plan, nor are the Southgate Parties obligated to reimburse ~~any party~~Developer or the City unless there are incremental taxes available at the time, and only to the extent of available captured property tax revenue. It is not the intention of the parties to seek school tax capture.

2.4 The obligations of the BRDA to reimburse and pay Developer pursuant to this Agreement shall terminate on the earliest to occur of: (a) the date on which the Southgate Parties are no longer authorized to collect and disburse taxes calculated on the Captured Taxable Value under the Act; (b) the reimbursement of up to $3,~~859,962.00~~406,528 plus accrued interest; (c) the date on which there remain no outstanding Net Costs due Developer; or (d) the occurrence of an Event of Default by Developer under this Agreement or the Related Agreements and the failure of the Developer to cure such Event of Default within an applicable cure period (collectively, the "Developer Termination Date"). The obligations of the BRDA pursuant to this Agreement with respect to the City, shall terminate on the earlier of (a) the date on which the Southgate Parties are no longer authorized to collect and disburse incremental taxes under the Act or (b) the City has been repaid all ~~if~~of its Eligible Activity ~~Cost~~Costs (the "Termination Date").

3. Developer shall, and hereby does indemnify and hold the Southgate Parties, its officers, elected and/or appointed officials, members, volunteers, attorneys and employees, harmless from and against all claims, liability, loss, damage, and costs (including reasonable attorney's fees and court costs) at any time arising or resulting from death, injury or damage to any person or property resulting from Developer's acts or omissions, or the acts or omissions of Developer's contractors, subcontractors, agents or employees (but not independent builders) in connection with: (i) the

construction of the Development; (ii) the condition of the Development at any time after Developer acquires title to it (including with respect to any environmental condition or damage or violation of any environmental protection law, regulation or ordinance caused by the Developer or its agents); and (iii) the use and operation of the Development only if caused by the Developer or its agents; provided that this indemnity shall not be effective to the extent loss is caused by City's negligence or willful conduct which occurs after the date of the Agreement. This indemnity shall also cover any and liability incurred by the Southgate Parties for harm or damage caused by any act or omission of Developer related to any off-site construction staging or material storage area established by Developer or its contractors, including any movement of any construction vehicles to, on or from the Development, including, without limitation, within any construction access drive or easement across private or public land or to any public roadway, except ordinary wear and tear typical to such uses. During any periods while construction activities are being carried out on the Property, Developer shall maintain or cause its contractors to maintain insurance coverage sufficient to protect the Southgate Parties from all risks associated with the Development and its construction including, but not limited to property, casualty, builder's risks, and general liability in amounts satisfactory to Southgate Parties in their reasonable discretion and consistent with its requirement in other similar projects and naming same as an additional insured with 30-day notice prior to cancellation. Notwithstanding the above, all required insurance coverages shall be contracted with an insurance company with an A.M. Best rating of A-, VII or better, be in an amount not less than $1,000,000 per occurrence, and meet or exceed the City's then-current standard insurance policy requirements which are consistently applied.

4. The Developer's rights to reimbursement pursuant to this Agreement are personal to the Developer and shall not be deemed transferred or assigned by Developer merely because of a

conveyance of title to all or any portion of the Property. Only with the prior written consent of the Southgate Parties in their sole discretion may Developer assign its rights to reimbursement hereunder to one party, either conditionally or otherwise and, upon the submission to the Southgate Parties of a written assignment of such reimbursement rights signed by Developer, the Southgate Parties shall make all reimbursement payments contemplated herein to that party so designated in writing by Developer. Before substantial completion of the Development, Developer shall not assign this Agreement other than in conjunction with a "Permitted Transfer" as defined below, without the prior written approval of the Southgate Parties, which consent shall not be unreasonably withheld. If consented to, as described above, a sale of the Property by the Developer shall not affect the City's obligations to reimburse the Developer for Eligible Activity Costs. Notwithstanding the above, the Southgate Parties acknowledge that Developer has collaterally assigned the rights to receive reimbursements herein to the Downriver Community Conference as collateral for the DCC Loan for additional Eligible Activity Costs pursuant to the DCC Collateral Assignment. Developer agrees to timely make payments due for the DCC Loan and comply with the terms of the related Loan Documents (as defined in the DCC Collateral Assignment).

5. "Permitted Transfers" are as follows:

(a) Assignment of mortgagees or other lenders of security interests in the Property (or portion thereof) to any lender (each a "Development Lender");

(b) Grants of easements, rights-of -way, or licenses not inconsistent with the terms of this Agreement to facilitate development and subsequent operation of the Development;

(c) Leases of portions of the Property, consistent with the intent of the Development; and

(d) Transfers of minority ownership interests in Developer and/or transfers to assignees where Developer or its principals hold a majority interest, or transfers for estate and family financial planning purposes.

6. Developer's construction financing, if any, shall be subject to the following requirements:

(a) Developer shall have the right to freely enter into or obtain, at its option, financing from any lender ("Lender"), and such Lender may advance all or any portion of amounts necessary to complete the Development, including the payment of fees to Developer and reimburse Developer for its costs, expenses and overhead incurred with respect to the Development and pay necessary and incidental loan costs and fees.

(b) Developer shall have the right to finance, refinance, or to mortgage for financing purposes all or any portion of the Development after Substantial Completion of the Development.

7. The Southgate Parties agree that each Development Lender shall (insofar as the rights of the Southgate Parties are concerned) have the right at its option (but with no obligation to do so) within thirty (30) calendar days after the date of being notified of any default by Developer hereunder, to cure, or commence to cure or remedy any such default hereunder and to add the cost thereof to the secured debt and lien, or to the equivalent obligations under any other financing and lien, or to the equivalent obligations under any other financing device. If such default by Developer hereunder shall be a default which can only be remedied or cured by such Development Lender's obtaining possession, such Development Lender may, subject to the terms of its agreements with Developer, promptly seek possession through a receiver or otherwise and remedy or cure such default within thirty (30) calendar days after obtaining possession; however, in case

of a default which cannot with diligence be remedied or cured, or commenced to be remedied or cured, within such 30-day period, such Development Lender shall have additional time reasonably necessary to remedy or cure such default. So long as Development Lender commits to curing said default, the Southgate Parties shall deliver to any Development Lender upon request estoppel letters in form reasonably satisfactory to such Development Lender.

8. Nothing herein shall require a Development Lender to undertake or continue construction or completion of the Development; however, nothing herein shall permit or authorize any Development Lender (or any purchaser or transferee upon any foreclosure sale or transfer in lieu thereof) to undertake any other action on the Property or any portion thereof or to permit any uses or to construct any improvements thereon, other than the uses and improvements provided for by the Site Plan and, if applicable, this Agreement. If a Development Lender elects to undertake to continue construction or completion of the Development and realize the benefits of this Agreement, it shall do so only in accordance with the terms of this Agreement, unless and until the Development Lender, the Southgate Parties and Developer, as applicable, have reached an alternative agreement by which the Development Lender will complete the Development then under construction covered by its lien or title.

9. If, within the sooner of six (6) months after obtaining possession of any uncompleted portion of the Development, or three (3) months following expiration of Developer's statutory redemption rights after a foreclosure (either of the above, the "Lender Period"), a Development Lender or its successors or assigns have not yet affirmatively stated its desire for the terms of this Agreement to continue and benefit such Developer Lender and/or its successors and assigns and thereafter commenced or continued construction, the Southgate Parties may terminate this Agreement.

10. Any mortgage or other security instrument or financing device, the proceeds of which shall be used to initially construct the Development contemplated by this Agreement shall provide that in the event of a default or breach thereunder by Developer, the Development Lender shall provide to the Southgate Parties copies of any notice of default actually provided or required by the loan documents to be provided to Developer. Similarly, Southgate Parties agree to provide to the Development Lender copies of any notices of default or breach hereunder which are given to Developer simultaneously with providing such notices to Developer (provided the address and contact information for the Development Lender is provided to the Southgate Parties)

11. Fair Employment Practices.

(a) Developer agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions or privileges of employment because of his or her religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position in violation of the United States Constitution and all applicable federal legislation and regulations governing fair employment practices and equal employment opportunity and in accordance with the Michigan Constitution and all applicable state laws and regulations governing fair employment practices and equal employment opportunity, including, but not limited to, the Elliott-Larsen Civil Rights Act (P.A. 1976 No. 453) (MCL 37.2101, et seq.), and the Michigan Handicappers, Civil Rights Act (P.A. 1976 No. 220) (MCL 37.1101, et seq.), Developer agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions or privileges of employment because of his or her religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. Any default of this provision shall be deemed a material breach of this Agreement. In addition, the Developer shall endeavor to retain Southgate based persons for construction activities and permanent employment.

12. Anti-Kickback Rules. Developer shall comply with all applicable "Anti-Kickback" regulations with respect to construction of the Development, and shall insert appropriate provisions in all future contracts executed for construction of the Development pursuant to this Agreement.

13. Independent Contracting Parties. The relationship of Developer with the Southgate Parties is and shall continue to be that of independent parties contracting for the reimbursement of the Eligible Activity Costs and no liability or benefits such as worker's compensation, pension rights or liabilities, insurance rights or liabilities, or other provisions or liabilities arising out of or relating to a contract for hire or employer/employee relationship, shall arise or accrue to Developer or its respective agents or employees with respect to the Southgate Parties as a result of the performance of this Agreement.

14. Nondiscrimination. Developer and its agents, employees, contractors, affiliates, transferees, heirs or assigns shall comply with all laws, rules, regulations applicable to the marketing, sale or leasing of the Development or any phase or portion thereof, and shall not discriminate against, refuse an agreement to sell or lease, or segregate any person, or group of persons, on account of race, color, creed, religion, sex, marital status, age, handicap or physical infirmity, ancestry or national origin in violation of any such laws, rules and/or regulations

applicable to the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Development, or any portion(s) thereof. Developer shall comply and cause the compliance by all agents with all applicable federal, state and local laws, regulations and ordinances, relating to non-discrimination.

15. Insurance Proceeds. If all or any part of the Developer Improvements is damaged or destroyed prior to the issuance of the Certificate of Occupancy, the insurance proceeds resulting from such damage or destruction shall be used by Developer for the cost of restoring or rebuilding the Developer Improvements, subject to the election of the Developer to rebuild and the Developer Lender's agreement to make sufficient proceeds available for restoration. If rebuilt, the Developer Improvements shall be restored or rebuilt substantially in accordance with the construction plans provided by Developer and reasonably approved by the City. Notwithstanding the above, if the Developer Improvements are not restored within a reasonable timeframe not to exceed one hundred twenty (120) days the Southgate Parties shall be under no further obligation to reimburse Developer for any past or future Eligible Activity Costs.

16. Cooperation. Developer shall timely cooperate with, assist and comply with the terms of the Plan for the Development and City Project and this Agreement. Developer's cooperation shall include, but not be limited to, providing any and all documentation, and executing any documentation, reasonably requested by City or the BRDA and to provide evidence of compliance under the Plan as well as cooperate with the Southgate Parties with respect to their obligations hereunder.

17. Capture. BRDA shall be permitted to capture any and all incremental tax revenue above the current initial taxable value to satisfy its various obligations set forth herein and to be reimbursed as permitted hereunder.

18. Developer Representation. Developer represents and warrants to the Southgate Parties: a) that Developer is validly existing and in good standing under the laws of the state in which it is domiciled; b) it has corporate power and authority to enter into this Agreement; c) that it is duly qualified and in good standing in the State of Michigan; d) that Developer is not a party to, subject to or bound by any agreement or other obligation, or any judgment, order, writ, injunction or decree of any court or governmental authority, which could prevent or materially impair its ability to carry out the terms of this Agreement; e) that the making and performance of this Agreement, and transactions contemplated herein by Developer will not violate any provision of law or result in a breach of, or constitute a default under, any~~d~~ lease, indenture, bank loan, credit agreement or other material agreement or instrument to which Developer is a party or by which its property may be bound or affected; and f) it shall comply with all environmental and other laws and regulations while constructing the Development. In particular, Developer warrants that there is no default or Default under the DCC Collateral Assignment or Fifth Third Collateral Assignment, the DCC Loan and related loan documents, or the Fifth Third Loan or related loan documents, and no approval or consent is required for the making and performance of this Agreement.

19. Jurisdiction. All parties hereto consent to being governed by the laws of the State of Michigan and the jurisdiction and venue shall be the Wayne County Circuit Court (State of Michigan) or the United States District Court for the Eastern District of Michigan, Southern Division.

20. Cumulative Remedies. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by any other party.

21. Transfers. Any permitted transfer or conveyance by Developer of an interest in the Development to a third party permitted under this Agreement (provided that such transferor is not in default under this Agreement), shall not relieve such transferee of such liability for any default which predates such transfer unless specifically known of by the Southgate Parties and waived in writing by same. Notwithstanding the above, if after such transfer, there is a termination event, the City's obligations to reimburse Eligible Activity Costs shall cease.

22. Termination Rights and Additional Events of Default. The Southgate Parties may, after expiration of the applicable notice and cure periods, terminate this Agreement and Developer's rights to any future reimbursement for Eligible Activities (and Eligible Activity Costs) if:

(a) Developer assigns or contracts to assign this Agreement (or any rights herein) in violation of the provisions of this Agreement.

(b) If prior to the substantial completion of the Development, Developer ceases to conduct business in normal course by reason of insolvency, voluntary or involuntary filing or adjudication of bankruptcy under any present or future bankruptcy or other applicable law, or a receiver is appointed for Developer, and any bankruptcy petition or filing, or receivership is not dismissed within sixty (60) days or Developer admits in writing that it is unable to pay its debts generally as they become due and the Developer or Developer's Lender fail to provide within

60 days of such event adequate assurances to the Southgate Parties of the Developer or Developer Lender's commitment to complete the Development on the Site.

(c) The default beyond any applicable cure period of this Agreement or the Plan.

(d) The failure to pay any real or personal property taxes for or owed by the Developer on or before the date due before penalty, or to have entered into a tax payment plan with the appropriate taxing jurisdiction.

(e) Developer is in default beyond the applicable notice and cure periods under any of the Loan Documents relating to the DCC Loan.

And the Southgate Parties may terminate this Agreement as to Developer and Developer's rights to any future reimbursement for Eligible Activities (and Eligible Activity Costs) after the Developer Termination Date.

Unless specifically stated elsewhere in this Agreement, Developer shall have ninety (90) days after written notice to cure any Events of Default as described in this Agreement. In addition to the above, once Developer commences the rehabilitation of the existing structure, should Developer cease construction, for a period of longer than one hundred twenty (120) days other than due to a Force Majeure event, then interest shall cease to accrue for that period of time.

23. Property Tax Appeals. During the period of any outstanding Eligible Activity Costs, Developer agrees not to contest the local assessor's assessment to a level below that agreed to in the Plan.

24. Reporting. The Developer shall at no cost to the Southgate Parties, cooperate with any reporting requirements it may have regarding this Agreement or the Plan.

25. No Personal Liability. None of the Southgate Parties, officers, employees or board members shall be personally liable to Developer for any default or breach by the Southgate Parties of any obligations under the terms of or growing out of this Agreement or the Development.

26. Force Majeure. Failure of performance by any party hereunder shall not be deemed to be in default where delays of performance are due to war, insurrection, strike, lock-out, riot, flood, earthquake, fire, casualty, act of the public enemy, epidemic, quarantine restriction, freight embargo, lack of transportation, governmental restriction or priority (other than with respect to matters for which Developer, BRDA or City is obligated to obtain governmental approvals or permits), severe weather, delay by any contractor, subcontractor or supplier where the cause of such delay is not in Developer's, BRDA's or City's direct or indirect control or occasioned by a dispute between such person and Developer, BRDA or City, or act of the other party which is impermissible hereunder (collectively, "Force Majeure"). An extension of time for any cause related to a Force Majeure shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause.

27. Amendments. The parties agree to consider in good faith reasonable requests for amendments to this Agreement which may be made by any of the parties hereto, by lending institutions, bond counsel, financial consultants to the Southgate Parties or federal or state agencies and to look favorably upon any such request provided it is consistent with this Agreement and would not substantially alter the basic terms and intentions hereof or substantially impair the rights or increase the obligations or costs of any Party hereto.

28. Notices. Any notices or communication required or permitted under this Agreement shall be sufficiently given if in writing and 1) hand-delivered, including delivery by courier service;

2) sent by overnight mail by a nationally recognized overnight mail service; or 3) sent by certified mail, return receipt requested, post prepaid addressed to the recipient at the address stated below, or to such other addresses as the party concerned may substitute by written notice to the other:

If to the Southgate Parties:	Attn: Dan Marsh City Administrator City of Southgate 14400 Dix Toledo Highway Southgate, MI 48195
With a copy to:	Attn: Douglass Drysdale Finance Director/Assistant Administrator City of Southgate 14400 Dix Toledo Highway Southgate, MI 48195
If to Developer:	Southgate Tower, LLC c/o Alex Begin 1457 Club Drive Bloomfield Hills, MI 48302
With a copy to:	Neil S. Silver, Esq. Dawda PLC Dawda Building 39533 Woodward Avenue, Suite 200 Bloomfield Hills, MI 48304

All notices forwarded by overnight mail shall be deemed to be received on the date the overnight service actually delivers the notice. All notices hand-delivered shall be deemed received on the date of delivery. All notices forwarded by mail shall be deemed received on the date two days (excluding Sundays and legal holidays when the United States Mail is not delivered) immediately following the date of deposit in the United States Mail provided, however, the return receipt indicated upon which the notice is received shall be prima facie evidence that the notice was received on the date of the return receipt. Addresses may be changed by giving notice of such change in the manner provided herein. Unless such written notice is received, the last address given shall be deemed to continue in effect for all purposes.

29. Entire Agreement. This Agreement and the ~~Brownfield~~ Plan referenced herein, including the exhibits referred to herein and therein, contain the entire understanding of the parties hereto with respect to subject matter contained herein. In the event of a conflict between the terms of this Agreement and the ~~Brownfield~~ Plan, the terms of this Agreement shall control. This Agreement may only be amended or terminated by written instrument executed by all parties or their respective successors and permitted assigns.

30. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation, in any jurisdiction, shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. Further, the parties agree that in the event that any term of this Agreement shall be deemed invalid due to it being inconsistent with the authorizing statute, then the parties agree to enter into an amendment of this Agreement in which said deficiency shall be corrected so that the intent of this Agreement can be fulfilled. If a final judgment of a court of competent jurisdiction declares any term or provision is invalid or unenforceable, the court making determination of validity or unenforceability shall have the power to reduce the scope, duration or area of the term or provision, to delete the specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

31. Mutual Drafting. The language used in this Agreement shall be deemed to be language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party. Any reference to any federal, state, local or foreign statute or law

shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

32. Captions, Counterparts. The captions to the subsections contained in this Agreement are for reference only, do not form a substantive part of this Agreement and do not restrict or enlarge substantive portions of the Agreement counterparts. This Agreement may be executed simultaneously with two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

33. Public Announcements. Developer shall take all steps reasonably requested by City and BRDA to announce the transaction described herein. As part of such process, Developer will cooperate with the parties in the preparation of press releases and other announcements of such transaction.

34. Recitals. The recitals set forth above are incorporated by reference into this Agreement as if fully set forth herein.

35. Access. During the term of this Agreement, Developer grants to the Southgate Parties, its employees, agents, contractors and experts access to the Development during regular business hours following at least 24 hours' notice in order to carry out its obligations contained herein and to conduct inspections as may reasonably be required to determine whether Developer has complied with the terms of this Agreement or in order to meet its own obligations.

36. Local Laws. Nothing contained in this Agreement shall abrogate the effect of local ordinances and the parties' requirements to comply with same.

[Signatures Found On Next Page]

CITY OF SOUTHGATE

By: ______________________________

Its: Mayor

and

By: ______________________________

Its: Clerk

CITY OF SOUTHGATE BROWNFIELD
REDEVELOPMENT AUTHORITY

By: ______________________________

Its: ______________________________

and

By: ______________________________

Its: ______________________________

DEVELOPER:
Southgate Tower, LLC

By: ______________________________
Alex Begin

Its: ______________________________

<u>Exhibit 1</u>

Legal Description of Property

<u>Exhibit 2</u>

Eligible Activities and Costs

SOUTHGATE TOWER, LLC

FIRST AMENDED AND RESTATED

BROWNFIELD REIMBURSEMENT AGREEMENT

THIS AGREEMENT is entered into this _______ day of August, 2026 ("Effective Date"), by and between the **City of Southgate** ("City") and the **City of Southgate Brownfield Redevelopment Authority** ("BRDA") (the City and the BRDA are collectively referred to as the "Southgate Parties") and **Southgate Tower, LLC,** a Michigan limited liability company ("Developer") and amends and restates in its entirety that certain Brownfield Reimbursement Agreement dated October 22, 2022 by and between the parties hereto (collectively, the "Parties" and individually, a "Party").

WITNESSETH

WHEREAS, Developer is constructing a multifamily development consisting of approximately 216 units having an estimated taxable value of approximately $13,000,000.00 as stated in the Plan ("Development") on the property legally described on *Exhibit 1* attached hereto (the "Property");

WHEREAS, the City intends to incur certain Eligible Activity Costs, as later defined, for infrastructure/improvements on, adjacent and/or contiguous to the Property and Development (the "City Infrastructure").

WHEREAS, the Property is functionally obsolete, is housing property, as defined in Section 2(p)(ii) of Act 381 of 1996, as amended (the "Act"), and the Development and City Infrastructure are on, adjacent, and/or contiguous to that Property and necessary to the redevelopment of the Property and therefore qualify for BRDA assistance under the Act;

WHEREAS, the Southgate Parties are desirous of assisting Developer with the Development and desirous of capturing incremental taxes to reimburse both the City and Developer for their respective Eligible Activity Costs, subject to the terms hereof;

WHEREAS, Developer agrees to develop the Development and be bound by certain terms and conditions required by the Southgate Parties as more fully set forth in the Developer's final Site Plan Approval and in accordance with the Building Permits to be issued and City shall construct the City Infrastructure as more fully described in the Plan ("Related Agreements");

WHEREAS, Developer obtained a loan from the Downriver Community Conference in the maximum amount of $1,200,000.00 for the purpose of conducting remediation on the Property (the "DCC Loan") and related to DCC Loan the Parties and the Downriver Community Conference entered into a Collateral Assignment of TIF Reimbursements dated ____________, 2022 (the "DCC Collateral Assignment");

WHEREAS, Developer obtained a loan from Fifth Third Bank, National Association ("Fifth Third") pursuant to a construction loan agreement (the "Fifth Third Loan") and related to Fifth Third Loan Developer and Fifth Third entered into a Collateral Assignment of TIF Reimbursements dated ___________, 2023 (the "Fifth Third Collateral Assignment").

TERMS

1. BRDA shall reimburse Developer and City for the Eligible Activities associated with the Development and the City Infrastructure as described on *Exhibit 2* hereto and in the Plan, which are hereby confirmed to be permitted by the BRDA Plan adopted on September 2, 2022 by the BRDA and by the City of Southgate City Council on October 5, 2022 as amended by Brownfield Plan, Amendment #1 to the BRDA Plan adopted on November 19, 2025 by the BRDA (as so amended, the "Plan") and by the City of Southgate City Council on January 7, 2026 ("Eligible

Activity Costs") pursuant to the terms hereof and the Plan. The estimated cost of the Developer and the City's Eligible Activity Costs are both set forth on *Exhibit 2* hereto. Developer may reallocate line item costs among the line items set forth on *Exhibit 2* with the City's approval, which shall not be unreasonably withheld. Notwithstanding the above, the BRDA's obligation to reimburse Developer for Eligible Activity Costs shall not exceed $3,406,528 plus accrued interest as described in the Plan. It being understood that interest shall not accrue until such time as Developer provides evidence of the payment of $200,000.00 in Eligible Activity Costs, but not including any Eligible Activity Costs paid or reimbursed by the DCC Loan. For the purpose of this Agreement, the term Eligible Activity Costs shall include interest as described in the Plan, but Eligible Activity Costs which may be reimbursed shall not include any Eligible Activity Costs paid or reimbursed by the DCC Loan nor any interest related thereto. The Plan provides for interest to be calculated annually at three present (3%) simple interest on unreimbursed approved Eligible Activity Costs submitted by Developer in accordance with BRDA policy. As shown in the Plan, the accrued interest is to be paid to Developer after the payment of Developer's Eligible Activity Costs. The estimated amount for the City's Eligible Activity Costs is $4,567,300.00

2. After commencement of Eligible Activities on the Property, Developer and the City may commence submitting to the BRDA invoices for Eligible Activity Costs for which they seek repayment under the Plan. They may thereafter submit one or more additional invoices for Eligible Activity Costs for which each seeks repayment under the Plan no more than 6 times in any year thereafter. The BRDA shall pay to Developer an amount not to exceed the amount of all the approved Eligible Activity Costs including interest under the Plan expended, less the payment of any other obligations to the City under this or any other agreement (the "Net Costs") and shall pay the then available portion of the Net Costs on or before April 15th and December 15th of each year,

but limited to the amount of available incremental taxes permitted to be captured and then available for reimbursement and as further limited by Paragraph 2.3. After repayment of Developer's Net Costs, the BRDA shall commence repayment of the City's Eligible Activity Costs. Notwithstanding anything to the contrary herein, Developer is not to be reimbursed for more than its Net Costs plus the accrued interest thereon.

2.1 The Net Costs shall not be paid to Developer and the City's Eligible Activity Costs shall not be paid to City unless:

(a) Eligible for reimbursement pursuant to the Plan; and

(b) For activities that were defined as an "Eligible Activity" under the Act; and

(c) Approved by the BRDA pursuant to the terms hereof; and

(d) Incurred for activities consistent with those described by the Plan or any subsequent Plan amendment; and

(e) Actually paid by and/or on the behalf of Developer or the City as the case may be; and

(f) The Eligible Activity Costs are lawfully payable from tax increment revenues under the Act; and

(g) With respect to the Developer, there exists no uncured material Default by Developer under this Agreement, the Plan or the Related Agreements at the time the request for payment is made; and

(h) Paid prior to the Developer Termination Date or Termination Date (as each are later defined) as the case may be; and

(i) Payable from available tax increments from the Development.

2.2 The BRDA shall, within 45 days of its receipt of a request for payment of Net Costs by the Developer or the City, advise them in writing whether the payment request has been approved or of any defects in such submissions and whether such costs are accurate. If the BRDA determines that all or any portion of the requested payment is proper and otherwise in accordance with the terms of this Agreement, it shall process the approved portion as provided. If the BRDA determines that any portion of the payment request is not authorized or not in compliance with the terms of this Agreement, it shall notify the affected Party in writing of such determination and the reasons for its determination. Any and all line items of a payment request which are not objected to shall be approved for payment as herein provided if funds are available, notwithstanding that the BRDA shall have objected to other line items in such payment request. The Developer and the City shall have 30 days to address the reasons given by the BRDA for such non-payment and shall have an opportunity to meet with the BRDA representatives to discuss and resolve any remaining dispute. Upon the reasonable request of the City or BRDA, the 45-day period to review a request for payment shall be extended by 30 days to review the submission and for the first request from Developer, it is agreed to extend that 45-day period by 30 days.

If there is a dispute over whether a cost submitted by the Developer or the City is an Eligible Cost, the dispute shall be resolved by a knowledgeable professional chosen by the mutual agreement of the BRDA and the Developer or the BRDA and the City. If the affected Parties are unable to agree on a knowledgeable professional, then the BRDA and the Developer or the BRDA and the City shall each chose an independent, knowledgeable professional to review the BRDA's determination. If the two knowledgeable professionals so selected agree that the costs submitted are Eligible Activity Costs, then the Developer or the City shall be reimbursed those costs in accordance with this Agreement. If the two professionals so selected cannot agree that the costs are eligible, then the two selected professionals shall appoint a third knowledgeable professional who shall make a final determination which shall be binding on the affected Parties and the Developer or the City shall then be reimbursed those costs in accordance with this Agreement, to the extent determined by the third knowledgeable professional as being Eligible Activity Costs.

2.3 The Net Costs reimbursed to Developer or the Eligible Activity Costs reimbursed to the City shall be, in any year, the amount allowed to be paid under the Act and the Plan from available collected incremental taxes, as such amount may vary from year to year, less administrative costs permitted by the Plan and the BRDA and under the Act ("Administrative Costs") as a result of this Development and the City Infrastructure will be paid in accordance with the Act as more fully described in the Plan. After repayment of the Developer's Net Costs in full, the BRDA shall commence repayment of the City's Eligible Activity Costs. The Administrative Costs captured by the BRDA pursuant to this entire project shall not exceed five (5%) percent of the available capture annually. It is anticipated that the BRDA shall collect the Administrative Costs in the initial tax year if sufficient incremental taxes have been generated. Net Costs shall not include the amount of any property taxes received which the BRDA has not received the authority to retain and pay to either Developer or the City. The BRDA is under no obligation to retain school tax dollars or reimburse either Developer or the City on any Eligible Activity Costs, unless permitted to do so under the Approved 381 Work Plan, nor are the Southgate Parties obligated to reimburse Developer or the City unless there are incremental taxes available at the time, and only to the extent of available captured property tax revenue. It is not the intention of the parties to seek school tax capture.

2.4 The obligations of the BRDA to reimburse and pay Developer pursuant to this Agreement shall terminate on the earliest to occur of: (a) the date on which the Southgate Parties are no longer authorized to collect and disburse taxes calculated on the Captured Taxable Value under the Act; (b) the reimbursement of up to $3,406,528 plus accrued interest; (c) the date on which there remain no outstanding Net Costs due Developer; or (d) the occurrence of an Event of Default by Developer under this Agreement or the Related Agreements and the failure of the Developer to cure such Event of Default within an applicable cure period (collectively, the "Developer Termination Date"). The obligations of the BRDA pursuant to this Agreement with respect to the City, shall terminate on the earlier of (a) the date on which the Southgate Parties are no longer authorized to collect and disburse incremental taxes under the Act or (b) the City has been repaid all of its Eligible Activity Costs (the "Termination Date").

3. Developer shall, and hereby does indemnify and hold the Southgate Parties, its officers, elected and/or appointed officials, members, volunteers, attorneys and employees, harmless from and against all claims, liability, loss, damage, and costs (including reasonable attorney's fees and court costs) at any time arising or resulting from death, injury or damage to any person or property resulting from Developer's acts or omissions, or the acts or omissions of Developer's contractors, subcontractors, agents or employees (but not independent builders) in connection with: (i) the construction of the Development; (ii) the condition of the Development at any time after Developer acquires title to it (including with respect to any environmental condition or damage or violation of any environmental protection law, regulation or ordinance caused by the Developer or its agents); and (iii) the use and operation of the Development only if caused by the Developer or its agents; provided that this indemnity shall not be effective to the extent loss is caused by City's negligence or willful conduct which occurs after the date of the Agreement. This indemnity shall

also cover any and liability incurred by the Southgate Parties for harm or damage caused by any act or omission of Developer related to any off-site construction staging or material storage area established by Developer or its contractors, including any movement of any construction vehicles to, on or from the Development, including, without limitation, within any construction access drive or easement across private or public land or to any public roadway, except ordinary wear and tear typical to such uses. During any periods while construction activities are being carried out on the Property, Developer shall maintain or cause its contractors to maintain insurance coverage sufficient to protect the Southgate Parties from all risks associated with the Development and its construction including, but not limited to property, casualty, builder's risks, and general liability in amounts satisfactory to Southgate Parties in their reasonable discretion and consistent with its requirement in other similar projects and naming same as an additional insured with 30-day notice prior to cancellation. Notwithstanding the above, all required insurance coverages shall be contracted with an insurance company with an A.M. Best rating of A-, VII or better, be in an amount not less than $1,000,000 per occurrence, and meet or exceed the City's then-current standard insurance policy requirements which are consistently applied.

4. The Developer's rights to reimbursement pursuant to this Agreement are personal to the Developer and shall not be deemed transferred or assigned by Developer merely because of a conveyance of title to all or any portion of the Property. Only with the prior written consent of the Southgate Parties in their sole discretion may Developer assign its rights to reimbursement hereunder to one party, either conditionally or otherwise and, upon the submission to the Southgate Parties of a written assignment of such reimbursement rights signed by Developer, the Southgate Parties shall make all reimbursement payments contemplated herein to that party so designated in writing by Developer. Before substantial completion of the Development, Developer shall not

assign this Agreement other than in conjunction with a "Permitted Transfer" as defined below, without the prior written approval of the Southgate Parties, which consent shall not be unreasonably withheld. If consented to, as described above, a sale of the Property by the Developer shall not affect the City's obligations to reimburse the Developer for Eligible Activity Costs. Notwithstanding the above, the Southgate Parties acknowledge that Developer has collaterally assigned the rights to receive reimbursements herein to the Downriver Community Conference as collateral for the DCC Loan for additional Eligible Activity Costs pursuant to the DCC Collateral Assignment. Developer agrees to timely make payments due for the DCC Loan and comply with the terms of the related Loan Documents (as defined in the DCC Collateral Assignment).

5. "Permitted Transfers" are as follows:

   (a) Assignment of mortgagees or other lenders of security interests in the Property (or portion thereof) to any lender (each a "Development Lender");

   (b) Grants of easements, rights-of -way, or licenses not inconsistent with the terms of this Agreement to facilitate development and subsequent operation of the Development;

   (c) Leases of portions of the Property, consistent with the intent of the Development; and

   (d) Transfers of minority ownership interests in Developer and/or transfers to assignees where Developer or its principals hold a majority interest, or transfers for estate and family financial planning purposes.

6. Developer's construction financing, if any, shall be subject to the following requirements:

   (a) Developer shall have the right to freely enter into or obtain, at its option, financing from any lender ("Lender"), and such Lender may advance all or any portion of amounts necessary to complete the Development, including the payment of fees to Developer and reimburse Developer for its costs, expenses and overhead incurred with respect to the Development and pay necessary and incidental loan costs and fees.

(b) Developer shall have the right to finance, refinance, or to mortgage for financing purposes all or any portion of the Development after Substantial Completion of the Development.

7. The Southgate Parties agree that each Development Lender shall (insofar as the rights of the Southgate Parties are concerned) have the right at its option (but with no obligation to do so) within thirty (30) calendar days after the date of being notified of any default by Developer hereunder, to cure, or commence to cure or remedy any such default hereunder and to add the cost thereof to the secured debt and lien, or to the equivalent obligations under any other financing and lien, or to the equivalent obligations under any other financing device. If such default by Developer hereunder shall be a default which can only be remedied or cured by such Development Lender's obtaining possession, such Development Lender may, subject to the terms of its agreements with Developer, promptly seek possession through a receiver or otherwise and remedy or cure such default within thirty (30) calendar days after obtaining possession; however, in case of a default which cannot with diligence be remedied or cured, or commenced to be remedied or cured, within such 30-day period, such Development Lender shall have additional time reasonably necessary to remedy or cure such default. So long as Development Lender commits to curing said default, the Southgate Parties shall deliver to any Development Lender upon request estoppel letters in form reasonably satisfactory to such Development Lender.

8. Nothing herein shall require a Development Lender to undertake or continue construction or completion of the Development; however, nothing herein shall permit or authorize any Development Lender (or any purchaser or transferee upon any foreclosure sale or transfer in lieu thereof) to undertake any other action on the Property or any portion thereof or to permit any uses or to construct any improvements thereon, other than the uses and improvements provided for by the Site Plan and, if applicable, this Agreement. If a Development Lender elects to undertake to continue construction or completion of the Development and realize the benefits of this Agreement, it shall do so only in accordance with the terms of this Agreement, unless and until the Development Lender, the Southgate Parties and Developer, as applicable, have reached an alternative agreement by which the Development Lender will complete the Development then under construction covered by its lien or title.

9. If, within the sooner of six (6) months after obtaining possession of any uncompleted portion of the Development, or three (3) months following expiration of Developer's statutory redemption rights after a foreclosure (either of the above, the "Lender Period"), a Development Lender or its successors or assigns have not yet affirmatively stated its desire for the terms of this Agreement to continue and benefit such Developer Lender and/or its successors and assigns and thereafter commenced or continued construction, the Southgate Parties may terminate this Agreement.

10. Any mortgage or other security instrument or financing device, the proceeds of which shall be used to initially construct the Development contemplated by this Agreement shall provide that in the event of a default or breach thereunder by Developer, the Development Lender shall provide to the Southgate Parties copies of any notice of default actually provided or required by the loan documents to be provided to Developer. Similarly, Southgate Parties agree to provide to the

Development Lender copies of any notices of default or breach hereunder which are given to Developer simultaneously with providing such notices to Developer (provided the address and contact information for the Development Lender is provided to the Southgate Parties).

11. <u>Fair Employment Practices</u>.

(a) Developer agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions or privileges of employment because of his or her religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position in violation of the United States Constitution and all applicable federal legislation and regulations governing fair employment practices and equal employment opportunity and in accordance with the Michigan Constitution and all applicable state laws and regulations governing fair employment practices and equal employment opportunity, including, but not limited to, the Elliott-Larsen Civil Rights Act (P.A. 1976 No. 453) (MCL 37.2101, ct seq.), and the Michigan Handicappers, Civil Rights Act (P.A. 1976 No. 220) (MCL 37.1101, et seq.), Developer agrees that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions or privileges of employment because of his or her religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. Any default of this provision shall be deemed a material breach of this Agreement. In addition, the Developer shall endeavor to retain Southgate based persons for construction activities and permanent employment.

12. Anti-Kickback Rules. Developer shall comply with all applicable "Anti-Kickback" regulations with respect to construction of the Development, and shall insert appropriate provisions in all future contracts executed for construction of the Development pursuant to this Agreement.

13. Independent Contracting Parties. The relationship of Developer with the Southgate Parties is and shall continue to be that of independent parties contracting for the reimbursement of the Eligible Activity Costs and no liability or benefits such as worker's compensation, pension rights or liabilities, insurance rights or liabilities, or other provisions or liabilities arising out of or relating to a contract for hire or employer/employee relationship, shall arise or accrue to Developer or its respective agents or employees with respect to the Southgate Parties as a result of the performance of this Agreement.

14. Nondiscrimination. Developer and its agents, employees, contractors, affiliates, transferees, heirs or assigns shall comply with all laws, rules, regulations applicable to the marketing, sale or leasing of the Development or any phase or portion thereof, and shall not discriminate against, refuse an agreement to sell or lease, or segregate any person, or group of persons, on account of race, color, creed, religion, sex, marital status, age, handicap or physical infirmity, ancestry or national origin in violation of any such laws, rules and/or regulations applicable to the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Development, or any portion(s) thereof. Developer shall comply and cause the compliance by all agents with all applicable federal, state and local laws, regulations and ordinances, relating to non-discrimination.

15. Insurance Proceeds. If all or any part of the Developer Improvements is damaged or destroyed prior to the issuance of the Certificate of Occupancy, the insurance proceeds resulting

from such damage or destruction shall be used by Developer for the cost of restoring or rebuilding the Developer Improvements, subject to the election of the Developer to rebuild and the Developer Lender's agreement to make sufficient proceeds available for restoration. If rebuilt, the Developer Improvements shall be restored or rebuilt substantially in accordance with the construction plans provided by Developer and reasonably approved by the City. Notwithstanding the above, if the Developer Improvements are not restored within a reasonable timeframe not to exceed one hundred twenty (120) days the Southgate Parties shall be under no further obligation to reimburse Developer for any past or future Eligible Activity Costs.

16. Cooperation. Developer shall timely cooperate with, assist and comply with the terms of the Plan for the Development and City Project and this Agreement. Developer's cooperation shall include, but not be limited to, providing any and all documentation, and executing any documentation, reasonably requested by City or the BRDA and to provide evidence of compliance under the Plan as well as cooperate with the Southgate Parties with respect to their obligations hereunder.

17. Capture. BRDA shall be permitted to capture any and all incremental tax revenue above the current initial taxable value to satisfy its various obligations set forth herein and to be reimbursed as permitted hereunder.

18. Developer Representation. Developer represents and warrants to the Southgate Parties: a) that Developer is validly existing and in good standing under the laws of the state in which it is domiciled; b) it has corporate power and authority to enter into this Agreement; c) that it is duly qualified and in good standing in the State of Michigan; d) that Developer is not a party to, subject to or bound by any agreement or other obligation, or any judgment, order, writ, injunction or decree

of any court or governmental authority, which could prevent or materially impair its ability to carry out the terms of this Agreement; e) that the making and performance of this Agreement, and transactions contemplated herein by Developer will not violate any provision of law or result in a breach of, or constitute a default under, any lease, indenture, bank loan, credit agreement or other material agreement or instrument to which Developer is a party or by which its property may be bound or affected; and f) it shall comply with all environmental and other laws and regulations while constructing the Development. In particular, Developer warrants that there is no default or Default under the DCC Collateral Assignment or Fifth Third Collateral Assignment, the DCC Loan and related loan documents, or the Fifth Third Loan or related loan documents, and no approval or consent is required for the making and performance of this Agreement.

19. Jurisdiction. All parties hereto consent to being governed by the laws of the State of Michigan and the jurisdiction and venue shall be the Wayne County Circuit Court (State of Michigan) or the United States District Court for the Eastern District of Michigan, Southern Division.

20. Cumulative Remedies. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by any other party.

21. Transfers. Any permitted transfer or conveyance by Developer of an interest in the Development to a third party permitted under this Agreement (provided that such transferor is not in default under this Agreement), shall not relieve such transferee of such liability for any default which predates such transfer unless specifically known of by the Southgate Parties and waived in

writing by same. Notwithstanding the above, if after such transfer, there is a termination event, the City's obligations to reimburse Eligible Activity Costs shall cease.

22. Termination Rights and Additional Events of Default. The Southgate Parties may, after expiration of the applicable notice and cure periods, terminate this Agreement and Developer's rights to any future reimbursement for Eligible Activities (and Eligible Activity Costs) if:

(a) Developer assigns or contracts to assign this Agreement (or any rights herein) in violation of the provisions of this Agreement.

(b) If prior to the substantial completion of the Development, Developer ceases to conduct business in normal course by reason of insolvency, voluntary or involuntary filing or adjudication of bankruptcy under any present or future bankruptcy or other applicable law, or a receiver is appointed for Developer, and any bankruptcy petition or filing, or receivership is not dismissed within sixty (60) days or Developer admits in writing that it is unable to pay its debts generally as they become due and the Developer or Developer's Lender fail to provide within 60 days of such event adequate assurances to the Southgate Parties of the Developer or Developer Lender's commitment to complete the Development on the Site.

(c) The default beyond any applicable cure period of this Agreement or the Plan.

(d) The failure to pay any real or personal property taxes for or owed by the Developer on or before the date due before penalty, or to have entered into a tax payment plan with the appropriate taxing jurisdiction.

(e) Developer is in default beyond the applicable notice and cure periods under any of the Loan Documents relating to the DCC Loan.

And the Southgate Parties may terminate this Agreement as to Developer and Developer's rights to any future reimbursement for Eligible Activities (and Eligible Activity Costs) after the Developer Termination Date.

Unless specifically stated elsewhere in this Agreement, Developer shall have ninety (90) days after written notice to cure any Events of Default as described in this Agreement. In addition to the above, once Developer commences the rehabilitation of the existing structure, should Developer cease construction, for a period of longer than one hundred twenty (120) days other than due to a Force Majeure event, then interest shall cease to accrue for that period of time.

23. Property Tax Appeals. During the period of any outstanding Eligible Activity Costs, Developer agrees not to contest the local assessor's assessment to a level below that agreed to in the Plan.

24. Reporting. The Developer shall at no cost to the Southgate Parties, cooperate with any reporting requirements it may have regarding this Agreement or the Plan.

25. No Personal Liability. None of the Southgate Parties, officers, employees or board members shall be personally liable to Developer for any default or breach by the Southgate Parties of any obligations under the terms of or growing out of this Agreement or the Development.

26. Force Majeure. Failure of performance by any party hereunder shall not be deemed to be in default where delays of performance are due to war, insurrection, strike, lock-out, riot, flood, earthquake, fire, casualty, act of the public enemy, epidemic, quarantine restriction, freight embargo, lack of transportation, governmental restriction or priority (other than with respect to matters for which Developer, BRDA or City is obligated to obtain governmental approvals or

permits), severe weather, delay by any contractor, subcontractor or supplier where the cause of such delay is not in Developer's, BRDA's or City's direct or indirect control or occasioned by a dispute between such person and Developer, BRDA or City, or act of the other party which is impermissible hereunder (collectively, "Force Majeure"). An extension of time for any cause related to a Force Majeure shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause.

27. Amendments. The parties agree to consider in good faith reasonable requests for amendments to this Agreement which may be made by any of the parties hereto, by lending institutions, bond counsel, financial consultants to the Southgate Parties or federal or state agencies and to look favorably upon any such request provided it is consistent with this Agreement and would not substantially alter the basic terms and intentions hereof or substantially impair the rights or increase the obligations or costs of any Party hereto.

28. Notices. Any notices or communication required or permitted under this Agreement shall be sufficiently given if in writing and 1) hand-delivered, including delivery by courier service; 2) sent by overnight mail by a nationally recognized overnight mail service; or 3) sent by certified mail, return receipt requested, post prepaid addressed to the recipient at the address stated below, or to such other addresses as the party concerned may substitute by written notice to the other:

If to the Southgate Parties:	Attn: Dan Marsh City Administrator City of Southgate 14400 Dix Toledo Highway Southgate, MI 48195
With a copy to:	Attn: Douglass Drysdale Finance Director/Assistant Administrator City of Southgate 14400 Dix Toledo Highway

Southgate, MI 48195

If to Developer:	Southgate Tower, LLC c/o Alex Begin 1457 Club Drive Bloomfield Hills, MI 48302
With a copy to:	Neil S. Silver, Esq. Dawda PLC Dawda Building 39533 Woodward Avenue, Suite 200 Bloomfield Hills, MI 48304

All notices forwarded by overnight mail shall be deemed to be received on the date the overnight service actually delivers the notice. All notices hand-delivered shall be deemed received on the date of delivery. All notices forwarded by mail shall be deemed received on the date two days (excluding Sundays and legal holidays when the United States Mail is not delivered) immediately following the date of deposit in the United States Mail provided, however, the return receipt indicated upon which the notice is received shall be prima facie evidence that the notice was received on the date of the return receipt. Addresses may be changed by giving notice of such change in the manner provided herein. Unless such written notice is received, the last address given shall be deemed to continue in effect for all purposes.

29. Entire Agreement. This Agreement and the Plan referenced herein, including the exhibits referred to herein and therein, contain the entire understanding of the parties hereto with respect to subject matter contained herein. In the event of a conflict between the terms of this Agreement and the Plan, the terms of this Agreement shall control. This Agreement may only be amended or terminated by written instrument executed by all parties or their respective successors and permitted assigns.

30. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation, in any jurisdiction, shall not affect the validity or enforceability of the remaining

terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. Further, the parties agree that in the event that any term of this Agreement shall be deemed invalid due to it being inconsistent with the authorizing statute, then the parties agree to enter into an amendment of this Agreement in which said deficiency shall be corrected so that the intent of this Agreement can be fulfilled. If a final judgment of a court of competent jurisdiction declares any term or provision is invalid or unenforceable, the court making determination of validity or unenforceability shall have the power to reduce the scope, duration or area of the term or provision, to delete the specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

31. Mutual Drafting. The language used in this Agreement shall be deemed to be language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

32. Captions, Counterparts. The captions to the subsections contained in this Agreement are for reference only, do not form a substantive part of this Agreement and do not restrict or enlarge substantive portions of the Agreement counterparts. This Agreement may be executed simultaneously with two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

33. Public Announcements. Developer shall take all steps reasonably requested by City and BRDA to announce the transaction described herein. As part of such process, Developer will cooperate with the parties in the preparation of press releases and other announcements of such transaction.

34. Recitals. The recitals set forth above are incorporated by reference into this Agreement as if fully set forth herein.

35. Access. During the term of this Agreement, Developer grants to the Southgate Parties, its employees, agents, contractors and experts access to the Development during regular business hours following at least 24 hours' notice in order to carry out its obligations contained herein and to conduct inspections as may reasonably be required to determine whether Developer has complied with the terms of this Agreement or in order to meet its own obligations.

36. Local Laws. Nothing contained in this Agreement shall abrogate the effect of local ordinances and the parties' requirements to comply with same.

[Signatures Found On Next Page]

CITY OF SOUTHGATE

By: ______________________________

Its: Mayor

and

By: ______________________________

Its: Clerk

CITY OF SOUTHGATE BROWNFIELD REDEVELOPMENT AUTHORITY

By: ______________________________

Its: ______________________________

and

By: ______________________________

Its: ______________________________

DEVELOPER:
Southgate Tower, LLC

By: ______________________________
Alex Begin

Its: Member

Exhibit 1

Legal Description of Property

First American **Schedule C**	ISSUED BY **First American Title Insurance Company** POLICY NUMBER **5011426-934474**

File No.: 934474

LEGAL DESCRIPTION

The land referred to in this policy, situated in the County of Wayne, City of Southgate, State of Michigan, is described as follows:

Part of the Southeast 1/4 of Section 36, Town 3 South, Range 10 East, City of Southgate, Wayne County, Michigan, described as: Beginning at a point which is North 00 degrees 08 minutes 46 seconds East, 1003.98 feet (recorded as North 00 degrees 08 minutes 00 seconds East, 1004.16 feet) from the Southeast corner of said section; thence North 00 degrees 08 minutes 00 seconds East, 616.45 feet (recorded as North 00 degrees 08 minutes 00 seconds East, 616.32 feet) (assessed as North 00 degrees 08 minutes 00 seconds East 616.43 feet); thence North 89 degrees 35 minutes 00 seconds West, 60.00 feet (recorded as North 89 degrees 35 minutes 00 seconds West, 60.00 feet); thence North 00 degrees 09 minutes 53 seconds East, 109.45 feet (recorded as North 00 degrees 08 minutes 00 seconds East, 109.53 feet); thence North 89 degrees 36 minutes 39 seconds West, 841.98 feet (recorded as North 89 degrees 35 minutes 00 seconds West, 842.30 feet); thence along a non-tangential curve to the left having a radius of 2109.40 feet, an arc length of 766.34 feet, a delta angle of 20 degrees 48 minutes 56 seconds and a chord bearing and distance of South 19 degrees 32 minutes 51 seconds East, 762.13 feet (recorded as having a radius of 2110.81 feet and a length of 766.77 feet); thence tangent to said curve South 29 degrees 57 minutes 19 seconds East, 99.21 feet (recorded as South 29 degrees 58 minutes 30 seconds East); thence North 68 degrees 58 minutes 44 seconds East, 573.90 feet (recorded as North 68 degrees 58 minutes 44 seconds East, 574.09 feet); thence South 00 degrees 08 minutes 04 seconds West, 133.34 feet (recorded as South 00 degrees 08 minutes 00 seconds West, 133.40 feet) thence South 89 degrees 37 minutes 17 seconds East, 60.10 feet (recorded as South 89 degrees 35 minutes 00 seconds East, 60 feet) to the Point of Beginning.

Exhibit 2

Eligible Activities and Costs

AKTPEERLESS
ENVIRONMENTAL SERVICES

Table 1. Eligible Activities
Southgate Tower - Amendment #1
16333 Trenton Road
Southgate, MI
AKT Peerless Project No. 16088f4
As of November 12, 2025

ELIGIBLE ACTIVITIES COST SUMMARY			
		Estimated Cost	
Department Specific Activities - Preapproved		$	40,676
Demolition Activities		$	1,763,366
Asbestos Abatement		$	1,138,200
Housing Development Activities - Infrastructure and Site Preparation		$	4,567,300
Total Eligible Activities		$	**7,509,542**
15% Contingency on Eligible Activities		$	685,095
Brownfield Plan Preparation; Plan Amendment		$	27,500
Brownfield Plan Implementation		$	45,000
Total Eligible Activities Cost with 15% Contingency		$	**8,267,137**
Interest (calculated at 3%, simple)		$	419,286
Total Eligible Activities Cost, with Contingency & Interest		$	**8,686,423**
BRA Administration Fee		$	489,191
Total Eligible Costs for Reimbursement		$	**9,175,614**

ELIGIBLE ACTIVITIES COST DETAIL				
	Cost/Unit		Est. Total Cost	
Department Specific Activities - Preapproved				
Phase I (ESA)	$	4,000	$	4,000
Phase II (ESA)	$	4,715	$	4,377
Asbestos/Hazardous Materials Survey	$	24,473	$	24,473
Geotechnical Survey	$	7,826	$	7,826
subtotal			$	*40,676*
Demolition Activities				
Demolition	$	1,522,997	$	1,522,997
Demolition - Metal Panels	$	81,000	$	81,000
Demo - Electrical	$	30,950	$	30,950
Demolition - Soft Costs	$	128,418	$	128,418
subtotal			$	*1,763,366*
Asbestos Abatement				
Demo - City Abatement	$	26,370	$	26,370
Abatement	$	1,095,004	$	1,095,004
Salmon Environmental Sampling	$	7,826	$	7,826
City Abatement	$	9,000	$	9,000
subtotal			$	*1,138,200*
Housing Development Activities - Site Preparation & Infrastructure				
City - Drainage Replacement	$	15,000	$	15,000
City - Bridges	$	4,197,900	$	4,197,900
City - Curbs and Gutters	$	14,000	$	14,000
City - Landscaping	$	8,000	$	8,000
City - Publicly- Owned Utilities (e.g. electric)	$	120,000	$	120,000
City - Sanitary Sewer Mains	$	32,000	$	32,000
City - Sidewalks	$	14,400	$	14,400
City - Storm Water Systems	$	12,000	$	12,000
City - Water Mains	$	154,000	$	154,000
subtotal			$	*4,567,300*
Brownfield Plan & Act 381 Work Plan				
Brownfield Plan Preparation & Amendment	$	27,500	$	27,500
Brownfield Plan Implementation	$	45,000	$	45,000
subtotal			$	*72,500*

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer

City of Southgate
The Heart of Downriver
Est. 1958
Wayne County, Michigan

- CITY COUNCIL -

ZOEY KUSPA
Council President
CHRISTIAN GRAZIANI
KAREN E. GEORGE
PRISCILLA AYRES-REISS
PHILLIP J. RAUCH
ADRIENE PRICE
ED GAWLIK JR.

City of Southgate

Memorandum

To: Southgate Brownfield Redevelopment Authority Board Members

From: Dan Marsh, City Administrator DM

Date: July 24, 2026

Re: Recommendation for Approval and Reimbursement of Eligible Expenses for Southgate Tower Redevelopment Project

---

The City is in receipt of TIF Reimbursement Request #1 for the Southgate Tower Redevelopment Project (included in the agenda packet email). The request was submitted on behalf of the Developer by AKT Peerless.

The total amount requested for reimbursement is $1,881,579.87. The City received the reimbursement request on June 22, 2026, and per the original Reimbursement Agreement, the Southgate Brownfield Redevelopment Authority (SBRA) Board has 45 days to reply to the Developer with any comments. The Administration performed a review of the reimbursement request and found all activities and expenses are consistent with the approved Brownfield Plan and constitute eligible activities under Act 381.

However, certain expenses have not met the documentation requirements necessary for reimbursement. Section 2.1(e) of the Reimbursement Agreement requires documentation demonstrating that eligible costs have been paid by the Developer prior to reimbursement. Specifically proof of payment to Dawda and Salmon Environmental have not yet been provided.

The invoices that require additional information total $22,245.49. Therefore, the Administration recommends approval of only the eligible activities that meet all requirements of the Reimbursement Agreement, which total $1,859,334.38. Once the City has received the additional information requested, the unapproved amount should then be considered as eligible reimbursable expenses.

Although $1,859,334.38 in eligible expenses are recommended for approval, reimbursement is limited to the amount of tax increment revenue currently available in the Brownfield Fund. To date, the Developer has paid $118,033.18 in taxes (Summer and Winter 2025) under the Brownfield Plan. Of that amount, $43,676.74 was captured under the Brownfield Plan with the remaining $74,356.44 passing through to the taxing jurisdictions.

Per the Brownfield Plan, the SBRA retains 2% of tax increment revenues for Administrative Fees. Accordingly, the SBRA will retain $873.53, leaving $42,803.21 available for reimbursement to the Developer. After the initial reimbursement, the Developer will have $1,816,531.17remaining in reimbursable expenses under the Brownfield Plan.

The Brownfield Plan requires that unreimbursed eligible expenses accrue simple interest at a rate of 3% annually. After the initial reimbursement, the Developer will have accrued $54,495.94 in interest for unreimbursed expenses. Consistent with the Brownfield Plan, accrued interest will be reimbursed only after all approved eligible expenses have been fully reimbursed.

If you have any questions please contact me.

Recommended Motions:

1. *Approve $1,859,334.38 in eligible expenses included in TIF Reimbursement Request #1 and require the Developer to provide additional documentation supporting the remaining $22,245.49 in requested expenses prior to consideration of reimbursement.*

2. *Approve reimbursement of $42,803.21 in taxes captured to the Developer.*

City of Southgate

Southgate Tower Project
Brownfield Reimbursement Reconciliation

Year	Summer Tax Capture	Winter Tax Capture	Total Tax Capture	Less 2% Admin Fee	Net Tax Capture	Eligible Expenditures	Reimb Payment (Dec 15th)	Reimb Payment (Apr 15th)	Remaining Eligible Expenditures	Accrued Interest (Developer)
2025-26	$ 31,973.34	$ 11,703.40	$ 43,676.74	$ 873.53	$ 42,803.21	$ 1,859,334.38	$ 31,333.87	$ 11,469.34	$ 1,816,531.17	$ 54,495.94
2026-27			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2027-28			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2028-29			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2029-30			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2030-31			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2031-32			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2032-33			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2033-34			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2034-35			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2035-36			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2036-37			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2037-38			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2038-39			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
2039-40			$ -	$ -	$ -	$ 1,816,531.17	$ -	$ -	$ 1,816,531.17	
TOTALS	**$ 31,973.34**	**$ 11,703.40**	**$ 43,676.74**	**$ 873.53**	**$ 42,803.21**		**$ 31,333.87**	**$ 11,469.34**		**$ 54,495.94**

MEMORANDUM

TO: Brownfield Redevelopment Authority Board

FROM: Douglas Drysdale, Assistant City Administrator / Finance Director DWD

DATE: July 24, 2026

RE: Recommendation for Payment – Brownfield Project Administrative Expenditures

The City of Southgate has incurred expenditures in the amount of $10,497.82 associated with the revised Southgate Tower Brownfield Plan; these costs relate to work performed by AKT Peerless on the Brownfield Redevelopment Authority's behalf. Attached is a schedule of the invoices and related expenditures through 07/24/2026.

Proposed Motion:

Administration is recommending the approval of reimbursement from the Brownfield Redevelopment Authority to the city's General Fund for expenditures paid on behalf of the revised Southgate Tower Brownfield Plan.

VENDOR ACTIVITY REPORT FOR CITY OF SOUTHGATE
VENDOR RANGE: A2820 TO A2820
Activity From 07/01/2025 To 07/24/2026

Vendor Code / Post Date	Vendor Name / Activity	Inv/Check #	Address / Description	City/St/Zip / Invoice Amt	Check Amt
A2820	AKT PEERLESS ENVIRON. SERVICES,LL		214 JANES AVE. LEWISK@AKTPEERLESS.COM	SAGINAW, MI 48607 (989) 754-9896	
11/13/2025	INVOICE	83288	PROJ. 016088F4:16333 TRENTON RD.-REVISED B	4,000.00	
11/13/2025	CHECK	CLAIM 1015172			4,000.00
01/22/2026	INVOICE	83653	PROJECT #016088F4:16333 TRENTON RD., BROWN	4,000.00	
01/22/2026	CHECK	CLAIM 1015543			4,000.00
02/05/2026	INVOICE	83955	PROJ #016088F4: 16333 TRENTON RD.- BROWNFI	1,167.82	
02/05/2026	CHECK	CLAIM 1015589			1,167.82
03/26/2026	INVOICE	84395	PROJ 016088F4- CIYT OF SOUTHGATE-16333 TRE	840.00	
03/26/2026	CHECK	CLAIM 1015919			840.00
06/30/2026	INVOICE	86474	PROJ 016088F4- CITY OF COUTHGATE-16333 TRE	490.00	
07/16/2026	CHECK	CLAIM 1016624			490.00
			Total: Net of 5 Invoices / 5 Checks	10,497.82	10,497.82
			Grand Total 5 invoices and 5 checks for	10,497.82	10,497.82

JOSEPH G. KUSPA
Mayor

JANICE M. FERENCZ
City Clerk

CHRISTOPHER P. ROLLET
Treasurer

City of Southgate

Memorandum

To: Southgate Brownfield Redevelopment Authority Board Members

From: Dan Marsh, City Administrator

Date: July 24, 2026

Re: Establishment of Regular Meeting Dates

Historically, the Southgate Brownfield Redevelopment Authority (SBRA) Board has met on an as-needed basis. With the approval of the First Amendment to the Southgate Tower Brownfield Plan and the Former Aquinas High School Brownfield Plan, the SBRA now has ongoing responsibilities to review and approve requests for reimbursement of eligible expenses funded through tax increment financing.

To facilitate the timely review of reimbursement requests and the associated tax increment revenues collected, the Administration recommends establishing regular meeting dates for the Brownfield Redevelopment Authority. The Administration recommends the establishment of regular meetings on the third Wednesday in March and the third Wednesday in November, annually, at 5:00 p.m. in the Mayor's Office.

These meeting dates are scheduled shortly after the collection of winter and summer property taxes, respectively, allowing the SBRA to review available tax increment revenues, consider reimbursement requests for approved eligible expenses, and authorize reimbursement distributions in a timely manner.

If you have any questions please contact me.

Recommended Motion:

Establish regular meeting dates and times of the Southgate Brownfield Redevelopment Authority board to take place annually on the third Wednesday in March, and the third Wednesday in November at 5:00pm at City Hall in the Mayor's Office