

1. Downtown Development Authority Regular Meeting Agenda 2016 0504

Documents: [DOWNTOWN DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA 2016 0504.PDF](#)

2. 10 2016 Quarter 1 Detroit Office Market

Documents: [10 2016 QUARTER 1 DETROIT OFFICE MARKET.PDF](#)

3. 10 Crains Detroit Article Vector Form

Documents: [10 CRAINS DETROIT ARTICLE VECTOR FORM.PDF](#)

4. 3 Minutes April 20 2016

Documents: [3 MINUTES APRIL 20 2016.PDF](#)

5. 4a Monthly Expenses

Documents: [4A MONTHLY EXPENSES.PDF](#)

6. 5 2016 - 17 SAM Event Contract - Detailed Promotions - Event Budget

Documents: [5 2016 - 17 SAM EVENT CONTRACT - DETAILED PROMOTIONS - EVENT BUDGET.PDF](#)

7. 5b RORA Request

Documents: [5B RORA REQUEST.PDF](#)

8. 6 Detroit Zoo - Downtown Parking Proposal

Documents: [6 DETROIT ZOO - DOWNTOWN PARKING PROPOSAL.PDF](#)

9. 7 2nd Street Parking Deck Additional Services

Documents: [7 2ND STREET PARKING DECK ADDITIONAL SERVICES.PDF](#)

10. 7 2nd Street Parking Deck RAS White Box Retail

Documents: [7 2ND STREET PARKING DECK RAS WHITE BOX RETAIL.PDF](#)

11. 8 1 Singh Additional Info

Documents: [8 1 SINGH ADDITIONAL INFO.PDF](#)

12. 8 2 Group 10 Additional Info

Documents: [8 2 GROUP 10 ADDITIONAL INFO.PDF](#)

13. 8 3 Foremost Additional Info

Documents: [8 3 FOREMOST ADDITIONAL INFO.PDF](#)

14. 8 4 Boji Additional Info

Documents: [8 4 BOJI ADDITIONAL INFO.PDF](#)

15. 8 5 Keystone Additional Info

Documents: [8 5 KEYSTONE ADDITIONAL INFO.PDF](#)

16. 8 696 - Main Property

Documents: [8 696 - MAIN PROPERTY.PDF](#)

17. 9ai SAM Monthly Report March

Documents: [9AI SAM MONTHLY REPORT MARCH.PDF](#)



Agenda
Royal Oak Downtown Development Authority
May 04, 2016
4:00 p.m. Regular Meeting
City Commission Chambers

As a reminder, if you have not already done so, please turn your cellular phones off or to a silent or vibrate mode for the duration of the meeting. This will allow the meeting to proceed without distractions or interruptions. Thank you for your cooperation.

1. Call to Order
2. Public Comment
3. Approval of Meeting Minutes from April 20, 2016.
4. Expense Items
 - a. Monthly Expenses
5. 2016-17 SAM Event Contract & Detailed Promotions & Event Budget
 - a. Funding for CC Consulting Campaign
 - b. Funding for Restaurant Association
6. Detroit Zoo & Downtown Parking Proposal
7. 2nd Street Parking Deck – Request for Additional Services
8. 696 & Main Property
9. Committee Updates
 - a. Consumer Marketing Committee – 03/24/16 & 04/04/16 meeting(s)
 - i. SAM Monthly Report(s) March
 - b. Infrastructure (Joint) Committee – 04/06/16 meeting
 - c. Business Marketing Committee – 04/26/16 meeting
10. Other Business & Reports
 - a. 2016 Quarter 1 Detroit Office Market
 - b. Crain's Article - Vectorform



2016 BEGINS WITH GOOD NEWS

Peter McGrath Associate | Detroit & Ann Arbor

Metro Detroit started 2016 with a modest but positive quarter. Certain sectors and statistics reported growth and positive trends. The overall market saw the vacancy rate decrease by two basis points, and reported 617,472 SF of positive net absorption. Quoted rental rates also increased, from \$18.60 to \$18.81 per SF.

The market continues to operate in a dual state. Many top shelf, Class A buildings such as One Detroit Center are almost at full occupancy. On the other side of the spectrum, many former user buildings, such as the former Blue Cross Blue Shield complex in Southfield, continue to sit empty or close to empty. Converting buildings from single to multi-tenant occupancy has not been an easy task for many landlords in Metro Detroit.

The first quarter represented a continuation of previous trends. The overall market remains a tenant's market, but landlords that offer certain amenities in certain locations are beginning to reap the benefits. The overall tenants market has encouraged many landlords to make needed updates to the common areas, systems, and lobbies of their buildings, which will be good for Metro Detroit's office market in the long run.

Market Indicators

	Quarter 4 2015	Quarter 1 2016
VACANCY	↓	↓
NET ABSORPTION	+	+
CONSTRUCTION	↓	↑
RENTAL RATE*	↑	↑

*Asking Rents

Notes on the Market

CLASS A RENTS GROW

In the Metro Detroit market area, the average quoted rental rate for available office space, all classes, was \$18.81 per SF at the end of the first quarter of 2016. This represents a solid increase from the previous quarter's quoted rent of \$18.60.

The average Class A quoted rental rate was \$21.61 per SF, a \$.39 increase from the previous quarter. Class B rental rates also increased from \$18.44 to \$18.59, a positive \$.15 increase.

VACANCY DECREASES

The overall office vacancy rate in the Metro Detroit market decreased by two basis points, reporting 14.0% at the end of the first quarter. The vacancy rate has continuously improved since 2010, and has improved from 15.1% at the end of the first quarter of 2015.

Across the market, Class A saw a solid decrease in vacancy with a reported vacancy rate of 12.6%, down 80 basis points from the previous quarter's 13.4%. South Troy continues to report the highest vacancy rate, as many former user buildings have struggled to become multi-tenant properties.

ABSORPTION POSITIVE

Net absorption for the overall Metro Detroit office market was positive in the first quarter. 617,472 SF was absorbed across all classes in the market, which complements the 747,113 SF absorbed in the previous quarter. Overall absorption is expected to remain positive due to increased demand for space and limited new construction hitting the market.

MAJOR TRADES ON THE MARKET

The first quarter of 2016 was rather sleepy in terms of investment sales. The largest sale on in the market was 101 North Main in downtown Ann Arbor, which traded for \$24,000,000. The property, which is one of the few office properties in Downtown Arbor, commanded over \$208.00 per SF, a testament to the high barriers to entry and stable market in Ann Arbor.

LITTLE HEADWAY IN CONSTRUCTION

Metro Detroit's office market continues to lack the fundamentals for new construction. 671,474 SF is currently under construction, while 187,167 SF of office space has been delivered over the first quarter. While certain office users will continue to have build-to-suit requirements, do not expect a wave of Class A office towers to be constructed in the major office markets of Downtown Detroit, Troy, or Southfield anytime soon.

Key Takeaways

- > Rents have increased for eight consecutive quarters, which is a good sign for landlords.
- > Vacancy continues to decrease, as the first quarter marked the ninth consecutive quarter of declining availability.
- > While there was less space absorbed than the previous quarter, the trend remained positive.
- > Investment sales were quiet this quarter. Expect activity to perk up during the summer.

Looking Forward

- > Expect more investment sales in 2016, as cap rates still remain high compared to the primary real estate markets.
- > Increased activity and confidence in the automotive sector will continue to drive positive absorption.
- > New construction will continue to remain slow, as there is simply too much existing product on the market.
- > Smaller downtown markets, such as Birmingham and Royal Oak, will play a larger role in the overall marketplace.

THE NUMBERS > QUARTER 1 > OFFICE

Class A	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
CBD	15	7,276,182	715,732	729,604	10.0%	43,962	0	0	\$23.56
Suburban	198	39,227,028	4,950,162	5,130,293	13.1%	325,241	0	110,334	\$21.38
Totals	213	46,503,210	5,665,894	5,859,897	12.6%	369,203	0	110,334	\$21.61
Class B	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
CBD	77	15,539,958	1,887,473	1,892,578	12.2%	(54,275)	0	0	\$20.31
Suburban	3,033	87,532,333	14,695,849	14,762,857	16.9%	57,333	187,167	561,140	\$18.43
Totals	3,110	103,072,291	16,583,322	16,655,435	16.2%	3,058	187,167	561,140	\$18.59
Class C	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
CBD	68	3,406,809	1,037,054	1,037,054	30.4%	3,673	0	0	\$22.70
Suburban	5,951	43,896,717	3,939,104	3,950,451	9.0%	241,538	0	0	\$14.66
Totals	6,019	47,303,526	4,976,158	4,987,505	10.5%	245,211	0	0	\$15.36
Totals	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
CBD	160	26,222,949	3,640,259	3,659,236	14.0%	(6,640)	0	0	\$21.66
Suburban	9,182	170,656,078	23,585,115	23,843,601	14.0%	624,112	187,167	671,474	\$18.53
Totals	9,342	196,879,027	27,225,374	27,502,837	14.0%	617,472	187,167	671,474	\$18.81

Source: CoStar Property®

THE NUMBERS > HISTORIC > OFFICE

	Existing Inventory		Vacancy			Net	Deliveries		UC Inventory	Quoted
	# Blds	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Total RBA	Rates
2016 1q	9,342	196,879,027	27,225,374	27,502,837	14.0%	617,472	4	187,167	671,474	\$18.81
2015 4q	9,339	196,692,510	27,551,466	27,933,792	14.2%	747,113	4	330,922	593,193	\$18.60
2015 3q	9,337	196,542,024	28,217,439	28,530,419	14.5%	656,204	3	110,792	844,337	\$18.38
2015 2q	9,334	196,431,232	28,816,493	29,075,831	14.8%	563,738	1	3,428	678,061	\$18.23
2015 1q	9,334	196,499,804	29,389,811	29,708,141	15.1%	520,607	3	110,000	661,896	\$18.01
2014	9,332	196,393,374	29,817,684	30,122,318	15.3%	1,541,559	6	90,844	522,057	\$17.82
2013	9,333	196,652,595	31,567,845	31,923,098	16.2%	1,072,235	7	77,851	71,703	\$17.57
2012	9,332	197,235,960	33,055,514	33,578,698	17.0%	1,087,740	13	470,956	81,438	\$17.79
2011	9,326	197,176,421	33,973,583	34,606,899	17.6%	1,553,322	10	409,126	409,403	\$18.24
2010	9,320	196,838,801	34,967,429	35,822,601	18.2%	(566,174)	14	369,213	631,402	\$18.87
2009	9,313	196,786,520	33,923,473	35,204,146	17.9%	(2,227,787)	22	467,823	534,318	\$18.86
2008	9,296	196,400,299	31,414,762	32,590,138	16.6%	(716,227)	35	627,992	441,250	\$19.49
2007	9,266	195,781,412	30,219,686	31,255,024	16.0%	1,603,339	77	1,866,297	667,226	\$19.94
2006	9,197	193,936,114	30,106,287	31,013,065	16.0%	489,503	90	2,449,676	1,796,516	\$20.29
2005	9,109	191,494,913	28,298,193	29,061,367	15.2%	(244,247)	105	2,079,943	2,845,134	\$20.33
2004	9,005	189,464,970	25,706,184	26,787,177	14.1%	2,149,703	114	3,621,588	2,126,654	\$20.40

Trend to Watch: Royal Oak on the Rise

- › The small suburb jumps into the mix with new office development

For Todd Fenton, the city of Royal Oak's Chief Economic Development officer, 2016 is poised to be a busy year. In 1990's, the City of Royal Oak transformed itself to a hip destination for entertainment and nightlife. The city's office sector remained dormant, confined to boutique users leasing space in smaller, class B office buildings. This is no longer the case. According to Fenton, "Royal Oak was always a place to have fun, but now national office tenants are looking at us as a great place to work as well." With a new hotel and two large, Class A office developments are in the works, Royal Oak is now positioned to compete with Metro Detroit's long-time office markets.

Today, the city's eclectic mix of restaurants, nightlife, and coffee shops has formed a positive feedback loop for the office sector. The end result is more companies recognize that a Royal Oak location can help attract and retain Detroit's best and brightest. Fenton remarked "People are looking for that walkable, thriving urban environment, where you can get lunch someplace unique. Plus, we have fantastic schools nearby." Fenton adds "the companies that are calling us are not looking for the cheapest office space. Right now we don't have that. What they recognize that losing talent to Downtown Detroit or Chicago is far more expensive, so they are willing to pay a premium to be located here in Royal Oak."

In some respects, the revitalization of Downtown Royal Oak mirrors a national trend. From San Francisco to Downtown Detroit, traditional downtowns are experiencing a renaissance of new office, multi-family, and retail. Within the Metro Detroit market, the rise of Royal Oak represents even more competition for the high vacancy, auto-dependent suburbs of Southfield and Troy. For landlords in those markets, don't expect any relief from Royal Oak or Todd Fenton: "Our city is in a good place now, and I think we will only get stronger over the next few years."

Royal Oak Grows Up



Royal Oak has long been a center for nightlife and entertainment. It is now becoming a center for office.

FOR MORE INFORMATION

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DTE, Vectorform team up to develop virtual reality training



Photo by Vectorform A scene from a DTE Energy Co. virtual reality training program.

The Detroit-based utility and Royal Oak-based tech company introduced a simulation that will change the way the DTE trains its field employees.

By Michael Lewis II

DTE Energy Co. and Royal Oak-based tech company **Vectorform** have introduced a virtual reality simulation that will change the way the Detroit-based utility trains its field employees. The HTC Vive system, developed by **HTC Corp.**, uses goggles and controllers to turn any room into a 360-degree, interactive virtual environment with motion tracking. DTE's first training program is set in a residential backyard and simulates the steps leading to the removal of a downed tree branch and power line. DTE Energy's line workers and technicians will also safely train on other common scenarios, including repairing downed wires, performing gas line shut-offs and operating at great heights.

"We have many field employees working in high consequence, dangerous situations every day," said Shawn Patterson, DTE vice president of organizational effectiveness and chief learning officer. "The immediate thought was to use this technology to augment our training and evaluate, teach and coach our employees in these scenarios without that risk." DTE said it is the first energy company nationwide to adopt this type of innovative and safe training for its workforce.

Patterson said the training program is crucial as DTE prepares to shift its workforce. Within the next five years, about 50 percent of DTE's 10,000 employees will be eligible for retirement, he said. Of those 10,000, nearly 4,000 work in the field.

"We're going to be bringing in a whole new generation of workers here at DTE," Patterson said. "This is a wonderful platform for us to teach, train and develop that next generation — and if you think about, since they're younger, they will be more used to operating these kinds of systems, which I think will be a huge attractor for talent."

Patterson said the virtual reality system will not replace DTE's current training system, but it will be added as a hands-on layer before field work in the future.

Vectorform identifies itself as a platform to help organizations invent digital products and experiences for the world's leading brands.

Vectorform CEO and co-founder Jason Vazzano said the technology is available only to developers, like Vectorform, for less than \$1,000 a kit. However, he added, the creation of customized programs falls on the developer, leaving the exact cost a variable.

Patterson would not disclose how much of DTE's budget is committed to investing in these

kinds of projects, but he said the virtual reality method of training will save the company money long term.

Vazzano said Vectorform plans to test the system's capability for DTE and beyond. While developing training simulations for the utility to expand its business through situations such as storm response and training, the company wants to develop other ways to market the technology.

"This is the flagship experience and DTE is the first to come out and get in front of this thing," Vazzano said. "This technology has only been available for a matter of weeks and DTE is looking to develop it more."

Take a look at the technology being developed by DTE Energy and Vectorform:

DTE Downed Power Line Demo Experience

from **Vectorform**

01:05



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**DOWNTOWN DEVELOPMENT AUTHORITY
CITY COMMISSION CHAMBERS
ROYAL OAK, MICHIGAN
www.ci.royal-oak.mi.us**

**Wednesday, April 20, 2016
Regular Meeting
4:00 P.M.**

Present

Gary Baglio
Jay Dunstan, Chairperson
Donald Johnson, City Manager
Jason Krieger
Lori London
Matt Riley
Michael Sophiea
Anthony Yezbick

Absent

Amanda Page

Staff

Tim Thwing, Executive Director

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1. **Call to Order**
2. **Public Comment**
3. **Approval of Minutes from March 16 and March 30, 2016**
4. **Expense Items**
 - a. **Monthly Expenses**
5. **Holiday Lights - Tree Proposal English Gardens
2016-2018 Pricing & Plan**
6. **Library Request - 11 Mile Repairs & Improvements**
7. **CC Consulting - Proposal**
8. **Committee Updates**
 - a. **Consumer Marketing Committee—03/24/16 & 04/04/16 meeting**
 - i. **SAM Monthly Report(s) March**
 - b. **Infrastructure Committee – 04/06/16 meeting**
 - c. **Business Marketing Committee – 04/05/16 meeting**

9. Other Business & Reports
a. Clay, Glass & Metal Show

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1. CALL TO ORDER

Chairperson Dunstan called the meeting to order at 4:05 pm.

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2. PUBLIC COMMENT

Chairperson Dunstan opened Public Comment.

After all public comments were heard public comment was closed.

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3. APPROVAL OF MEETING MINUTES FROM MARCH 16 AND MARCH 30, 2016

MOVED by Director Riley
SUPPORTED by Director Krieger

To Approve the minutes of the March 16 and March 30, 2016 DDA meetings, as presented.

MOTION APPROVED UNANIMOUSLY.

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4. EXPENSE ITEMS

a. Monthly Expenses

The invoices received and paid for the month of March 2016 were provided as information, no action is required.

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5. HOLIDAY LIGHTS - TREE PROPOSAL ENGLISH GARDENS

MOVED by Director Baglio
SUPPORTED by Director Riley

To Reject the proposal from English Gardens and not proceed with the purchase and installation of any Christmas Trees during the FY 2016-17 season.

MOTION APPROVED UNANIMOUSLY.

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HOLIDAY LIGHTS – 2016-2018 PRICING & PLAN

MOVED by Director Sophiea
SUPPORTED by Director Riley

To Approve English Garden's 2016/17 Season proposal with the following adjustments;

- 1) The quantity of RGB orbital's shall be sufficient to cover 33 trees as depicted on the submitted 2017-2018 season map; with the elimination of two (2) trees at intersection of Lafayette and 4th Streets and two (2) trees along Center St. between 3rd & 4th Streets.
- 2) The final light color(s) and decorative bulbs to be utilized on the lamp post Tear Drops shall be determined by Director Baglio in consultation with English Gardens and the Executive Director.
- 3) The trees that will receive existing green spheres are yet to be determined.

MOTION APPROVED UNANIMOUSLY.

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MOVED by Director Baglio
SUPPORTED by Director Riley

To Refer the determination as to which locations or trees will have the existing green spheres installed during the FY 2016-17 season to the Infrastructure Committee.

MOTION APPROVED UNANIMOUSLY.

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The board did not approved the proposal for 2017-18 determining that technology, costs and options for holiday lights change too much from year to year. The board indicated that the Infrastructure Committee should begin meeting with English Gardens in August 2016 so a decision for the FY 17-18 season can be made by December 2016. The board requested that English Gardens provide a breakdown of the costs for materials versus labor so labor intense decorations could be eliminated or modified.

* * * * *

6. LIBRARY REQUEST – 11 MILE REPAIRS & IMPROVEMENTS

MOVED by Director Johnson
SUPPORTED by Director Krieger

Be It Resolved, the Royal Oak Downtown Development Authority, DDA hereby directs the Executive Director to solicit bids from design professional to prepare and provide plans for repairs and improvements to the north entrance of the Royal Oak Library.

MOTION APPROVED UNANIMOUSLY.

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7. CC CONSULTING - PROPOSAL

MOVED by Director Baglio
SUPPORTED by Director London

Be It Resolved, the Royal Oak Downtown Development Authority, DDA hereby approves the proposed contract with CC Consulting with the funds necessary to cover the remainder of FY 15-16 coming from the allocation (\$8,500) previously designated to the Royal Oak Retailers Association and the funds necessary to cover that portion of FY 16-17 coming from the Development Fund, and

Be It Further Resolved, the Executive Director is authorized to execute said contract with CC Consulting.

MOTION APPROVED UNANIMOUSLY.

* * * * *

MOVED by Director Baglio
SUPPORTED by Director Krieger

Be It Resolved, the Royal Oak Downtown Development Authority, DDA hereby approves designates (\$25,000) contained in the FY 16-17 Development Fund Budget towards a campaign to be designed and carried out by CC Consulting and approved by the DDA.

MOTION APPROVED UNANIMOUSLY.

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8. COMMITTEE UPDATES

a. Consumer Marketing Committee – 03/24/16 & 04/04/16 meetings

i. SAM Monthly Report(s) March
Provided as information, no action is required

* * * * *

b. Infrastructure (Joint) Committee – 04/06/16 meeting
Provided as information, no action is required

* * * * *

- c. **Business Marketing Committee – 04/05/16 meeting**
Provided as information, no action is required

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9. **OTHER BUSINESS & REPORTS**

- a. **Clay, Glass & Metal Show**
Provided as information, no action is required

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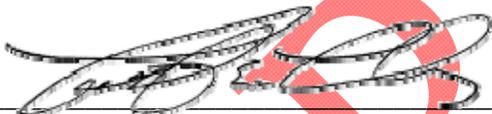
There being no further business to bring before the Royal Oak Downtown Development Authority, the following motion was made:

MOVED by Director Krieger
SUPPORTED by Director Yezbick

To Adjourn the April 20, 2016 DDA meeting at 6:25 pm.

MOTION APPROVED UNANIMOUSLY.

* * * * *



Timothy E. Thwing, Executive Director



Royal Oak
DOWNTOWN
DEVELOPMENT AUTHORITY

Meeting Date: 05/04/2016

211 Williams Street
Royal Oak, MI 48067
Phone: (248) 246-3280
downtownroyaloak.org

MEMORANDUM

DATE: April 29, 2016

TO: MEMBERS OF THE DOWNTOWN DEVELOPMENT AUTHORITY

SUBJECT: **EXPENSE ITEMS - MONTHLY**

Listed below are the invoices for the month(s) of April 2016 that were received and paid.

<u>Vendor</u>	<u>Payment Detail</u>	<u>Amount</u>
SAM Event Services	March Services	\$3,000.00
Worry Free	CBD Maintenance	\$5,930.00
Worry Free	CBD Maintenance	\$5,600.00
Worry Free	CBD Maintenance	\$5,725.00

Timothy Thwing

From: Stephanie McIntyre [stephmcin@gmail.com]
Sent: Sunday, April 10, 2016 3:59 PM
To: Tim Thwing
Subject: Updated Budget and Contract for FY1617
Follow Up Flag: Follow up
Flag Status: Red
Attachments: FY 1617 - DDA Budget.xls; FY1617 - RODDA Event Management Contract.doc

Tim -

Attached is an updated budget, keeping it the same as last year, with the following exceptions:

- Increasing the activities for Spooktacular
- Removing the Washington Renovations - Embrace the Barrels Program
- I have not included anything for ROAR or RORA in this budget, let me know if you would like me to change that.

Thank you,

Stephanie





Event Management & Marketing Consultant Contract

I. Work Objectives

Under the direction of the City of Royal Oak Downtown Development Authority (DDA), Stephanie McIntyre (SAM Event Management & Consulting, LLC), the Event Management & Marketing Consultant (Consultant), will plan and implement a comprehensive events and marketing program to market & promote downtown Royal Oak. This program will incorporate three main events and non-event activities under the vision and direction of the DDA as well as services as outlined below.

The goal of the DDA is to increase the number of customers and foot traffic from both the immediate Royal Oak trade area and the greater Detroit metropolitan market, and to increase awareness of the DDA.

II. Services

The Consultant agrees to render professional services for the DDA as necessary to accomplish those tasks contained in this document and as described in the DDA's approved Events/Marketing Budget within the time prescribed.

III. Scope of Work (FY 16/17)

A. Organize all components of the annual Downtown Royal Oak event plan:

Spooktacular – October 30, 2016

Organize, and implement all event features including:

Business Coordination

- Email participation forms to DDA businesses

- Compile participation list

Advertising

- Design Poster for event

- Send poster to printer

- Distribute posters downtown

- Send Main Street banner to printer for updating

- Develop press release

- Send press release to media outlets

- Follow up with media regarding press release

- Develop flyer for schools

- Coordinate distribution of flyer at schools

City

- Coordinate crowd control with RO Police

- Coordinate street closures and/or parking lot closures with DPS and ROPD

- Submit special event permit

- Submit banner permit

- Submit information to WROK, City Website and CC meeting

Kids Activities

- Coordinate, book and manage music, sound and stage

- Coordinate, book and manage activities including inflatables, etc.

- Coordinate and manage touch-a-truck area



Other Activities

- Work with DDA to provide payment to vendors
- Coordinate volunteer group to help with crowd control
- Attend entire event set-up, event and tear-down
- Follow-up, secure and fulfil potential business sponsorships

Follow-up

- Provide event recap

Holiday Magic Parade – November 20, 2016

Organize, and implement all event features including:

Parade Participants

- Obtain groups to walk in parade
- Work with Parade Company for floats
- Obtain musical acts to perform
- Coordinate electrical requirements with A/V company
- Invite dignitaries to walk in parade
- Coordinate Santa in parade
- Develop parade line-up

Volunteers

- Obtain volunteers to assist with parade
- Lead volunteers training
- Assign volunteers tasks and send information out
- Order volunteer identification materials

Logistics

- Coordinate restrooms for event
- Order walkie-talkies for event
- Order rentals for event
- Obtain any additional numbers and poles needed for line-up
- Provide staff to work check-in tent, parade line-up and stage

City

- Submit special event permit
- Submit banner permit
- Coordinate street closures with Police Department
- Coordinate street closures with DPS
- Work with DPS to pick-up needed cones for line-up
- Work with DPS to obtain stage for dignitaries

Visits with Santa

- Coordinate location for visits

Santa Scamper or other activity

- Coordinate this activity with Oak Apple Group

Advertising

- Design poster for event
- Send poster to printer
- Distribute posters downtown
- Design necessary print ads
- Coordinate print ad with appropriate media outlet
- Coordinate TV schedule and spot
- Send Main Street banner to printer for updating
- Develop press release
- Send press release to media outlets



- Follow up with media regarding press release
- Developer flyer for schools
- Coordinate distribution of flyer at schools

Other Activities

- Work with DDA to provide payments to vendors
- Coordinate an event photographer

Day of Event

- Attend entire event set-up, event and tear down

Sponsorship

- Develop/refine sponsorship packages
- Send out initial sponsorship request
- Follow-up on sponsorship
- Design banners for sponsors as indicated by package
- Print out banners for sponsors
- Fulfill sponsor packages

Follow-up

- Provide event recap

NON-EVENT ACTIVITIES

Organize, and implement all features including:

HOLIDAY 2016 IMAGE CAMPAIGN

Advertising

- Obtain billboard schedule
- Work with billboard company on creative
- Work with production company to update TV spots
- Submit spots to TV
- Work with media outlets for schedules
- Coordinate payment for advertisers

SOCIAL MEDIA CAMPAIGN

- Coordinate a monthly social media campaign on Facebook and Twitter
- Work with committee to develop month-specific messaging
- Work with design company to have ads created
- Work with committee for ad review/approval
- Develop strategies for media placement
- Place social media buys

SPONSORSHIP MANAGEMENT

- Oversee DDA's event sponsorship of events to ensure proper visibility as a sponsor
- St. Patrick's Day Parade
- Arts Commission

SOCIAL MEDIA MANAGEMENT

- Facebook (www.facebook.com/downtownroyaloak)
- Maintain and update the downtown Royal Oak Facebook page to include:
 - Update header photos



Update with info on upcoming events, new businesses, news items related to downtown, business specific events and activities

Twitter (@rodowntown)

Maintain and update the downtown Royal Oak Twitter page to include:

Update with info on upcoming events, new businesses, news items related to downtown, business specific events and activities

WEBSITE

Update Events Calendar with events as needed

Approve/update business listings as submitted

OTHER

Attend monthly Consumer Marketing Committee CMC meetings

Answer questions to info@downtownroyaloak.org

Submit events to Insight quarterly

- B. In addition to tasks outline above, the Consultant shall perform all activities deemed necessary to carry out the above listed events and services.
- C. If necessary hire and manage additional personnel to accomplish the objectives as described in this document and the DDA's approved Event & Marketing Plan. Any additional employees will be employees of the Consultant and not the DDA and they will be paid by Consultant.
- D. Provide monthly written status reports for the DDA board:
 - a. Update on activities relevant to the DDA Event & Marketing Plan.
 - b. Monthly income and expense summaries
 - c. Monthly & cumulative allocations of funds designated to support and enhance specific DDA events/activities.
- E. Event follow-up reports within one month of completion of event. These reports to include all pictures and video from events' news stories or features, a list of business participants, and any other elements deemed necessary by the DDA.
- F. Create and issue appropriate press releases, as approved by the DDA and Executive Director and provide copies of all releases prior to sending to media.
- G. Negotiate and secure best rates for appropriate advertising opportunities for DDA events
- H. Secure media partnerships in print, TV, radio and Internet
- I. Secure financial sponsorships for events and promotions as determined by the DDA. All sponsorship proposals must be reviewed by the DDA prior to submittal to potential sponsors. All sponsors must sign a contract with the DDA specifying the details of the sponsorship. All sponsorship monies will be paid directly to the DDA, not the Consultant, and must be received prior to the event.
- J. Provide invoices from all events/promotions no later than 2 weeks after event
- K. Before responding to inquiries, statements, comments or criticisms by the media, public officials or elected officials, the Executive Director must be contacted.
- L. Thank you letters for event sponsors, participators, businesses, volunteers and all other entities associated with an event or DDA promotion must come from the the DDA Board Chairman or DDA Executive Director. These letters should be drafted, approved, printed out and submitted to the appropriate signer no later than one week following the event.

M. Payment for Services

The DDA agrees to pay the Consultant a "not to exceed" fee of \$36,000 per year in installments of \$3,00.00 per month to perform all services described under the Scope of Work. The fee covers event



planning, implementation and promotional services as outlined in the plan, including but not limited to the hiring of other personnel, phone calls, copying, mileage, and poster design. Additional expenses such as illustration, stock photography, etc. will be submitted for approval before expenses are incurred. Payment will be issued monthly to the Consultant through June 2017. The DDA will pay the monthly fee within 30 days of receipt of a detailed monthly invoice.

A one-time payment will be made to the Consultant for sponsorship commission, as outlined below, once payment has been received from all sponsoring entities.

A 10% commission will be paid on all sponsorship funds paid/received in regards to Holiday Magic Parade and Spooktacular.

N. Evaluation Process

The Consultant will receive an evaluation prior to the development of the Event & Marketing Plan for Fiscal Year 17-18 or during April, 2017 whichever occurs first. The evaluation will be conducted by, three (3) members of the DDA and the DDA Executive Director. The evaluation will include all aspects of the Consultant's contract including a review of monthly activity and income/expense reports.

O. Time

The Consultant agrees to complete the work under this agreement and the approved Event & Marketing Plan by June 30, 2017, including promotion of FY 17-18 activities requiring support prior to a formal evaluation.

P. Indemnification

The Consultant agrees that it shall indemnify and hold harmless the DDA, Volunteers and the City of Royal Oak and their officers, employees and agents from any and all liability, loss or damage as a result of claims, actions, suits, causes of action, proceedings, cost expenses judgments, and liabilities of any kind whatsoever arising out of the Consultant's performance of the work described herein other than the negligent or intentional acts of the DDA, the City, their volunteers, officers, employees and agents.

The Consultant will not take any action or cause a situation or result that proves detrimental to the DDA or its activities.

Q. Finance

All funds, donations, fees, and sponsorship shall be paid directly to the DDA, not the Consultant. All bills, work and charges for events or promotions shall be paid directly from the DDA to contracted business. The Consultant shall not enter into a contract or make a financial commitment on the DDA's behalf that has not been approved by the Executive Director. All invoices for events shall be received no later than 2 weeks after an event.

R. Extra Work

It is agreed by the parties that any extra work not specifically mentioned in this Agreement, but which is necessary to the complete performance of the Agreement, and which may be fairly implied as included, will be considered included and performed by the Consultant without extra charge therefore.

S. Term of Agreement ; Termination

a. Term



The term of this Agreement shall commence for a period of one (1) year from July 1, 2016 and shall automatically expire at that time, unless extended or terminated earlier as provided herein.

b. Termination

During the term of this Agreement, the Agreement may be terminated only in the following manner:

1. The Agreement shall terminate upon the dissolution of the firm
2. Either the DDA or Consultant may terminate the Agreement at any time, with or without cause, upon 60 calendar days written notice to the other party.
3. The DDA may terminate the Agreement, at any time and without prior notice, upon Consultant's material breach of this Agreement, Consultant's failure to perform obligations pursuant to this Agreement, or any other conduct detrimental to the interests of the DDA.

IN WITNESS WHEREOF the parties have caused this contract to be executed and signed on this date ____/____/____.

CITY OF ROYAL OAK DOWNTOWN DEVELOPMENT AUTHORITY

BY: _____
Timothy E. Thwing
Executive Director

Stephanie McIntyre
SAM Event Management & Consulting, LLC

FY 16/17 - EVENT BUDGET EXPENSES	15-16 Proposed	15-16 Actual	16-17 Proposed
Spooktacular: 10/30/2016			
Posters - 100 from Rocket	\$ 125.00	\$ 100.00	\$ 100.00
Banner Update	\$ 75.00	\$ 25.00	\$ 50.00
Clerk Office - Fee to hang Main Street Banner	\$ 225.00	\$ 225.00	\$ 225.00
Special Event Permit	\$ 125.00	\$ 125.00	\$ 125.00
Crowd Control - Donation to Stagecrafters	\$ 500.00	\$ 500.00	\$ 500.00
City Services	\$ -	\$ -	\$ 2,500.00
Restrooms	\$ -	\$ -	\$ 650.00
Volunteer Tshirts	\$ 200.00	\$ 122.40	\$ 160.00
Music Stage	\$ -	\$ -	\$ 2,500.00
Kids Activities - Inflatables/Spin Art/Facepainting	\$ -	\$ -	\$ 2,500.00
Sub-Total:	\$ 1,250.00	\$ 1,097.40	\$ 9,310.00
Holiday Magic Parade: 11/20/16			
Advertising			
Main Street Banner Updates for two banners	\$ 250.00	\$ 50.00	\$ 100.00
Banner Permit - 2 locations	\$ 450.00	\$ 450.00	\$ 450.00
C&G Ad	\$ 2,000.00	\$ 1,990.11	\$ 2,000.00
Fox 2 Spots	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
SAM - 10% commission for sponsorships	\$ 2,500.00	\$ 2,580.00	\$ 2,500.00
Sub-Total:	\$ 10,200.00	\$ 10,070.11	\$ 10,050.00
Event Items			
City Costs			
Department of Public Service for Parade	\$ 1,750.00	\$ 1,697.99	\$ 1,800.00
Police for Parade	\$ 2,000.00	\$ 2,185.25	\$ 2,300.00
Event Permit	\$ 125.00	\$ 125.00	\$ 125.00
Parade Units			
Marching Bands			
Ferndale High School Marching Band	\$ 800.00	\$ 800.00	\$ 800.00
Royal Oak High School Marching Band	\$ 700.00	\$ 700.00	\$ 700.00
Cass Tech High School Marching Band	\$ 650.00	\$ 650.00	\$ 650.00
Motor City Heat Marching Band	\$ -	\$ 400.00	\$ 400.00
Cabar Fiedh - Scottish Bagpipe Band	\$ 700.00	\$ 700.00	\$ 700.00
Candy Band	\$ 600.00	\$ 600.00	\$ 600.00
Madman Motor Sports	\$ 750.00	\$ 750.00	\$ 750.00
Detroit School of Rock and Pop	\$ 350.00	\$ 350.00	\$ 350.00
Harmony Acres Parade Horses	\$ 650.00	\$ 650.00	\$ 650.00
Detroit Tigers - PAWS	\$ 125.00	\$ 135.00	\$ 135.00
Parade Company	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Moslem Shrine Lancers Mini Cars	\$ 375.00	\$ 375.00	\$ 375.00
Redford Township Unicycle Club	\$ 400.00	\$ 400.00	\$ 400.00
Rooftop Reindeer - 2 reindeer to walk in parade	\$ 700.00	\$ 700.00	\$ 700.00
Cirque AmongUs	\$ 900.00	\$ 900.00	\$ 900.00
Other Units- TBD			
HOOPER	\$ 400.00	\$ -	\$ 400.00
Fairytale Entertainment	\$ -	\$ 500.00	\$ 500.00
Detroit Circus	\$ 500.00	\$ 300.00	\$ 300.00
Nick Kuhl & the Gang/Main Float performer	\$ 600.00	\$ 600.00	\$ 600.00
Santa and Mrs. Claus (Steve Melling)	\$ 600.00	\$ 600.00	\$ 600.00
New Banners for Sponsors	\$ 1,200.00	\$ 990.00	\$ 1,200.00
Check Sound Audio - Live the Music Foundation	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Supplies			
50 Green Santa Hats for Volunteers	\$ -	\$ -	\$ -
Shirts/hats for DDA	\$ 200.00	\$ -	\$ -
Restrooms: 1 regular, 1 handicap and 1 sanistation at volunteer area and by Fifth	\$ 600.00	\$ 585.00	\$ 600.00
Coffee for volunteers and parade marshalls	\$ 100.00	\$ -	\$ 100.00
Misc. Parade Supplies - reimburse SAM	\$ 50.00	\$ 71.04	\$ 100.00

12 Radios with ear pieces from Bearcom	\$ 200.00	\$ 160.00	\$ 200.00
Event Photographer	\$ 300.00	\$ 300.00	\$ 300.00
Sub-Total:	\$ 29,825.00	\$ 29,724.28	\$ 30,735.00
Sponsorships			
St. Patrick's Day Parade	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Royal Oak Association of Retailers	\$ 8,500.00	\$	\$ -
Royal Oak Arts Commission - Summer Concert Series	\$ 10,000.00	\$ 20,000.00	\$ 10,000.00
Arts, Beats & Eats Festival	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
Sub-Total:	\$ 120,500.00	\$ 122,000.00	\$ 112,000.00
Other			
CC CONSULTING - CAMPAIGN TBD	\$ -	\$	\$ 25,000.00
ROYAL OAK RESTAURANT ASSOCIATION			\$ 8,500.00
Social Media Education Classes	\$ -	\$ -	\$ -
Parking Banner for Main Street	\$ 2,000.00	\$ 727.00	\$ -
Contingency	\$ 7,000.00	\$	\$ -
Sub-Total:	\$ 9,000.00	\$ 727.00	\$ 33,500.00
Total FY Expenses	\$ 170,775.00	\$ 163,618.79	\$ 195,595.00

FY 15/16 - IMAGE BUDGET EXPENSES	15-16 Proposed	15-16 Actual	16-17 Proposed
Holiday Marketing Campaign - December 2016			
TV Spots - WDIV	\$ 10,000.00	\$ 6,450.00	\$ 6,500.00
TV Spots - Fox 2	\$ -	\$ 6,500.00	\$ 6,500.00
Comcast spots	\$ 7,500.00	\$ 4,327.00	\$ 4,500.00
Production of TV Spots	\$ 1,000.00	\$ 250.00	\$ 250.00
Billboards	\$ 1,500.00	\$ 1,150.00	\$ 1,300.00
Sub-Total:	\$ 20,000.00	\$ 18,677.00	\$ 19,050.00
Social Media - Marketing Campaign (year-long)			
Ads on Facebook and Twitter	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Sub-Total:	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
Total FY Image Budget	\$ 32,000.00	\$ 30,677.00	\$ 31,050.00
Total FY Event Budget	\$ 170,775.00	\$ 163,618.79	\$ 195,595.00
Total FY Budget	\$ 202,775.00	\$ 194,295.79	\$ 226,645.00
			■ ■ ■ ■ ■ ■ ■ ■
FY 16/17 REVENUE	15-16 Proposed	15-16 Actual	16-17 Proposed
Holiday Magic	\$ 20,000.00	\$ 25,800.00	\$ 20,000.00
TOTAL REVENUE:	\$ 20,000.00	\$ 25,800.00	\$ 20,000.00

Timothy Thwing

From: carrie oneill [carrielloneill@yahoo.com]
Sent: Wednesday, March 02, 2016 8:25 AM
To: Timothy Thwing
Subject: dda meeting
Attachments: Copy of RORA Budget.xlsx; DDA Request.docx

Am I confirmed on meeting Thursday at 5pm?

I'm attaching 2 things, the proposal and a what our budgets look like.

thanks!!

Carrie Oneill

To Whom It May Concern:

The Royal Oak Restaurant Association (RORA) is making a monetary request to the Downtown Development Authority (DDA) in the amount of \$10,000.00 for the 2016 year.

As some of you may remember we have put on a couple events per year for the residents of Royal Oak and other local communities. In our planning session of 2015, the members of RORA made a request to add more events; all specifically requesting a Fall Restaurant Week.

In addition to the Fall Restaurant Week, we have added a pub crawl benefitting veterans to be held on April 16th, 2016 and a pub crawl benefitting the Lymphoma and Leukemia Foundation (a cause that is very important to one of our Royal Oak Police Officers) on June 18th, 2016. We plan to have another restaurant week in the fall (tentatively in November). These 3 events are in addition to Wine Stroll (an event that sells out each year at 2000 people), Craft Beer Stroll (an event that sells out each year at 2000 people) and the Spring Restaurant Week. We also do the "Kids Eat Free" campaign during the holiday season.

I'm attaching what the budgets from our events look like to give you an idea of the money that we spend to make them successful. Within the budget line items, you can see specifically what is promoting the event. Please note that as an association we feel it is very important to give back to the local charities and we are hoping not to lower the amount that they count on from us to be able to add these new events this year.

Along with this, we have supported the Holiday Magic Parade for several years by having a float in the parade (at the cost of \$1,500.00 yearly) as well as supporting Spooktacular. This past year alone 20 RORA members distributed candy (roughly each restaurant spends about \$300 to \$500).

As always, all of the events that we hold are helping to promote the city of Royal Oak. All of our events are held during daytime hours with the exception of restaurant week, which should help the daytime traffic at all of the stores in the DDA.

Our thought is if given this money we would apply it specifically toward Fall and Spring Restaurant Weeks and "Kids Eat Free". All materials promoting the event would mention the DDA and include your logo. Years ago the DDA helped to support the wine stroll monetarily. We have not asked for this support the last few years. Within the DDA's budget \$10,000 is a small amount, but it would have a huge impact with the RORA and the community.

We would appreciate your consideration in this matter.

Sincerely,

Andiamo's, B-Spot, Bastone, Ale Mary's, BD's Mongolian, Bigalora, Bistro 82, BlackFinn, Café Muse, Diablos, D'amatatos, Fifth Ave, Gusoline, Hamlin, Ironwood, Iron Horse, Lily's, Lockhart, Mesa, Monk, B's, Oak City, Onyx, O'tooles, Pronto, Roak, Strada, The Crepe, Inn Place, Rock on 3rd, Brewery, Tom's, Town Tavern, Vinoteca, O2, Ye Olde

RORA BUDGET	
ROYAL OAK RESTAURANT WEEK - spring	
Item	Cost
Billboard - Lamar	\$ 2,175.00
Chamber Eblast	\$ 50.00
Posters	\$ 100.00
Bar Cards	\$ 175.00
Menus	\$ 1,100.00
Graphic Design	\$ 500.00
Metro Times	\$ 1,000.00
Stay & Play	\$ 500.00
Comcast	\$ 2,200.00
Banner Permit Fee	\$ 225.00
Banner Updating	\$ 200.00
SUB-TOTAL	\$ 8,225.00
WINE STROLL	
19 tabletop signs	\$ 190.00
Graphic Design	\$ 225.00
Lanyards	\$ 470.11
Punchcards	\$ 525.00
Wristbands	\$ 150.00
Billboard ad for 2 weeks	\$ 2,175.00
Id Checkers	\$ 200.00
Secret Shoppers	\$ 200.00
Check-in Signage	\$ 180.00
Posters	\$ 100.00
Bar Cards	\$ 150.00
Event Maps	\$ 275.00
Shuttle	\$ 389.00
Event Supplies	\$ 100.00
SUB-TOTAL	\$ 5,329.11
BEER STROLL	
Banner Update	\$ 200.00
Banner Permit	\$ 225.00
Billboard for 2 weeks	\$ 2,175.00
Stay & Play Social Media	\$ 500.00
Posters	\$ 100.00
Bar Cards	\$ 150.00
Save the Date Cards	\$ 150.00
Graphic Design	\$ 825.00
Map/Guides	\$ 200.00
	\$

Secret Shoppers	\$ 200.00
SUB-TOTAL	\$ 6,585.00
ROYAL OAK RESTAURANT WEEK - FALL	
Billboard - Lamar	\$ 2,175.00
Chamber Eblast	\$ 50.00
Posters	\$ 100.00
Bar Cards	\$ 175.00
Menus	\$ 1,100.00
Graphic Design	\$ 500.00
Metro Times	\$ 1,000.00
Stay & Play	\$ 500.00
Comcast	\$ 2,200.00
Banner Permit Fee	\$ 225.00
Banner Updating	\$ 200.00
SUB-TOTAL	\$ 8,225.00
YEARLY EVENT TOTAL	\$ 28,364.11
Crawl for a Cause *budget est*	
Billboard for 2 weeks	\$ 2,175.00
Stay & Play Social Media	\$ 500.00
Posters	\$ 100.00
Bar Cards	\$ 150.00
Save the Date Cards	\$ 150.00
Graphic Design	\$ 825.00
Map/Guides	\$ 200.00
Tabletop Signs	\$ 60.00
Punchcards	\$ 500.00
Signage	\$ 50.00
Event Supplies	\$ 50.00
Metro Times	\$ 1,000.00
	\$ 5,760.00
June 18 Lukemia & Lymohoma *est budget*	
Billboard for 2 weeks	\$ 2,175.00
Stay & Play Social Media	\$ 500.00
Posters	\$ 100.00
Bar Cards	\$ 150.00
Save the Date Cards	\$ 150.00
Graphic Design	\$ 825.00
Map/Guides	\$ 200.00
Tabletop Signs	\$ 60.00
Punchcards	\$ 500.00
Signage	\$ 50.00
	\$

Timothy Thwing

From: Gregory Rassel [GregR@romi.gov]
Sent: Friday, April 22, 2016 8:07 AM
To: 'Jay Dunstan'; 'Tim Thwing'; 'Don Johnson'
Subject: RE: Detroit Zoo Parking use of RO garages

They indicated they would be publicizing. Maybe not so much the first couple weeks as they want to work out the bugs.

From: Jay Dunstan [mailto:jay@dunstan.me]
Sent: Thursday, April 21, 2016 5:49 PM
To: Tim Thwing; Don Johnson
Cc: Gregory Rassel
Subject: Fwd: Detroit Zoo Parking use of RO garages

Hi,

In our previous meeting they also indicated they would publicize this program as well. I would hope that is part of the plan. I don't see it in Randi's summary—perhaps it's a question for Paul/Gerry?

Thanks,

Jay

Begin forwarded message:

From: "Gregory Rassel" <GregR@romi.gov>
Subject: RE: Detroit Zoo Parking use of RO garages
Date: April 21, 2016 at 2:05:07 PM EDT
To: "Randi Hamilton" <rhamilton@dzs.org>, "Theresa Kozak" <theresa@parkriteinc.com>
Cc: "Alexis Means" <ameans@dzs.org>, "Gerry VanAcker" <gvanacker@dzs.org>, "Timothy Thwing" <TimT@ci.royal-oak.mi.us>, "Jay Dunstan" <jay@dunstan.me>, "Dixon, Duane" <DuaneD@ci.royal-oak.mi.us>, "O'Donohue, Corrigan" <CorriganO@ci.royal-oak.mi.us>, "Reilly, Robert" <RobertR@romi.gov>, "Frazier, Mike" <MikeF@ci.royal-oak.mi.us>, <donj@romi.gov>

Thanks Randi,

I have talked to the PD about bagging the meters at the designated spots. The contact for the city parking contractor is Theresa Kozak cell is 313 995 4916 her email is on the to: line . If the garages fill we work our way down the contact list provided.

From: Randi Hamilton [mailto:rhamilton@dzs.org]
Sent: Thursday, April 21, 2016 12:56 PM
To: 'gregr@romi.gov'

4/22/2016

Cc: Alexis Means; Gerry VanAcker
Subject: Detroit Zoo Parking

Good Afternoon Greg,

Thank you again for taking the time to sit with Gerry and I last night. I have a recap of what we discussed below along with the contact names and numbers as needed. Please let me know if you have any questions.

1. Contacts for the Detroit Zoo – one of us will be here each weekend
 - a. Randi Hamilton 248-404-7188
 - b. Alexis Means 248-388-0976
 - c. Amy Chinn 586-260-5719

2. Voucher System
 - a. Needed for Saturdays only
 - b. Detroit Zoo Staff will be responsible for issuing vouchers to guests once they arrive at Zoo Grounds
 - c. Guests will turn in vouchers to garage attendants upon departure for free parking
 - d. A picture of the voucher will be sent in separate email to follow
 - e. Zoo staff will not be needed at each location
 - f. Communication from garage attendants as needed if close to capacity or if garage is closed.

3. Shuttle Service
 - a. School bus shuttles will make regular rotation to all three structures and the Zoo.
 - b. Service will begin at 11:00 a.m. with an approximate end time between 6:00 p.m. and 7:00 p.m. depending on demand

4. Shuttle Stops
 - a. Center Street stop will be across from the garage entry. Royal Oak will bag meters in this location to indicate NO PARKING
 - b. Lafayette and 4th stop will be just outside the entrance. Bus will use blinkers and pull to the curb on the west side of the street where NO PARKING signs are in place
 - c. Lafayette and 6th stop will be on the 5th St. One-Way. Royal Oak will bag a few meters in this location to indicate NO PARKING

5. Signage – Detroit Zoo is responsible for placing all signage and removing it daily
 - a. One sign at each garage entrance indicating Detroit Zoo Parking
 - b. One sign at each shuttle stop
 - c. Way-finding signs at the following locations
 - i. Washington and Woodward
 - ii. S. Lafayette and Woodward
 - iii. S. Lafayette and Hudson
 - iv. S. Lafayette and Lincoln
 - v. S. Lafayette and 4th St.
 - vi. Washington and Harrison
 - vii. Washington and Lincoln
 - viii. Washington and 4th St.
 - ix. 4th St. and Center
 - d. Detroit Zoo has been authorized to store some signs in obscure locations of each garage

6. Blackout Dates – Other than Labor Day, there are no blackout dates but the events below will stress capacity at each location.
 - a. Clay and Glass Festival (June 13-14, 2016)
 - b. Oak Apple Run (June 4th, 2016) – early morning, mostly Center S. Lot affected

Kind regards,
Randi



Randi Hamilton

Assistant Director of Guest Relations

Detroit Zoological Society | 8450 W. 10 Mile Rd., Roy

Phone: (248) 336-5827



Celebrating and Saving Wildlife | 🌳 Please consider the environment before printing this email



Royal Oak
DOWNTOWN
DEVELOPMENT AUTHORITY

Meeting Date: 05/04/2016

211 Williams Street
Royal Oak, MI 48067
Phone: (248) 246-3280
downtownroyalok.org

MEMORANDUM

DATE: April 28, 2016
TO: MEMBERS OF THE DOWNTOWN DEVELOPMENT AUTHORITY
SUBJECT: **2nd STREET PARKING DECK-REQUEST FOR ADDITIONAL SERVICES**

Board members will recall that the DDA has entered into a contract with Rich & Associates to design a parking deck on the 2nd Street surface lot. As part of those ongoing design discussions a portion of the ground floor has been set aside for commercial space (approximately 5,700 sq. ft.). In order to complete plans CD plans so this space could be occupied by retail/office users Rich & Associates has submitted a proposed contract revision for \$18,500.

Should the board wish to approve the contract revision the following resolution is recommended:

Be It Resolved, the Royal Oak Downtown Development Authority, DDA hereby approves the request for additional services at a fee not to exceed \$18,500 and the Executive Director is authorized to sign any related documents.

Respectfully Submitted,

Timothy E. Thwing
Executive Director

Enclosure/attachment



Rich & Associates, Inc.
26877 Northwestern Hwy., Suite 208
Southfield, Michigan 48033
tel 248.353.5080
fax 248.353.3830
www.richassoc.com

[Parking Consultants](#) [Architects](#) [Engineers](#) [Planners](#)

April 21, 2016

Mr. Joseph M. Murphy
Director of Planning
City of Royal Oak
211 S. Williams Street
Royal Oak, MI 48067

RE: Request for Additional Services - S. Center Street Parking Structure Ground Floor Retail Space

Dear Joseph;

This letter serves as our request for additional services for the requested addition of ground floor retail space in the S. Center Street Parking Structure currently under design.

Scope

The scope is for owner requested design changes. These changes include incorporating into the ground floor of the parking structure retail space in the northeast corner. The scope of the retail includes approximately 5,700 sf of space. The retail space design will be defined as cold dark shell. The scope change impacts architectural, structural, mechanical, and electrical changes to the current working drawings.

Professional Fee

Our additional fee to make these design changes to the project is Eighteen Thousand Five Hundred (\$18,500) dollars.

I hope that this meets with your approval. If you have any questions, please contact me. We can proceed with the changes with your written authorization to proceed.

Sincerely,

RICH & ASSOCIATES, INC.
PARKING CONSULTANTS

A handwritten signature in blue ink that reads "D. N. Rich".

David N. Rich
Director of Project Development

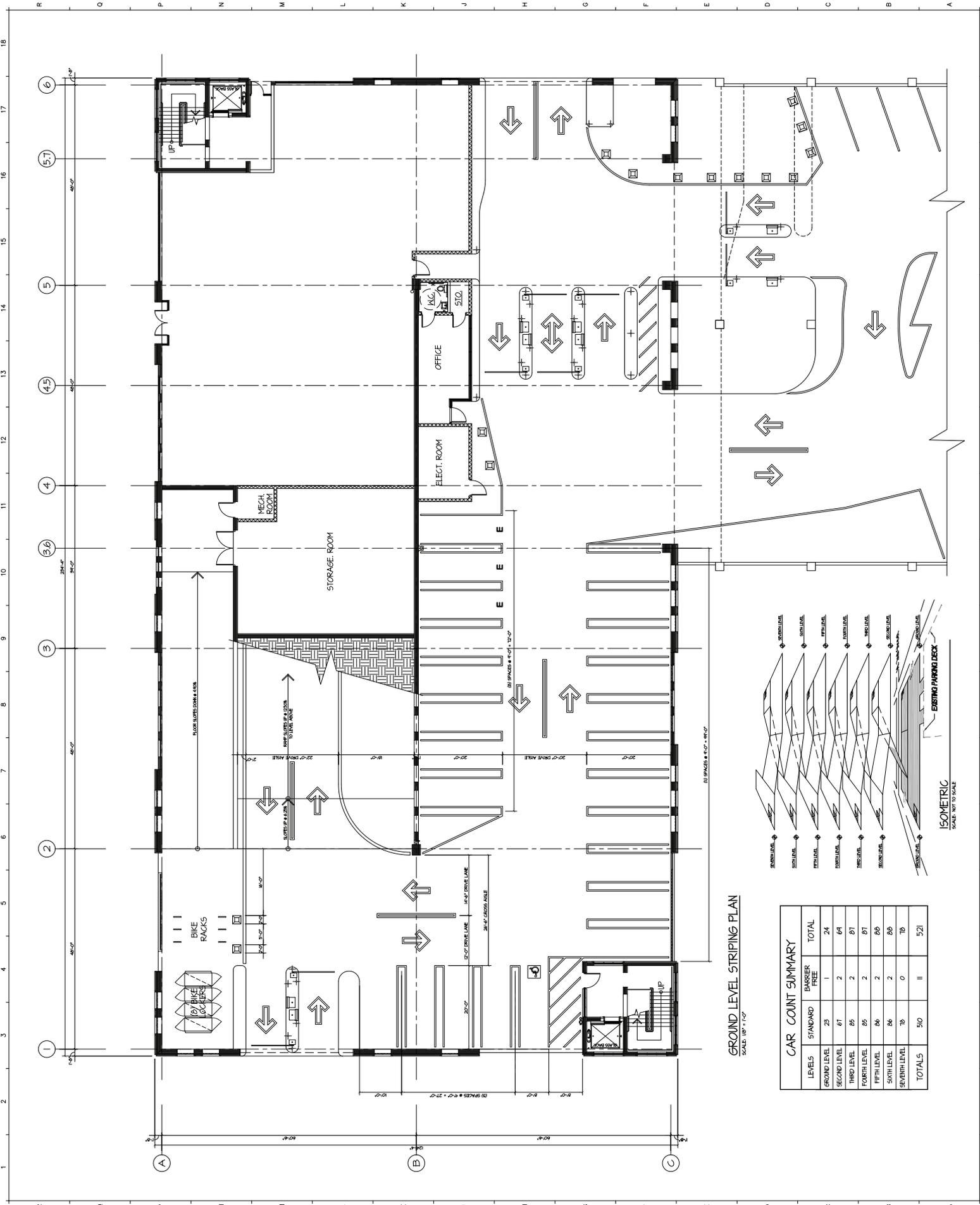
**2nd STREET
PARKING
STRUCTURE
FOR THE
CITY
OF
ROYAL OAK
ROYAL OAK, MI**

**Parking Consultants
Architects - Engineers**
RICH & ASSOCIATES
www.richae.com

Date	Issued For:	By
02-21-2016	50% OWNER REVIEW	
04-22-2016	100% OWNER REVIEW	

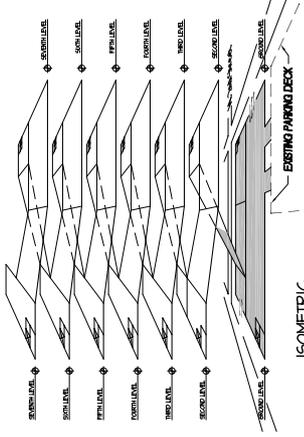
Sheet Title:
**GROUND LEVEL
STRIPING PLAN**

Drawn By	RTH	Detail Number	04-22-2016
Checked By	RM	Sheet	04-22-2016
File Name	04-22-2016	Scale	1/8" = 1'-0"
Plot Date	04-22-2016	Cost No.	



GROUND LEVEL STRIPING PLAN
SCALE: 1/8" = 1'-0"

CAR COUNT SUMMARY			
LEVELS	STANDARD	BARRIER FREE	TOTAL
GROUND LEVEL	25	1	24
SECOND LEVEL	67	2	69
THIRD LEVEL	85	2	87
FOURTH LEVEL	85	2	87
FIFTH LEVEL	86	2	88
SIXTH LEVEL	86	2	88
SEVENTH LEVEL	78	0	78
TOTALS	510	11	521



ISOMETRIC
SCALE: 1/8" = 1'-0"



Rich & Associates, Inc.
26877 Northwestern Hwy., Suite 208
Southfield, Michigan 48033
tel 248.353.5080
fax 248.353.3830
www.richassoc.com

[Parking Consultants](#) [Architects](#) [Engineers](#) [Planners](#)

May 4, 2016

Mr. Joseph M. Murphy
Director of Planning
City of Royal Oak
211 S. Williams Street
Royal Oak, MI 48067

RE: Request for Additional Services - S. Center Street Parking Structure Ground Floor Retail Space White-Box Finish

Dear Joseph;

This letter serves as our request for additional services if the DDA Board requests a "white-box" finish of the ground floor retail (non-restaurant) space in the S. Center Street Parking Structure currently under design. Our current design effort for this space provides only a "cold dark shell" finish as described in our 4/21/16 proposal letter.

Scope

The scope of our work would be to provide design services for basic finishes for the 5,700 square feet of ground level retail spaces. The finish of the space will be defined as "white-box" and include the following;

- Concrete floor
- Finished suspended ceiling and lighting
- Required perimeter walls and insulation
- Toilet room(s) as required by code
- HAVC as required by code and space
- General power

Professional Fee

Our additional fee to make these design changes to the project is Seven Thousand Five Hundred (\$7,500) dollars.

I hope that this meets with your approval. If you have any questions, please contact me. We can proceed with the changes with your written authorization to proceed.

Sincerely,

RICH & ASSOCIATES, INC.
PARKING CONSULTANTS

A handwritten signature in blue ink that reads "David N. Rich".

David N. Rich
Director of Project Development

Timothy Thwing

From: Avi Grewal [Avtar.Grewal@singhmail.com]
Sent: Thursday, April 21, 2016 3:06 PM
To: timt@ci.royal-oak.mi.us
Cc: Todd Rankine; Jason Krieger
Subject: RE: 696-Main Development

Attachments: 2016-04-21 SoMa District Cover Letter.pdf; 2016-04-21 SoMa District Response To DDA Letter.pdf; 2016-04-21 Comerica Reference.pdf



2016-04-21 SoMa District Cover... 2016-04-21 SoMa District Respo... 2016-04-21 Comerica Reference

Tim,

I apologize I just sent you a previously saved version of the response. The attached is the correct version, though it is not really different from the first. Sorry for the inconvenience.

-Avi

From: Avi Grewal
Sent: Thursday, April 21, 2016 2:55 PM
To: timt@ci.royal-oak.mi.us
Cc: Todd Rankine <Todd.Rankine@singhmail.com>; Jason Krieger <jason@kriegerklatt.com>
Subject: 696-Main Development

Tim,
Per your letter dated April 12th, 2016 please see the attached response. Let me know if you have any additional questions. Thanks.

Avi Grewal | Project Manager
Singh Development, LLC
7125 Orchard Lake Road, Suite 200
West Bloomfield, MI 48322

Tel: 248-865-1039 | Fax: 248-865-1630
Email: Avi@SinghMail.com<mailto:Avi@SinghMail.com> | Web:
www.singhweb.com<http://www.singhweb.com/>

Visit Us on Facebook! - Singh Apartments<<https://www.facebook.com/singhapartments>> | Singh Homes<<https://www.facebook.com/SinghHomes>> | Waltonwood Senior Living<<https://www.facebook.com/waltonwoods seniorliving>>

[http://biztools.singhweb.com/singh/images/singh_signature_logo.png]

Real Estate | Development | Construction | Investment | Property Management

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Real Estate - Developers - Builders - Investors - Management

SINGH DEVELOPMENT LLC
7125 ORCHARD LAKE RD.
SUITE 200
WEST BLOOMFIELD, MI 48322

TELEPHONE: (248) 865-1600
FAX: (248) 865-1630
E-MAIL: Avi@SinghMail.com

April 21st, 2016

Royal Oak Downtown Development Authority
211 Williams Street
Royal Oak, MI 48067

Re: 696 – Main Development Proposal

Dear Downtown Development Authority Members:

On behalf of our development team, I want to thank you for including us as part of your preferred group of developers for the Main Street & I-696 site. As you may be aware, we spend lots of time in other parts of the country and have the opportunity to see and visit all different types of developments. Over the last few months we have taken the time to plan a creative new project for South Main Street, Royal Oak (SoMa District) and look forward to presenting it publically.

We own, develop, construct and operate all of our own projects. We do not take on any partners. With our financial strength and excellent banking relationships we are able to privately fund our new construction projects. Singh has developed 20 luxury multi-family projects in southeastern Michigan, including 9 projects of similar size and scope to the one contemplated in Royal Oak. Currently, we have two more projects of similar size in the pipeline.

Though we are a large organization, we have a small development and construction group allowing us to devote our talent and skill on projects we really care about. With the SoMa District, we are confident we will bring something great to Royal Oak.

Please feel free to contact me if you require any additional information.

Sincerely,

Avi Grewal
Project Manager
Singh Development, LLC



SoMa DISTRICT — A MODERN EXTENSION TO DOWNTOWN

Proposal for Royal Oak Downtown Development Authority
Development Project: Main Street & I-696 Site
April 21st, 2016

Developer: Singh Development LLC
Contact: Avi Grewal, Project Manager
E-mail: Avi@SinghMail.com
Phone: 248-865-1600
www.SinghWeb.com

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TABLE OF CONTENTS

- I. Singh Development
- II. Proposed Price of Land, Development Cost, & Timeline
- III. SoMa District- Design Concept

Luxury Apartments: CiderMill Village – Rochester Hills, MI



Single Family Homes: Tollgate Woods – Novi, MI



Senior Housing: Waltonwood Ashburn – Ashburn, VA



Singh Headquarters – West Bloomfield, MI



About Singh:

- Singh Development LLC (“Singh”) is a family owned and operated real estate development company headquartered in West Bloomfield, Michigan.
- The company was formed in 1973 and today has over 1,300 employees.
- Singh is vertically integrated and actively **develops, constructs, and manages real estate for its own portfolio** throughout Southeast Michigan and the Mid-Atlantic United States.
- Singh’s portfolio includes over 3,000 luxury residential apartments and townhomes; single family homes and subdivisions; retail, office, and industrial properties; and nearly 1,750 independent and assisted living senior retirement communities across 10 campuses (under the brand *Waltonwood*).
- The company’s primary focus today is to grow its luxury multifamily and senior housing portfolio.
- The owners are financially conservative and recognize the risks and rewards inherent in the real estate development business. As such, they have been able to weather the storms of multiple recession.
- In recent years, the company has aggressively re-engineered its entire portfolio and moved into new markets within the Mid-Atlantic region.
- Singh’s history includes strong relationships with various regional and national banking institutions, contractors, architects, engineers and municipalities . These partnerships are important to the organization and recognized as a cornerstones of the company’s success.

Senior Housing: Waltonwood Cary – Cary, NC



Urban Apartments: MainCentre – Downtown Northville, MI



Past Experience

Waltonwood Senior Living Communities

<u>Project Name</u>	<u>City</u>	<u>Year</u>	<u>Units</u>
•Waltonwood University	Rochester Hills, MI	1990	162
•Waltonwood Carriage Park	Canton Twp, MI	1994	144
•Waltonwood Royal Oak	Royal Oak, MI	1998	82
•Waltonwood Twelve Oaks	Novi, MI	2000	219
•Waltonwood Cherry Hill	Canton Twp, MI	2002	208
•Waltonwood Main	Rochester Hills, MI	2006	105
•Waltonwood Lakeside	Sterling Heights, MI	2007	197
•Waltonwood Cary Parkway	Cary, NC	2010	177
•Waltonwood Providence	Charlotte, NC	2014	167
•Waltonwood Cotswold	Charlotte, NC	2016	118

Single Family Homes & Land Development

<u>Project Name</u>	<u>City</u>	<u>Year</u>	<u>Lots</u>
•Turtle Creek	Novi, MI	1977	145
•Quail Ridge	Northville Twp, MI	1979	65
•Pheasant Hills	Northville, MI	1988	132
•Westminster Village	Novi, MI	1990	54
•Bradford of Novi	Novi, MI	1991	138
•North Oaks	Rochester Hills, MI	1993	107
•Hunt Club	Auburn Hills, MI	1993	110
•Victoria Gardens	Garden City, MI	1993	66
•Adams Oak	Rochester Hills, MI	1995	51
•Norton Creek	Wixom, MI	1995	82
•Northbrooke	Rochester Hills, MI	1995	59
•Beckenham	Novi, MI	1996	58
•Woodcreek	Canton Twp, MI	1996	88
•Willowbrook Farm	Novi, MI	1997	162
•Trails of Loon Lake	Wixom, MI	1998	95
•Bradby of Elmwood Park	Detroit, MI	1999	111
•Quail Crest	Rochester Hills, MI	1999	45
•Tollgate Ravines	Novi, MI	2000	76
•Tollgate Woods	Novi, MI	2000	111
•Churchill Crossing	Novi, MI	2001	208
•Tottenham Woods	Canton Twp, MI	2001	81
•Loon Lake Woods	Wixom, MI	2003	42
•Westchester Village	Canton, MI	2003	114
•Charing Cross	Canton Twp, MI	2004	78
•Castlewood	Wixom, MI	2004	13
•Charleston Park	South Lyon, MI	2006	195
•Saxonbury	Cary, NC	2013	43

Luxury Apartment Homes

<u>Project Name</u>	<u>City</u>	<u>Year</u>	<u>Units</u>
•Meadowgrove Villa	Southfield, MI	1977	41
•ShoreBrooke	Novi, MI	1977	78
•Turtle Creek Apartments	Pontiac, MI	1980	125
•NorthRidge	Rochester Hills, MI	1981	529
•Rivergreen	Riverview, MI	1983	80
•Amberly	West Bloomfield, MI	1985	201
•Hyde Park	Detroit, MI	1985	42
•Clement Kern Gardens	Detroit, MI	1985	87
•Adams Creek	Auburn Hills, MI	1988	117
•MainCentre	Northville, MI	1991	74
•Wexford Townhomes	Novi, MI	1993	128
•Nantucket	Farmington Hills, MI	1996	118
•Briarcliff Village	Commerce Twp, MI	1998	185
•Main Street Village	Novi, MI	1999	389
•Summit Creek	Canton Township, MI	2000	194
•Wyndchase	Canton Township, MI	2001	341
•Brandywine	West Bloomfield, MI	2002	121
•Turnbury Park	Canton Township, MI	2003	161
•Westbury	Genoa Township, MI	2003	131
•CiderMill Village	Rochester Hills, MI	2006	339

Office, Retail & Light Industrial

<u>Project Name</u>	<u>City</u>	<u>Year</u>	<u>Sq. Ft.</u>
•219 Elm Street	Birmingham, MI	1986	7,763
•MainCentre	Northville, MI	1991	26,667
•300 Park Street	Birmingham, MI	1995	57,244
•Singh Office Centre	West Bloomfield, MI	1996	61,150
•Drake Pointe	Farmington Hills, MI	1996	68,119
•Spectrum Centre	Farmington Hills, MI	1997	56,873
•CadyCentre	Northville, MI	1998	23,230
•Franklin Point Office Centre	Bloomfield Twp, MI	2000	19,700
•Singh Executive Park	Canton Twp, MI	2000	82,344
•Lyon Industrial Research Centre	Lyon Township, MI	2000	32,000
•Shops at Westbury	Genoa Township, MI	2005	18,369
•Singh Office Cary	Cary, NC	2011	10,000

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Currently Under Construction

Senior Living	Location	Units	Cost
•Waltonwood Cotswold	Charlotte, NC	118	\$30M
•Waltonwood Ashburn	Ashburn, VA	214	\$60M
•Waltonwood Lake Boone	Raleigh, NC	182	\$50M

Single Family Homes	Location	Lots	Avg Sale Price
•Tollgate Woods Phase III	Novi, MI	57	\$450K
•Charleston Park	South Lyon, MI	103	\$350K
•Westchester Phase II	Canton Twp, MI	40	\$550K

Waltonwood Lake Boone – Raleigh, NC



Waltonwood Ashburn – Ashburn, VA



Future Projects (2017 & 2018)

Senior Living	Location	Units	Cost
•Waltonwood South Riding	South Riding, VA	235	\$65M
•Waltonwood Reston	Reston, VA	135	\$40M

Luxury Apartments	Location	Units	Cost
•Chandler Park	Cary, NC	229	\$40M
•Park West	Canton Twp, MI	200	\$35M

Office & Light Industrial	Location	SqFt	Cost
•Singh Executive Park #5	Canton Twp, MI	35K	\$2.5M
•Singh Executive Park #6	Canton Twp, MI	100K	\$6M

Land Development	Location	Lots	Cost
•Ballantyne	Novi, MI	41	\$3.5M
•Bollingbrooke	Novi, MI	45	\$4.5M

Proposed Purchase Price for Land and Development Costs

Purchase Price:

Proposed Purchase Price of the DDA Parcel: \$2,500,000

Singh would also propose an amount of time to do its typical site due diligence (market study, environmental testing, etc.). We hope to determine this length of time during the development agreement discussion.

Cost Estimate:

We estimate that the total development cost of this project will be roughly \$40,000,000.

TIF Reimbursement:

Based on a satisfactory land price, Singh does not intend on requesting assistance or incentives from the DDA in the form of tax increment revenue or other means for any part of this development.

Phasing:

The entire project will be part of one building and done in one phase. Outside of normal governmental due diligence, there are no contingencies to construction commencement.

Financing:

Singh does not plan on taking on any partners for this project. The start of the project will not be contingent on any pre-leasing or sales. It will be funded by the owners of Singh Development.

Please see the attached letter from Comerica Bank for Singh's ability to fund new projects.

Projected Timeline

DDA Award of Project:	5/4/2016
Development Agreement:	7/15/2016
Construction Plan Completion:	11/15/2016
Final Approvals:	1/15/2017
Secure Financing:	2/15/2017
Construction Start:	3/15/2017
Construction Complete:	8/15/2018



SoMa District- Project Concept

SoMa District, a mid-rise, luxury mixed-use development located on the South end of Main Street (SoMa) and the gateway to Royal Oak.

SoMa District will include residences consisting of two-level townhouses, studio, 1 bedroom and 2 bedroom units. Inside, residents shall enjoy amenities including a Fitness Area, Yoga studio and Clubroom, which will consist of a business center, internet café and resident lounge. Outdoors, residents will bask in amenities including pool with tanning shelf, outdoor living rooms with flat screen TV’s, fire pit and barbecue grills. The size of the units will be from 550 – 1,800 square feet ranging from \$1,000 - \$2,500 per month in rent.

SoMa District will also include approximately 10,000 SF of commercial space fronting Washington Avenue, Woodward and the Detroit Zoo. The space will have 20 foot ceilings that can accommodate a second floor mezzanine space. It is suited to attract a boutique office, restaurant or service amenities for the surrounding residents and visitors of the neighboring Zoo.

Both the residential and commercial components of the project will be part of one building. They will be built at the same time and with the same level of quality and finishes depicted on the attached renderings.

The building will be addressing its three frontages. Main Street will showcase the façade of the residential side as well as the 2-story glass lobby. It will be predominately four stories and going up to five story towers on the corners. Tiffany Lane will keep a residential feel with townhouse style apartments fronting the existing townhomes to the North. The Washington/Woodward side will house the entire 10,000 square feet of commercial with residential above. The façade will be slightly different to highlight the commercial space. However, it will still be a total of four stories with five story towers to attract travelers on Washington and Woodward.

Recognizing South Main Street as a gateway into Royal Oak, Singh is proposing a pedestrian urban park along the frontage of Main Street. This park may include amenities such as a water feature or splash fountain, public art, benches, bike racks, etc. This park would be a destination for people in the downtown area as well as residents and customers of the SoMa District to visit and enjoy.

Project Specifics (Conceptual)

Total Units: Approximately 225
 Total Commercial: Approximately 10,000 SF

Unit Styles: Townhome, Studio, 1 BR, 2 BR

Unit Sizes: 550 – 1,800 SF

Projected Rent: \$1,000 - \$2,500 / Month

Amenities: Fitness Center, Pool, Courtyard, Club Room, Community Park



SoMa DISTRICT

A MODERN EXTENSION TO DOWNTOWN ROYAL OAK

SoMa DISTRICT

A modern extension to downtown Royal Oak.

SoMA will be recognized as a state-of-the-art development and extension to thriving downtown Royal Oak. Even its name evokes a contemporary feel, derived from its position on "South Main", and inspired by familiar citified abbreviations nationwide like SoHo and MOCA.

*The unique high end residential district will cater to today's new emerging social group of young urban professionals and independent millennials....
Creating a distinctive metropolitan neighborhood to be proud of.*

The convenient location encourages synergy with existing downtown restaurants and shops as well as offering new business opportunities along Woodward Avenue to engage with and support local commerce. This deluxe multi-use development will not only bolster property values, but encourage community living.

*400-500 residents are offered unique dynamic living options like interior flex space to host meetings with clients and redefine the term "working from home."
To encourage active & eco-friendly lifestyles, shared bikes are offered for commuting to local jobs, or for riding into downtown to enjoy an evening out.
To find peace and calm, there are exclusive hospitality amenities to pamper tenants and a secluded relaxing courtyard and pool to unwind in.*

SoMA District will reinforce a sense of community to downtown city living.



SoMa District

Aerial View Looking North West

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SoMa District
Aerial View Looking South East

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SoMa District

View from Main Street looking North

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SoMa District
View from Main Street

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View of Main Street Entrance

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SoMa District
View of Main Street Entrance

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SoMa District

View from Tiffany Lane looking West

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View from Woodward Ave Looking South East

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View from Woodward Ave Looking South East

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SoMa District
Main Lobby and Leasing Center

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SoMa District
Clubhouse Lounge View

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SoMa District
View of Pool Deck

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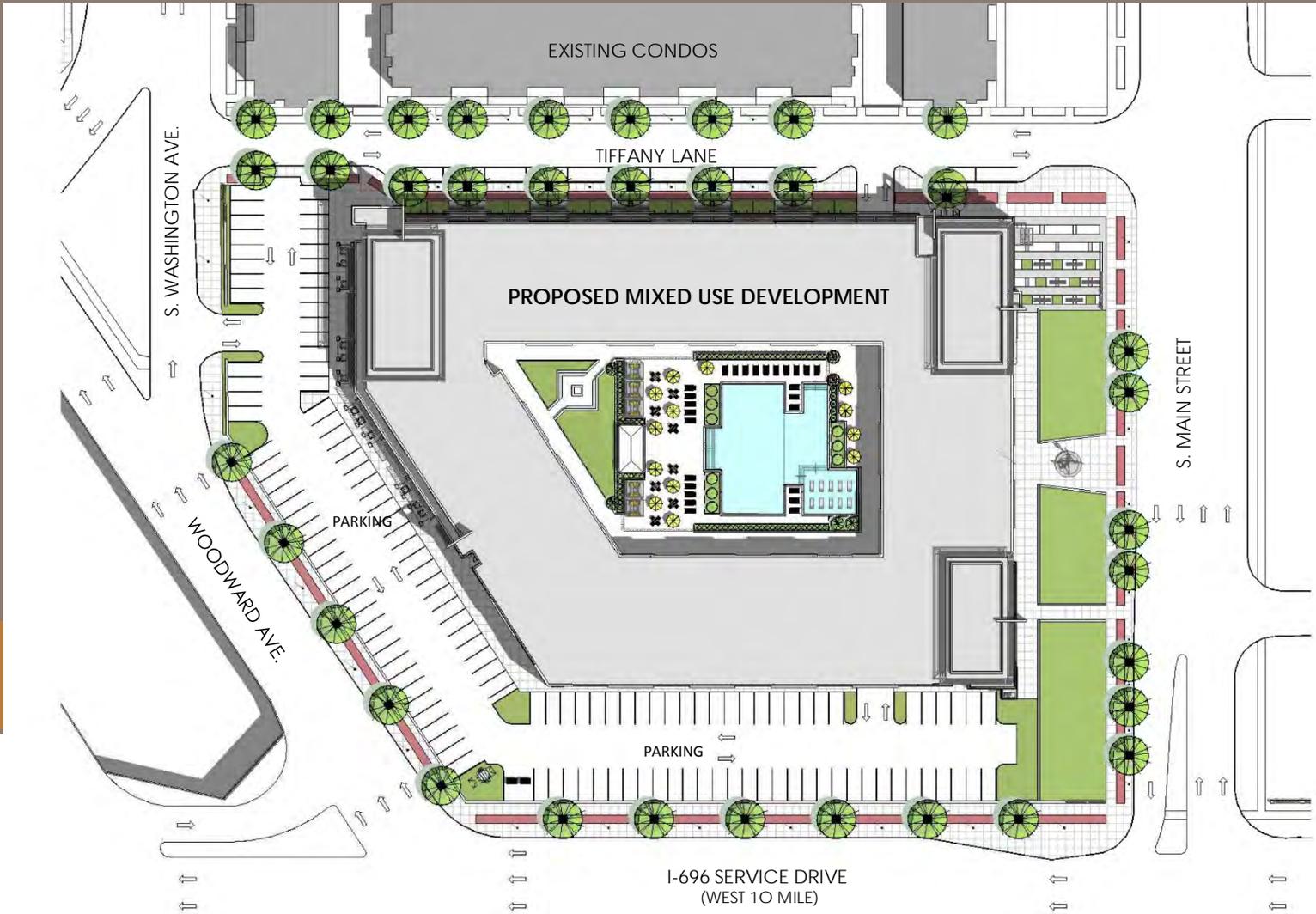
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SoMa District
View of Pool Deck

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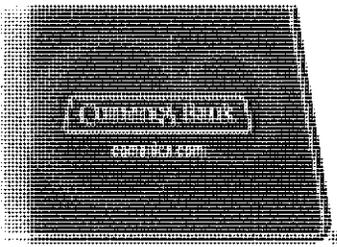


SoMa District
Site Plan

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architecture interiors consulting



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COMERICA BANK
MC 3255, PO BOX 75000, DETROIT, MI 48275
411 WEST LAFAYETTE BOULEVARD, DETROIT, MI 48226

REGULAR MAIL:
COMERICA BANK
P.O. Box 75000 (MC: 3255)
Detroit, Michigan 48275-3255

COURIER MAIL:
COMERICA BANK
411 West Lafayette Boulevard
6th Floor
Detroit, MI 48226-3255
(313) 222-3704
FAX# (313) 222-9258

April 21, 2016

Royal Oak Downtown Development Authority
211 Williams Street
Royal Oak, MI 48067

RE: Singh Development I-696/Main Proposal

Ladies and Gentlemen:

Over the past several years we have had the privilege of working closely with Singh Development Co, LLC and its members/owners, and we are familiar with their financial operations. We understand Singh is submitting a proposal for a development in Royal Oak. We welcome the opportunity to assist with financing for this development as Comerica has provided many construction and mini-perm transactions for similar Singh properties over the past 15 years.

As a Tier I customer of the Bank, we are familiar with the financial position of Singh Development and find it to be adequate to support the proposed development. With our long history with Singh, Comerica is committed to moving quickly to evaluate, complete due diligence and underwrite any proposed transaction on a timely basis.

If there are any further questions or concerns please contact me at your earliest convenience. Thank you for your time and attention.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Amanda J. Uffelman', written over a circular stamp or watermark.

Amanda J. Uffelman
Vice President

Timothy Thwing

From: Stephen Alexander [salexander2727@gmail.com]
Sent: Thursday, April 21, 2016 3:09 PM
To: Timothy Thwing
Cc: fjarbou@symmetrygmt.com; mkoza@group10.net; kkoza@group10.net; Stephen Alexander
Subject: RE: Development at Main and 696
Attachments: Royal Oak Rendering.pdf; R.O.Koza Comfort Letter.pdf; Royal Oak Cover letter.docx; R.O. Quick Budget.xlsx

Tim,

Thank you for letting me e-mail this to you today, I will deliver hard copies tomorrow. Please find attached a cover letter, initial budget, Letter from the Bank and new renderings. Please note in addition to our site work and Building cost in addition to this we can offer Two Million Dollars (\$2,000,000) for the land.

Thanks and see you tomorrow.

Stephen J. Alexander

DIRECTOR

Juniper Development Group L.L.C.

Real Estate and Acquisitions

41700 Gardenbrook Drive, Ste 125

Novi, MI 48175

salexander2727@gmail.com

(248) 770-2882

Group 10 Management
30500 Northwestern Hwy, Ste. 525
Farmington Hills Michigan, 48334

Downtown Development Authority
Royal Oak, Michigan

RE: Development of land located on the North West Quadrant of Main and 696.

To the DDA,

Thank for the opportunity to take the next step in this development in Royal Oak. Please find attached to this cover letter our proposed site plan. We have now included a full service Hotel with 132 rooms and 5,000 sq. ft. of Conference rooms with a Steak House, a Parking Structure for 400/500 cars. 14,200 sq. ft. of retail on the ground floor on the Main Street side with Office and or Apartments above the retail. The Apts would be a blend of Lofts, 1 Bed rooms and 2 Bed rooms. The Apartment sizes would vary from 650 Sq. Ft. to 1,200 Sq. Ft. Although our renderings reflect a strong Apartment presence we feel very our Office use could very well dominate, things we can work on as a team.

Also you will find as requested a rough look at cost given this concept, by no means to we represent this be a final budget in any way.

In regards to the timeline. Some of which will depend on how long it takes us to get through the approval process with the city. From permitting we anticipate 16 months to build the project. There could be retail buildouts going on a little longer. We do see this a phase project, I'd hate to have a beautiful Hotel completed and nothing but construction going on outside.

As far as any TIF, or any other opportunities we would welcome it all. If there were anything available to help offset the Parking Structure we would take a run at it.

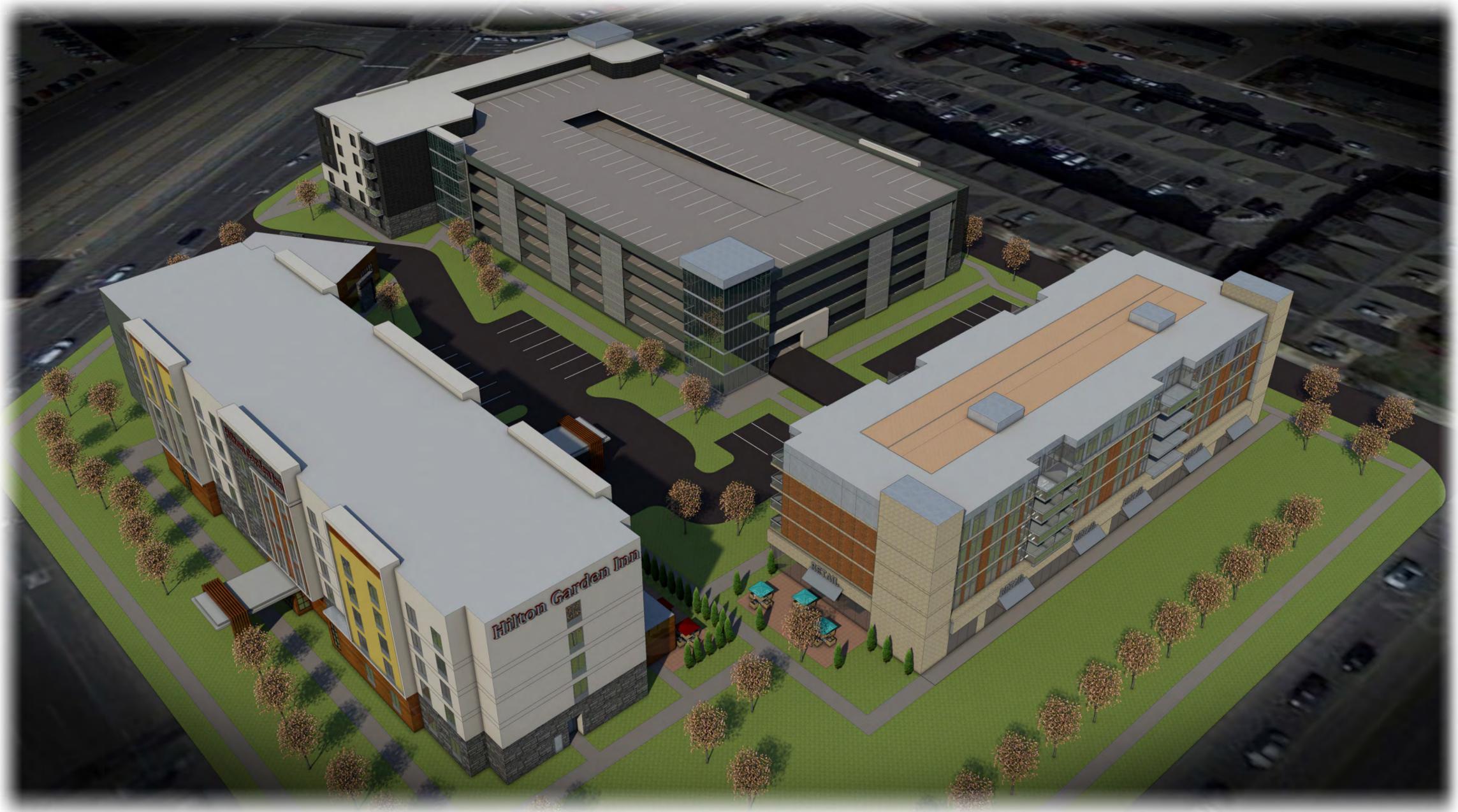
We are excited at the chance to work with Royal Oak, and we hope that this presentation gets us to the next level.

Regards

Stephen Alexander



EXTERIOR RENDERING



EXTERIOR RENDERING



EXTERIOR RENDERING



EXTERIOR RENDERING



EXTERIOR RENDERING

DEVELOPMENT COST SUMMARY MODEL

HILTON GARDEN INN CONSTRUCTION COST	<u>Cost of Hotel</u>	<u>Room Count</u>	<u>Cost/Key</u>
TOTAL	\$ 15,000,000	125	\$120,000.00

PARKING DECK CONSTRUCTION COST	<u>Cost of Deck</u>	<u>Parking Spaces</u>	<u>\$Cost/Space</u>
	13,250,000.00	500	\$26,500

RETAIL CONSTRUCTION COST	<u>Cost of Retail</u>	<u>Sq Ft Retail</u>	<u>Cost/ Sq Ft</u>
TOTAL	4,400,000	20,000	220.00

APARTMENT CONSTRUCTION COST	<u>Cost of Apt.</u>	<u>Room Count</u>	<u>Cost/Key</u>
MAIN STREET APARTMENTS	8,750,000	50	175,000.00
WOODWARD APARTMENTS	7,500,000	50	150,000.00
TOTAL	16,250,000	100	162,500

TOTAL DEVELOPMENT COST W/ APARTMENTS 41,400,000

OFFICE ALTERANTE IN PLACE OF MAIN ST APARTMENTS	<u>Cost of Office</u>	<u>Sq Ft Office</u>	<u>Cost/ Sq Ft</u>
TOTAL	3,600,000	20,000	180.00

TOTAL DEVELOPMENT COST W/ OFFICE 43,750,000



April 21, 2016

To Whom It May Concern:

The Koza family is a highly valued client of the Bank and we know the family to be of the highest character and integrity. The Family has access to significant liquidity and additional borrowings for future investments and endeavors. The Family has extensive experience and reputation in developing, operating and managing retail and mixed use real estate and hospitality assets. The Family has exceeded expectations on all new development projects and has handled all accounts and arrangements as agreed.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Mastrangelo', written in a cursive style.

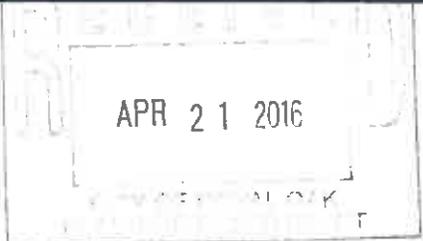
Adam Mastrangelo
Vice President
Senior Relationship Manager
248-244-2947
Adam.Mastrangelo@huntington.com



696 - MAIN, ROYAL OAK MI

Development Proposal

April 21st, 2016



2:10 pm



Development • Construction • Management





Table of Contents:

- Foremost Development Company Cover Letter	1
- Purchase Price	2
- Incentives - TIF, BRDA, CRP	2
- Estimate of Project Costs/Investment (Pro Forma)	3
- Project Taxable Value	4
- Due Diligence, Development, Construction Schedules	5
- Financing	6
- Develop Michigan, Inc. Letter of Interest - Attachment A	
- Love Funding Letter of Interest - Attachment B	
- PACE Equity Letter of Interest - Attachment C	
- Vision for Site	7-10
- Schematic Site Plan	
- Residential Unit Plans	
- Partial Schematic Elevation	
- Project Team	
- Phases	
- Market Snapshot – Attachment D	
- Section 3 Compliance	
- PM Environmental Letter – Attachment E	



April 21, 2016

Tim Thwing, Executive Director
Downtown Development Authority
DDA 211 Williams St.
Royal Oak, MI 48067

Dear Mr. Thwing,

I am writing to you and the Royal Oak Downtown Development Authority's Business Marketing Committee our Proposal for the 696 and Main Street Site. Foremost Construction is very grateful for the opportunity to be considered for this development opportunity.

In addition to our packet of information, we have a number of attachments from team members to supplement the information. Our team members include our Architect; Public Incentives and Environmental Consultant; General Contractor, Market Analyst, Mezzanine Lender, Construction and Permanent Debt Lender. Descriptions of these firms and their project-related activities follows below.

Please contact me by email at tbailey@foremostdevco.com, or call my mobile at 248 613 1463 if you have any questions, if you require any additional information, or if you would like to schedule a time to meet in person.

Sincerely,

A handwritten signature in blue ink that reads 'Terry Bailey'.

Terry Bailey, President
Foremost Development Company

Purchase Price

Foremost Development Company is prepared to offer the DDA of the City of Royal Oak \$2,900,000 for the purchase of the parcel at 696 and Main Street. The purchase price will be paid at Construction Loan Closing.

Incentives:

TIF, BRDA, CRP

Foremost has successfully and continues to work closely with municipal, state and federal incentives in many of our development projects. Redevelopment of brownfield properties often require incentives to allow a development to come to fruition due to the hurdles they often pose. Based on experience and prior knowledge of the property, we believe that the site is a facility and eligible for certain Brownfield Redevelopment incentive programs.

The team would like to utilize tax increment financing either through the Brownfield Redevelopment Program or via an agreement with the DDA to assist in reimbursement of activities created by the brownfield condition of the property and activities that will benefit the City/Public. We understand that the DDA depends on tax increment revenue and anticipate utilizing a revenue share with the DDA so a portion of the new tax revenue generated by the project, can be utilized to benefit both the DDA and the Development.

We are working with Michael Kulka and Jessica DeBone at PM Environmental on the preparation of this packet and they have provided assistance to the calculation of TIF revenue estimates, liaison with Nicol Brown, Community Assistance Team Specialist with the MEDC and more.

Additionally, the Foremost team has reviewed the Royal Oak BRA information and application and spoke briefly with Doug Hedges at Royal Oak regarding the process and requirements. We have discussed the project concept with the MEDC to obtain their initial feedback on pursuing a CRP Grant or Loan. The MEDC is supportive of the concept as it stands and hopes to be involved in early conversations should we move forward to better understand the project's eligibility. We believe a funding gap of \$2,013,069 (CRP) exists in our pro forma. This is based on 115 total permanent jobs created in Office, Retail and Residential Management sectors.



Estimate of Project Costs & Investment

Pro Forma

Foremost Development Company has developed a pro forma that we call a Quick Sheet. The total Development Costs of the Project is \$44,189,507. In order to deliver this development in the timeframe we propose a blend of investment Sources including General Partner Equity, Mezzanine Debt, Construction Loan, Incentives, Tax Increment Financing (BRDA) and Performance Based Grants. The cost of hard construction costs is \$33,064,988 which will provide a fantastic job generator for about 250 Temporary Construction positions and 115 permanent jobs in the Offices, Retail and Property Management sectors.



FINANCIAL QUICK SHEET

Project: New Development @ 696
 Location: Royal Oak, Michigan

Prepared By: TLB
 Date: April 20, 2016

MULTIFAMILY INCOME	Unit SF	Number of Units	Unit Mix	Rents	Monthly	Annual	Living Area SF	Rent/SF
1M/1BA	389	28	13%	975	27,300	327,600	10,892	2.51
1B/1BA	635	48	22%	1,275	61,200	734,400	30,528	2.00
1B/1BA	677	48	22%	1,350	64,800	777,600	32,496	1.99
1B/1BA	696	36	17%	1,385	49,860	598,320	25,056	1.99
2B/2BA	930	28	13%	1,825	51,100	613,200	26,040	1.96
2B/2BA	985	28	13%	1,925	53,900	646,800	27,580	1.95
TOTAL	706	216	100%	\$1,427	\$308,160	\$3,697,920	152,592	\$2.02
Vacancy				5.00%	(\$15,408)	(\$184,898)		
EFFECTIVE MULTIFAMILY INCOME					\$292,752	\$3,513,024		

RETAIL INCOME	Area SF	Rent/SF	Monthly	Annual
Retail	-	\$ -	-	-
Vacancy (Reflects N/N/N)	10.0%	-	-	-
TOTAL EFFECTIVE INCOME - RETAIL			\$0	\$0

OTHER INCOME	# of Units	Rents	Monthly	Annual
Garages	180	80.00	14,400	172,800
Phone/Cable Income	216	10.00	2,160	25,920
Late Fees/NSF	45	40.00	1,800	21,600
Application/Administration Fees	216	5.00	1,080	12,960
Pet Registration & Monthly Fee	45	25.00	1,125	13,500
Floor View/Garage Premiums	46	25.00	1,150	13,800
Miscellaneous	1	630000.00	630,000	630,000
TOTAL			\$651,715	\$890,580
Vacancy		5.00%	(\$2,586)	(\$4,529)
EFFECTIVE OTHER INCOME			\$619,129	\$846,051

TOTAL EFFECTIVE INCOME - MULTIFAMILY	\$911,881	\$4,359,075
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OPERATING EXPENSES - MULTIFAMILY	Unit/Year	Annual
Operating Expenses	2,760	596,160
Property Insurance	200	43,200
Property Taxes	1,400	302,400
TOTAL OPERATING EXPENSES	\$4,360	\$941,760
Replacement Reserves	200	43,200
TOTAL EXPENSES	Percentage of Gross Income 22.60%	\$4,560
		\$984,960

NET OPERATING INCOME - MULTIFAMILY	\$3,374,115
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TOTAL NET OPERATING INCOME	\$3,374,115
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ECONOMIC VALUE	Value Calculation	Cap Rate on Construction
Net Operating Income	3,374,115	
Market Capitalization Rate	6.50%	
Income Based Value	51,909,462	
Total Development Cost	44,189,507	7.64%

Asking Density

USES OF FUNDS	Total	/Unit	/SF
To Purchase Land	\$2,900,000	\$13,426	\$19.00
Multifamily Hard Costs (w/ Site Work)	30,059,080	91,130	196.99
Contingency	3.00%	901,772	4,175
Builder Fee	5.00%	1,502,954	6,958
Builder Overhead	2.00%	601,182	2,783
Total Hard Construction Cost	\$33,064,988	\$153,079	\$216.69
Architectural & Engineering			
Architectural and Engineering Fees	575,000	2,662	3.77
Architectural Services Fees	-	-	-
Construction Period Costs			
Real Estate Attorney	175,000	810	1.15
Construction Loan Legal	200,000	926	1.31
Title and Recording	50,000	231	0.33
Construction Interest (Int/Months)	6.50%	18	1,833,125
Financing Fee - F&C	0.00%	-	-
Financing Fee - Mezzanine	-	-	-
Financing Fee - Construction	1.00%	335,000	1,551
Furnishings and Equipment	475,000	2,199	3.11
Other Period Costs			
Taxes	225,000	1,042	1.47
Lease-up Incentive	\$300	64,800	300
Retail Leasing Commissions	-	-	-
Capitalized Lease-up Marketing	100,000	463	0.66
Working Capital	450,000	2,083	2.95
City Connection and Impact Fees	216,000	1,000	1.42
Tenant Improvements	\$0	-	-
Appraisal	18,500	86	0.12
Insurance	175,000	810	1.15
Land Broker Fee	2.00%	58,000	269
Organizational (e.g. Partnership)	125,000	579	0.82
Development Contingency	4.00%	1,322,600	6,123
Total Development Cost	\$42,163,013	\$195,199	\$276.31
Developer Overhead	5.00%	2,026,494	9,382
TOTAL USES	\$44,189,507	\$204,581	\$289.59

SOURCES OF FUNDS	Total	/Unit	/SF
General Partner Equity	8.09%	3,576,438	16,558
Construction Loan	75.81%	33,500,000	155,093
Other Sources (BF, Mezz)	7.02%	3,100,000	14,352
Pace Equity	9.08%	4,013,069	18,579
TOTAL SOURCES	\$44,189,507	\$186,002	\$289.59

UNDERWRITING	LTV/Cost	Max Loan
Income Base Value	51,909,462	85%
Total Development Cost	44,189,507	90%
Debt Service Coverage	6.50%	30
	2,699,292	1.25

<i>The Lesser of 85% LTV, 90% of Development Cost or 1.25 DSCR</i>	\$35,588,100
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Required Yield/Return-on-Cost	8.00%
Maximum Development Cost	\$42,176,438
REQUIRED SUBSIDY (CRP Performance Grant)	\$2,013,069

Project Taxable Value

At this point in the diligence it is very difficult to assign a precise Project Taxable Value. In the process of design and market study, we may discover information that could change the cost of construction, residential rental rates and office leasing. We estimate that the property will generate two important economic contributions to the Royal Oak economy. The first is approximately \$375,000-\$450,000 contributed in the form of property taxes. The second is the economic impact of an additional 250 residents and 100 new employees who bring a great deal of spending power. Community residents spend approximately 40% of their gross income within 5 miles of their homes. If the average tenant has annual income of \$40,000, there is \$10,000,000 in total income and up to \$4,000,000 that will enter the Royal Oak and local economies.

\$7 M Taxable Value

Tax Bill of approximately \$380,000 (\$1,760/unit)

Annual Tax Increment Revenue of approximately \$257,000 (20% will go back to the DDA).

DDA tax increment reimbursement: \$650,000 over 10 years.

Tax Increment Reimbursement: \$2.57 M over 10 years, \$3.85 over 15 years



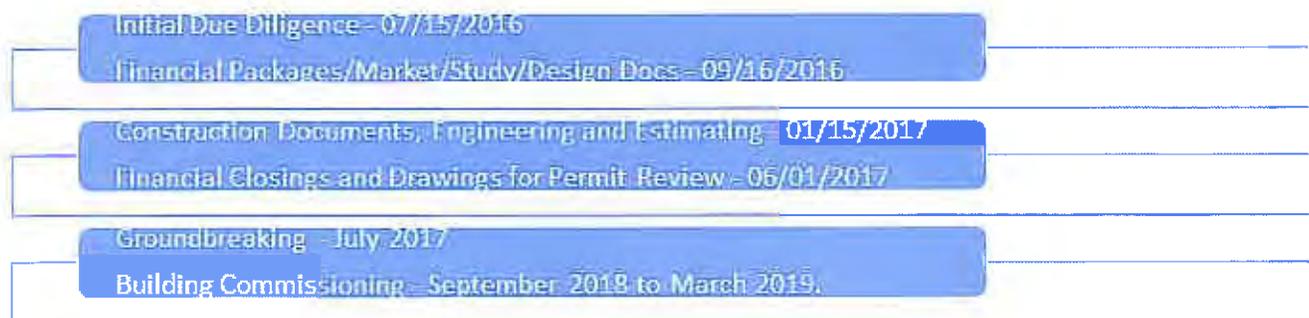
Due Diligence, Development, Construction

Based on a projected development start of May 15, 2016, we will plan to execute with the City of Royal Oak Downtown Development Authority a Development Agreement. This document should be executed by June 15, 2016. Foremost will ramp up activities with architect, engineers, environmental consultants, financing partners; conduct a full blown Market Analysis of both residential and commercial demand; and hold regular Coordination meetings with both our internal team and the city of Royal Oak. We will also be working with other governmental units and staff on Brownfield, CRP and other incentives.

The project's due diligence hinges on some critical benchmarks or Go/No Go decision points. The first of these is the Phase I and II Environmental Assessment by PM Environmental. The Market Analysis Snapshot will be refined along with the schematic designs on September 15, 2016 and the Environmental Assessment and remediation will be understood.

On September 16, 2016, Foremost will move forward with the Architect and Engineers to create a financial prospectus for investors, lenders, city of Royal Oak, utilities, Property Management company, etc. Presentations of these materials and successful financing and partnership work will key the development of Design Documents beginning January 15, 2017. The plans, engineering, financial closings and construction estimation/value engineering will take place between January 15, 2017 and March 15, 2017. On March 16, 2017, full-blown Construction Documents will be executed for submittal for Royal Oak Building Permits on June 1, 2017. We anticipate a review process with city staff and departments of approximately 45 days. We plan on commencing construction with a Ground Breaking on July 15, 2017. The construction period will be months and all structures will be constructed in a single phase with occupancy beginning in September 2018 and all the Buildings will be commissioned and completed by March 15, 2019.

TIMELINE FOR DEVELOPMENT OF ROYAL OAK 696 & MAIN ST



Financing

The project will be financed with private equity, mezzanine debt and bank loans. Foremost Development provides the early-stage dollars to complete the first steps in the diligence process. Total Development Costs are \$44,189,507. Foremost works with private investors to place equity into the project. The private investors will include both local and national firms. One of the firms we are working with currently in the Southwest US is Humphreys & Partners Architects L.P. Humphreys Partners is at www.humphreys.com. **The total General Partner equity investment will be \$3,576,438.**

Mezzanine Debt and Incentives-- Foremost will work on Brownfield TIF, or an agreement with the City of Royal Oak, and the Community Reinvestment Program for a Performance Based Grant to close a Financing Gap of \$2,013,069. Foremost has developed a relationship with Develop Michigan Initiative (DMI) to bring mezzanine debt to this and other projects (Attachment A). DMI staff have reviewed the project and have provided a Letter of Participation to Foremost included herein. **The total of Mezzanine Debt and Brownfield TIF will be about \$3,100,000.**

Construction Loan and Permanent Financing -- Love Funding (Attachment B). **The Construction Loan value will be about \$33,500,000.**

PACE Equity will also be a component of Foremost's Financing Plan. We are working with Bob Mettler (Attachment C). **We anticipate total PACE Equity for the project at \$4,131,000 based on our total budget and very preliminary energy systems analysis.**



Vision for Site

Schematic Site Plan

Foremost Development Company is a Birmingham, MI-based developer of multi-family and mixed use products. Foremost believes that the site located at the 696 service drive and Main Street is ideally suited for a combination of Multi-Family Residential, some Retail and Offices. The in-fill project would be walkable to shopping and other downtown amenities. The Walk Score at 1500 South Main Street is 62, but will improve with additional retail added in our project. Our plan calls for 216 ultra-luxury residential units with 1 and 2 bedroom plans between 570-1050 sq ft. High-end finishes such as oak flooring, stainless appliances, Basco shower enclosures, Kohler fixtures are a sample of the proposed fixtures and finishes. Complementing the apartments will be amenity spaces which include: exercise, wi-fi lounge and social areas. Retail development along Main Street might add 8,000-12,000 sq ft of first-floor commercial. Two office buildings of approximately 18,000 sq ft each will target professional services, small office and even some live/work customers. In total, we propose developing a 400 space parking structure that will be wrapped by the residential units and office buildings.

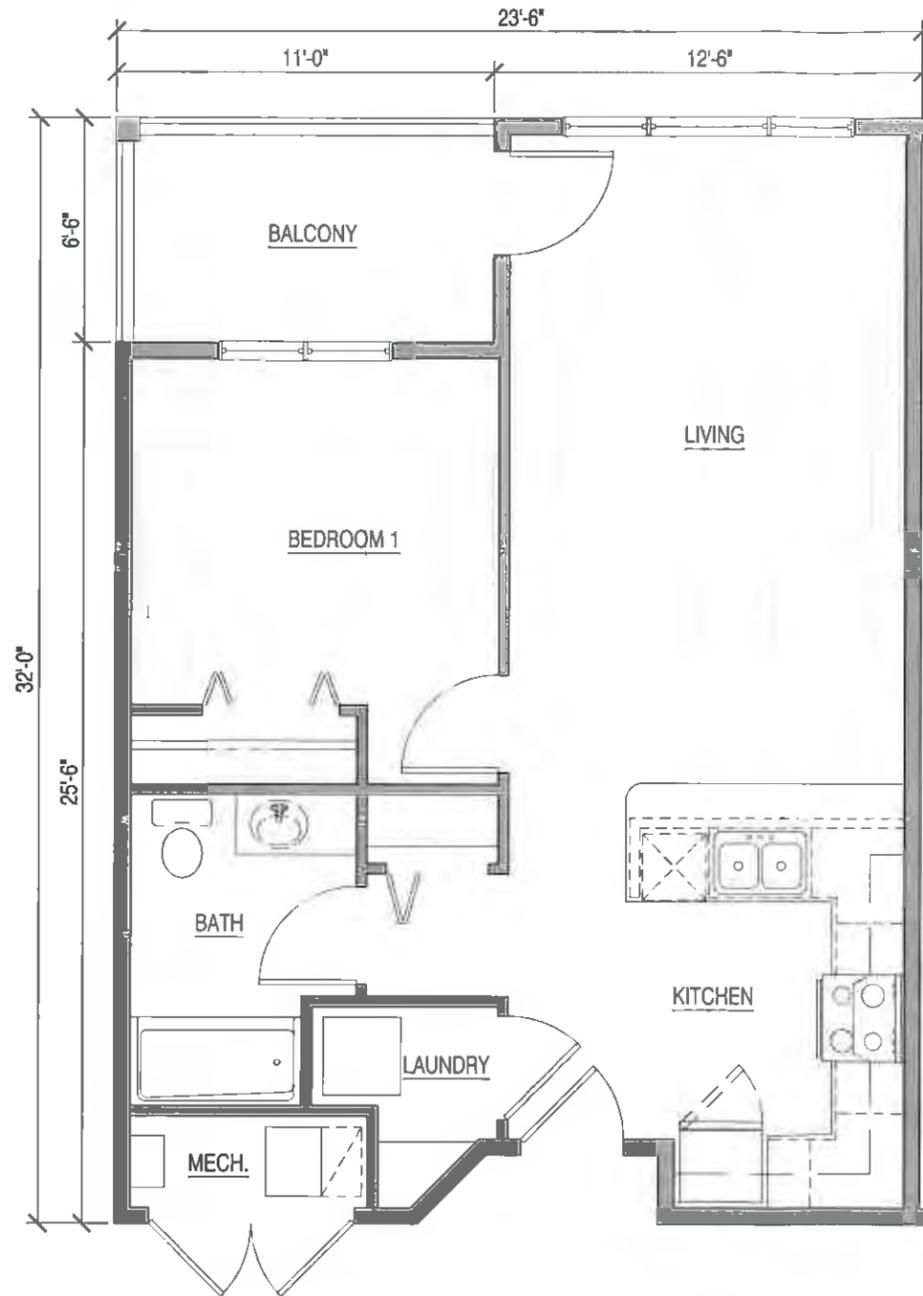
Residential Development: 3-Stories 216 units total
Commercial: 5-Stories 35,000 s.f. total



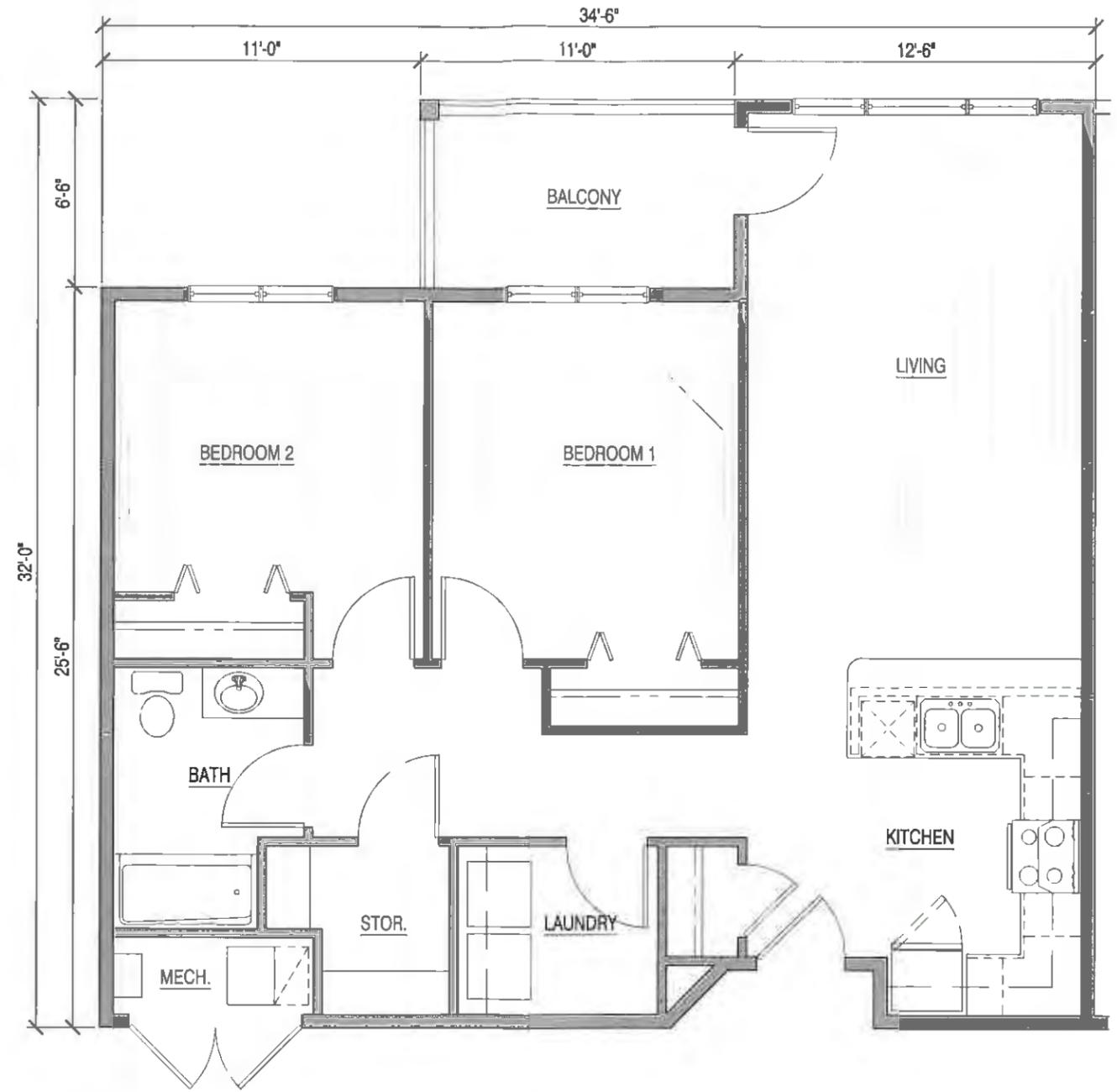
Vision for Site

Residential Unit Plans

The 216 residential units will be four-story, elevator buildings with 160 One Bedroom and 56 Two Bedroom Units with a total residential square footage of approximately 160,000 square feet. The office buildings will be four-story structures. Rents for the residential units will be between \$1.96 and \$2.51 per square foot. Office Space will lease for between \$17 and \$20 per square foot (NNN).



One Bedroom Unit Plan-668 s.f.
Scale: 3/16" = 1'-0"



Two Bedroom Unit Plan-949 s.f.
Scale: 3/16" = 1'-0"

Vision for Site

Partial Schematic Elevation



Vision for Site

Team

The Foremost Development Team includes a number of local partners:

Shelter Design is a Royal Oak-based architectural and design firm with over 20 years of experience with residential and mixed use projects. Shelter has provided preliminary designs of our proposed project for your review.

PM Environmental is based in Oakland County and has worked extensively on a wide array of projects in Royal Oak. PM will assist with incentives such as Brownfield and CRP.

O'Brien Construction has provided Commercial General Contracting Services since 1962. O'Brien has delivered thousands of apartment units and mixed use developments to our customers.

National Land Advisory Group based in Columbus, OH has provided a Market Snapshot included in this submission.

Humphreys Partners is an Urban Design and Developer who has worked with Foremost on large-scale, mixed-use developments across the USA.

Phases

The buildings will be built in a single phase. The Timeline for Development, Construction and Commissioning is included above.

Market Snapshot

See attached National Land Advisory Group market snapshot (Attachment D)

Section 3 Compliance

Foremost works closely with O'Brien Construction to ensure maximum participation of low-income resident-owned businesses and hiring of low-income residents of Royal Oak and Southeast Michigan. We will craft a Section 3 Plan for the development and work to achieve those goals.

PM Environmental Letter

See Attachment E.



Develop Michigan, Inc.
On behalf of Develop Michigan Real Estate Fund, LP
1118 South Washington Avenue
Lansing, Michigan 48910

April 21, 2016

Terry Bailey
Foremost Development Company
550 W. Merrill Street
Suite 100
Birmingham, MI 48009

Re: Letter of Interest – Mixed Use Project – Royal Oak, MI

Dear Terry,

Upon review of the preliminary project information you have provided, Develop Michigan would like to express its interest in considering providing approximately \$2.1 Million in mezzanine financing for the development & construction of the proposed mixed use project in Royal Oak, MI to contain approximately 216 market rate apartment units and 35,000 SF of commercial space to be located on the northwest corner of I-696 & Main Street. While this is an expression of Develop Michigan's interest in providing financing for the project, this letter should not be construed as a commitment to lend. Upon submission of detailed project information we will begin our due diligence on the proposed loan request and, subject to satisfactory underwriting in our sole discretion, will seek approval for a loan to facilitate the development & completion of the project.

Please feel free to contact me at your earliest convenience to discuss at 248-821-0564.

Sincerely,

A handwritten signature in blue ink, appearing to read "Wayne Bota", with a long, sweeping underline.

Wayne Bota
Vice President, Business Development
Develop Michigan



LOVE FUNDING

KNOWLEDGE. INTEGRITY. RESULTS.

3201 Enterprise Parkway, Suite 350 Cleveland, OH 44122

TELEPHONE 216.583.9000 FAX 216.583.9001

www.lovefunding.com

April 18, 2016

Mr. Terry Bailey
Foremost Development Company
550 W. Merrill Street, Suite 100
Birmingham, MI 48009

Dear Mr. Bailey:

Love Funding would be pleased to be your debt partner for a new construction project in Royal Oak, Michigan including some 216 residential units and 35,000 square feet of commercial space. The loan size of \$45-55 million is not a concern to us for a project of true urban development. With more than 30 years of experience as an FHA insured lender, we have processed small, large, and even mammoth projects such as hospitals.

We look forward to working with you and Royal Oak in this endeavor.

Sincerely,

Bruce P. Gerhart
Regional Director



Letter of Intent To Provide Non-Participatory Equity

Mr. Terry Bailey
Foremost Development

April 20, 2016

RE: 696 and Main Street Parcel

To: Mr. Terry Bailey and the Royal Oak Downtown Development Authority:

PACE Equity is pleased to provide this Letter of Intent ("LOI") to provide non-participatory equity pursuant to Michigan Public Act 270 of 2010 (PACE) financing towards the 696 and Main Street proposed Development project. The intent of this letter is an expression of interest to provide non-participatory equity financing, subject to PACE Equity due diligence and its standard underwriting process. The following terms and conditions are proposed:

General Partner: Foremost Development Inc.

Investment Amount: The greater of Four Million (\$4,000,000) Dollars or 10% of the "As Completed" and/or "Stabilized Value" of the project upon completion.

Purpose: Non-Participatory Equity Investment for a new construction development at the intersection of Main Street, I-696 and Woodward Avenue. The development will be approximately 390,000 square feet that will include a 1) retail use; 2) multi-family apartments; and 3) office.

Fixed Return: Stated fixed interest rate of project for PACE is 6.75% that is "locked" within a few days before closing.

Investment Term: Longer of 20 years or maximum term available under Royal Oak PACE Ordinance.

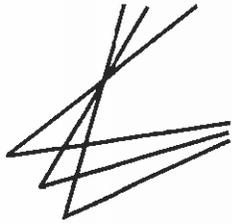
Time of Close: Pre-construction or upon closing of bank financing.

Please contact me at bmattler@pace-equity.com or (248) 762-4370 if you have any questions or comments on this non-binding term sheet.

We look forward to working with you on this transaction.

Best,

Bob Mattler, JD LLM, LEED AP BD&C
Director & Michigan Market Leader



NATIONAL LAND ADVISORY GROUP

2404 East Main Street • Columbus, Ohio 43209
Phone: 614.545.3900 • Fax: 614.545.4900

April 15, 2016

Mr. Terry L. Bailey
FOREMOST DEVELOPMENT COMPANY
555 W. Merrill Street, Suite 100
Birmingham, MI 48009

RE: Royal Oak, Michigan Development Opportunity

Dear Mr. Bailey:

The following is a brief analysis of development opportunities for rental housing and commercial developments in the City of Royal Oak, Michigan area. Many aspects have driven this specific market, including the location, housing costs, visibility and accessibility, employment centers, lifestyle needs and transportation options.

Demographics

The population of the City of Royal Oak was 57,236 in 2010 and increased 1.4% to number 58,024 in 2015. Population is expected to number 59,633 by 2020, increasing 2.8% from 2015. The City of Royal Oak households numbered 28,063 in 2010 and increased 2.3% to number 28,720 in 2015. Households are expected to number 29,596 by 2020, increasing 3.1% from 2015.

The population of the Royal Oak Primary Market Area (PMA) was 445,647 in 2010 and decreased 1.0% to number 441,097 in 2015. Population is expected to number 444,659 by 2020, increasing 0.8% from 2015. The Royal Oak PMA households numbered 187,551 in 2010 and slightly decreased to number 187,497 in 2015. Households are expected to number 189,712 by 2020, increasing 1.2% from 2015.

Oakland County population was 1,202,362 in 2010 and increased 1.6% to number 1,221,425 in 2015. Population is expected to number 1,255,739 by 2020, increasing 2.8% from 2015. Oakland County households numbered 483,698 in 2010 and increased 2.4% to number 493,423 in 2015. Households are expected to number 510,384 by 2020, increasing 3.0% from 2015.

TABLE 1

POPULATION AND HOUSEHOLDS**City of Royal Oak – Royal Oak PMA – Oakland County, Michigan**

2000 – 2010 – 2015 – 2020 (Projected)

POPULATION	Royal Oak	Royal Oak PMA	Oakland County
2000	60,062	496,843	1,194,156
2010	57,236	445,647	1,202,362
Change 2000-2010	-4.7%	-10.3%	0.7%
2015	58,024	441,097	1,221,425
Change 2010-2015	1.4%	-1.0%	1.6%
2020	59,633	444,659	1,255,739
Change 2015-2020	2.8%	0.8%	2.8%
HOUSEHOLDS	Royal Oak	Royal Oak PMA	Oakland County
2000	28,880	202,055	471,115
2010	28,063	187,551	483,698
Change 2000-2010	-2.8%	-7.2%	2.7%
2015	28,720	187,497	495,423
Change 2010-2015	2.3%	<-0.1%	2.4%
2020	29,596	189,712	510,384
Change 2015-2020	3.1%	1.2%	3.0%

Sources: U.S. Census Bureau; Esri

In the Royal Oak Primary Market Area, family households (under the age of 55) decreased 0.7% for renter households and decreased 10.1% for owner households from 2010 to 2015. Between 2015 and 2020, family renter households (under the age of 55) are projected to decrease 1.3%, while the owner households are estimated to decrease 4.4%.

In the Royal Oak Primary Market Area, households (aged 55 to 64) increased 24.0% for renter households and 3.8% for owner households from 2010 to 2015. Between 2015 and 2020, renter households (aged 55 to 64) are projected to increase 4.5%, while the owner households are estimated to decrease 3.2%.

In the Royal Oak Primary Market Area, senior households (aged 65 and older) increased 9.3% for renter households and increased 7.2% for owner households from 2010 to 2015. Between 2015 and 2020, senior renter households (aged 65 and older) are projected to increase 7.4%, while owner households are estimated to increase 12.4%.

TABLE 2
RENTER & OWNER HOUSEHOLD TRENDS
Royal Oak PMA
2010 (Census) – 2015 (Estimated) – 2020 (Projected)

RENTER HOUSEHOLDS	Under 55 Years	55-64 Years	65+ Years
2010	43,496	8,662	11,538
2015	43,174	10,738	12,614
Change 2010-2015	-0.7%	24.0%	9.3%
2020	42,621	11,223	13,552
Change 2015-2020	-1.3%	4.5%	7.4%
OWNER HOUSEHOLDS	Under 55 Years	55-64 Years	65+ Years
2010	63,138	25,750	34,968
2015	56,744	26,724	37,503
Change 2010-2015	-10.1%	3.8%	7.2%
2020	54,270	25,874	42,172
Change 2015-2020	-4.4%	-3.2%	12.4%

Sources: U.S. Census Bureau; Esri

Income

In the City of Royal Oak, median household income is \$60,565 for 2015 and is projected to increase to \$72,561 by 2020. The median per household income for the Royal Oak Primary Market Area is \$49,616 in 2015 and is projected to increase to \$56,735 by 2020. The median per household income in Oakland County for 2015 is \$67,512 and is projected to increase to \$79,902 by 2020.

MEDIAN HOUSEHOLD INCOME	Royal Oak	Royal Oak PMA	Oakland County
2000	\$52,252	\$49,076	\$61,829
2015	\$60,565	\$49,616	\$67,512
Change 2000 - 2015	15.9%	1.1%	9.2%
2020	\$72,561	\$56,735	\$79,902
Change 2015 - 2020	19.8%	14.3%	18.4%

Sources: U.S. Census Bureau; Esri

By age group, the Royal Oak PMA household income for 2015 is largest in the 55 to 64 age range. In 2020, the largest projected income for the Royal Oak PMA is in the 55 to 64 age range. Between 2015 and 2020 in the Royal Oak PMA, the largest percent change is projected to be in the 65 to 74 age group and the \$25,000 to \$34,999 income range.

TABLE 4
**DISTRIBUTION OF INCOME
 BY HOUSEHOLD SIZE, TENURE AND AGE**
Royal Oak PMA
Current Year Estimates - 2015

Renter Households							
Under Age 55 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	3,527	3,179	1,404	1,050	522	375	10,057
\$15,000 - 25,000	1,749	1,577	696	520	259	186	4,987
\$25,000 - 35,000	1,850	1,668	737	551	275	197	5,278
\$35,000 - 50,000	2,524	2,276	1,005	751	375	268	7,199
\$50,000 - 75,000	2,710	2,444	1,079	807	402	288	7,730
\$75,000 - 100,000	1,430	1,290	569	426	212	152	4,079
\$100,000 - 150,000	952	857	379	284	141	103	2,716
\$150,000+	<u>396</u>	<u>356</u>	<u>159</u>	<u>117</u>	<u>58</u>	<u>42</u>	<u>1,128</u>
Total	15,138	13,647	6,028	4,506	2,244	1,611	43,174
Renter Households							
Aged 55-64 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	2,145	878	388	290	144	104	3,949
\$15,000 - 25,000	801	328	145	108	54	39	1,475
\$25,000 - 35,000	650	266	117	88	44	31	1,196
\$35,000 - 50,000	755	309	137	102	51	36	1,390
\$50,000 - 75,000	742	304	134	100	50	36	1,366
\$75,000 - 100,000	338	138	61	46	23	16	622
\$100,000 - 150,000	264	108	48	36	18	13	487
\$150,000+	<u>138</u>	<u>56</u>	<u>25</u>	<u>19</u>	<u>9</u>	<u>6</u>	<u>253</u>
Total	5,833	2,387	1,055	789	393	281	10,738
Renter Households							
Aged 65+ Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	3,574	671	296	221	110	79	4,951
\$15,000 - 25,000	2,037	365	161	121	60	42	2,786
\$25,000 - 35,000	1,078	207	91	68	34	24	1,502
\$35,000 - 50,000	1,306	260	115	86	43	31	1,841
\$50,000 - 75,000	655	137	60	45	23	16	936
\$75,000 - 100,000	235	49	22	17	8	6	337
\$100,000 - 150,000	124	26	12	9	4	3	178
\$150,000+	<u>59</u>	<u>12</u>	<u>6</u>	<u>4</u>	<u>2</u>	<u>0</u>	<u>83</u>
Total	9,068	1,727	763	571	284	201	12,614

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

TABLE 5
**DISTRIBUTION OF INCOME
 BY HOUSEHOLD SIZE, TENURE AND AGE**
Royal Oak PMA
Current Year Estimates - 2015

Owner Households							
Under Age 55 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	566	937	417	350	132	81	2,483
\$15,000 - 25,000	534	885	394	330	124	79	2,346
\$25,000 - 35,000	944	1,561	694	580	220	137	4,136
\$35,000 - 50,000	1,442	2,389	1,066	890	338	211	6,336
\$50,000 - 75,000	2,780	4,611	2,054	1,717	652	407	12,221
\$75,000 - 100,000	2,480	4,107	1,830	1,529	579	361	10,886
\$100,000 - 150,000	2,539	4,204	1,873	1,565	594	370	11,145
\$150,000+	<u>1,637</u>	<u>2,713</u>	<u>1,209</u>	<u>1,011</u>	<u>383</u>	<u>238</u>	<u>7,191</u>
Total	12,922	21,407	9,537	7,972	3,022	1,884	56,744
Owner Households							
Aged 55-64 Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	756	761	339	283	107	67	2,313
\$15,000 - 25,000	574	578	257	215	82	51	1,757
\$25,000 - 35,000	767	772	344	287	109	68	2,347
\$35,000 - 50,000	991	997	444	371	141	88	3,032
\$50,000 - 75,000	1,727	1,739	775	647	245	154	5,287
\$75,000 - 100,000	1,298	1,307	582	487	185	115	3,974
\$100,000 - 150,000	1,510	1,520	677	566	215	134	4,622
\$150,000+	<u>1,108</u>	<u>1,116</u>	<u>497</u>	<u>415</u>	<u>158</u>	<u>98</u>	<u>3,392</u>
Total	8,731	8,790	3,915	3,271	1,242	775	26,724
Owner Households							
Aged 65+ Years							
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6+-Person Household	Total
\$0 - 15,000	2,232	1,382	616	514	195	123	5,062
\$15,000 - 25,000	2,628	1,571	701	585	222	138	5,845
\$25,000 - 35,000	2,229	1,405	626	523	199	124	5,106
\$35,000 - 50,000	2,956	1,920	856	715	271	170	6,888
\$50,000 - 75,000	2,588	1,744	777	649	246	154	6,158
\$75,000 - 100,000	1,525	1,037	462	387	147	91	3,649
\$100,000 - 150,000	1,201	819	365	305	115	72	2,877
\$150,000+	<u>794</u>	<u>548</u>	<u>245</u>	<u>205</u>	<u>77</u>	<u>49</u>	<u>1,918</u>
Total	16,153	10,426	4,648	3,883	1,472	921	37,503

Sources: U.S. Bureau of the Census; Esri; Urban Decision Group

Housing

Based on 2010 Census decennial data, the vacancy rate for rental units, regardless of age or condition, was 10.3% in the City of Royal Oak and 13.5% in Oakland County. The rental units surveyed included all rentals available whether in multi-family, single-family or mobile home structures, while the vacancies included the seasonal fluctuation of the market area. The vacancy rate for owned, non-rental units, again regardless of age or condition, was 2.1% in the City of Royal Oak and 2.5% in Oakland County.

TABLE 6
VACANCY RATES
AND
HOUSING CONDITIONS
City of Royal Oak – Oakland County – Michigan
Census 2010

	Royal Oak		Oakland County		Michigan	
	Number	Percent	Number	Percent	Number	Percent
Total Housing Units	30,207	100.0%	527,255	100.0%	4,532,233	100.0%
Occupied Housing	28,063	92.9%	483,698	91.7%	3,872,508	85.4%
Owner Occupied	18,995	67.7%	350,988	72.6%	2,793,342	72.1%
Vacant for Sale	390	2.1%	8,925	2.5%	77,080	2.8%
Vacant Sold, Not Occupied	105	0.6%	1,949	0.6%	17,978	0.6%
Renter Occupied	9,068	32.3%	132,710	27.4%	1,079,166	27.9%
Vacant for Rent	934	10.3%	17,915	13.5%	141,687	13.1%
Rented, Not Occupied	42	0.5%	733	0.6%	6,684	0.6%
For Seasonal/Recreational/Occasional Use	126	0.4%	4,112	0.8%	263,071	5.8%
For Migrant Workers	0	0.0%	11	<0.1%	1,773	<0.1%
Other Vacant	547	1.8%	9,912	1.9%	151,452	3.3%
Total Vacancy Rate		7.1%		8.3%		14.6%

**Other Vacant" category includes those neither for sale nor for rent, usually unrentable or dilapidated.

Source: U.S. Census Bureau, 2010 Census Summary File 1

In 2014, the median gross rent for specified renter-occupied housing units was \$901 in the City of Royal Oak as compared to \$934 in Oakland County and \$738 for the State of Michigan. The median gross rents for both the City of Royal Oak and Oakland County have increased 41.0% and 32.1% from the median 2000 gross rents, respectively. It's interesting to note that over one-third of the units, (34.9%) within the City of Royal Oak are in the \$900 to \$1,499 price range, while Oakland County has approximately one-third (33.6%) in the gross rents range of \$800 to \$1,249.

TABLE 7

**DISTRIBUTION OF
GROSS RENT**

City of Royal Oak – Oakland County – Michigan
American Community Survey 2010-2014

GROSS RENT	Royal Oak		Oakland County		Michigan	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$100	19	0.2%	580	0.4%	5,525	0.5%
\$100-\$149	0	0.0%	231	0.2%	4,385	0.4%
\$150-\$199	54	0.6%	676	0.5%	9,272	0.9%
\$200-\$249	56	0.6%	1,837	1.3%	23,494	2.2%
\$250-\$299	78	0.8%	1,124	0.8%	16,432	1.5%
\$300-\$349	109	1.2%	1,382	1.0%	16,453	1.5%
\$350-\$399	68	0.7%	1,265	0.9%	18,501	1.7%
\$400-\$449	94	1.0%	1,574	1.1%	25,429	2.3%
\$450-\$499	125	1.3%	2,204	1.5%	35,493	3.3%
\$500-\$549	130	1.4%	3,374	2.4%	45,933	4.2%
\$550-\$599	171	1.8%	3,746	2.6%	57,099	5.2%
\$600-\$649	331	3.5%	5,160	3.6%	67,681	6.2%
\$650-\$699	748	8.0%	7,666	5.4%	72,354	6.6%
\$700-\$749	814	8.7%	9,083	6.4%	73,804	6.8%
\$750-\$799	772	8.3%	8,148	5.7%	69,822	6.4%
\$800-\$899	990	10.6%	15,894	11.1%	120,870	11.1%
\$900-\$999	739	7.9%	14,627	10.2%	97,952	9.0%
\$1,000-\$1,249	1,630	17.4%	27,493	19.3%	147,135	13.5%
\$1,250-\$1,499	898	9.6%	13,295	9.3%	60,356	5.5%
\$1,500-\$1,999	1,042	11.2%	11,219	7.9%	39,621	3.6%
\$2,000 or More	258	2.8%	7,151	5.0%	21,224	1.9%
No Cash Rent	<u>216</u>	<u>2.3%</u>	<u>4,977</u>	<u>3.5%</u>	<u>61,033</u>	<u>5.6%</u>
TOTAL	9,342	100.0%	142,706	100.0%	1,089,868	100.0%
Median Rent - 2000	\$639		\$707		\$546	
Median Rent - 2010-2014	\$901		\$934		\$780	
Percent Change 2000 - 2014	41.0%		32.1%		42.9%	

Source: U.S. Census Bureau, Census 2000, American Community Survey 2009-2013 (Tables B25063, B25064)

In reference to the number of rent-overburdened households in 2014, the City of Royal Oak had 2,370 households or 25.3% contributing 35% or more of their household income to gross rent. Therefore, nearly one-quarter of the income-qualified households in the City of Royal Oak would be considered overburdened. In reference to the number of rent-overburdened households in Oakland County, there were 52,292 households or 36.6% contributing 35% or more of their household income to gross rent. Therefore, approximately one-third of the income-qualified households in Oakland County would be considered overburdened.

TABLE 8
DISTRIBUTION OF GROSS RENT
AS A PERCENTAGE OF
HOUSEHOLD INCOME
City of Royal Oak – Oakland County – Michigan
American Community Survey 2010-2014

	Royal Oak		Oakland County		Michigan	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less Than 10 Percent	406	4.3%	5,380	3.8%	33,973	3.1%
10 to 14 Percent	1,348	14.4%	12,535	8.8%	81,577	7.5%
15 to 19 Percent	1,675	17.9%	19,056	13.4%	115,597	10.6%
20 to 24 Percent	1,483	15.9%	18,889	13.2%	117,432	10.8%
25 to 29 Percent	1,102	11.8%	15,136	10.6%	111,533	10.2%
30 to 34 Percent	564	6.0%	11,303	7.9%	86,686	8.0%
35 to 39 Percent	442	4.7%	8,041	5.6%	64,791	5.9%
40 to 49 Percent	552	5.9%	11,666	8.2%	91,817	8.4%
50 Percent or More	1,376	14.7%	32,585	22.8%	296,580	27.2%
Not Computed	394	4.2%	8,115	5.7%	89,882	8.2%
TOTAL	9,342	100.0%	142,706	100.0%	1,089,868	100.0%

Source: U.S. Census Bureau, American Community Survey 2009-2013 (Table B25070)

Demand & Support

The following demand estimates are based on income, current households, proposed households, turnover ratios of units in the market area and the percent of renter qualified households within the Royal Oak Primary Market Area. Additionally, when needed, previous experiences and/or proprietary research completed by our organization was used in the calculation of appropriate Royal Oak Primary Market Area demand analysis percentages.

The following is the adjusted annual income range specified appropriate for moderate to high-income family households for the Royal Oak PMA. The income range is calculated using the appropriate guidelines and the proposed gross rents by unit type, **excluding any income overlap**. The following is a summary of family **renter-occupied** households in the Primary Market Area of the proposed site within this income range for 2015:

Family Households – 2015 & 2020 Royal Oak, Michigan PMA

	Income Range	Persons	2015 Renter-Occupied	2020 Renter-Occupied
Moderate - High	\$35,000-\$100,000	1-4	20,477	19,815

The adjusted annual income range specified appropriate by the moderate to high income households is \$35,000 (lower end of one-person household moderate to high income) to \$100,000 (four-person household moderate to high income) for the Royal Oak PMA. In 2015, there were a total of 20,477 moderate to higher income households in the Primary Market Area of the proposed site within this income range. The number of income appropriate households is estimated to decrease slightly in 2020. In 2020, there is estimated to be a total of 19,815 moderate to higher income households in the Primary Market Area of the proposed site within this income range.

**Royal Oak Primary Market Area Demand
From Existing And Projected Households:**

	Total
Existing Renter HH (2015)	53,912
Total Income Qualified Renter HH	20,477
Percentage Renter HH	37.9%
New Projected HH (2015-2020)	(662)
Demand of Projected Renter HH (2015-2017)	(397)
Total Qualified Rental HH	20,477
Rent Overburdened Households (%)	25.3%
Total Qualified Renter HH	5,181
Total Qualified Rental HH	20,477
Substandard Housing (%)	0.5%
Total Qualified Renter HH	1,024
<i>Estimated Annual Demand</i>	5,808
<i>Proposed Development</i>	300
<i>Percent of Demand</i>	5.2%

Based on the above analysis for 2015, the annual demand in households for the Primary Market Area is estimated at 5,808 moderate-higher priced rental units per year. It is important to note, that the annual demand is expected to decrease in the future, with any decrease being typically in the higher income ranges.

The Royal Oak Primary Market Area capture factor and penetration factor for market-rate units are **based on the number of renter households in the appropriate income ranges supporting the proposed rents**. The penetration factor is based on the percentage of age and income qualified renter households, calculated by dividing the number of competitive units that are proposed, existing and under construction. The capture rate factor is calculated by dividing the number of proposed units and the number of total households in the appropriate income ranges. Based on the current rental market situation in the Royal Oak Primary Market Area, the following rates are estimated:

- ◆ **Demand Capture Rate:**
Annual Demand - Vacant – Under Construction - Proposed/Proposed Development
- ◆ **Capture Rate:**
Units Proposed/Number of Age-Income Qualified Renter Households
- ◆ **Penetration Rate:**
Units Proposed + Number of Comparable Units (Pipeline) + Comp. Units/Number of Age-Income Qualified Renter Households

The following is a summary of the rates and the suggested National Land Advisory Group's guidelines:

<u>RATE</u>	<u>NLAG's GUIDELINES</u>	<u>PROPOSED DEVELOPMENT</u>
Demand Capture Rate	Less Than 20.0%	5.2%
Capture Rate	Less Than 10.0%	1.5%
Penetration Rate	Less Than 50.0%	10.3%

Based on the competitive product in the Royal Oak market area, the estimated 300-unit development of market-rate units represents an overall 5.2% of the demand capture rate and overall 1.5% capture factor within the market area for renter qualified households. Additionally, the Royal Oak market area represents an overall 10.3% penetration rate. All of these calculations are appropriate penetration and capture factors.

There are several elements associated with housing that define and facilitate this upper scale product. Typically they are in new construction buildings, based on the unit and building designs and needs. The buildings require adequate living spaces but also feature several important amenities, like business centers, recreational and fitness centers, social activities and communal spaces. Other common area spaces, depending on location, can include free wifi, bike-shares, pools, concierge services and housekeeping. Some parking is typically associated with the development, but varies by location.

The apartments typically range from 675 square feet to 1,200 square feet with the average being approximately 950 square feet. The units typically have a full kitchen and bathroom, as well as some have washer/dryer units. In reference to location, in-fill areas are desirable, but many developments are taking place in areas where there is social and employment activity, but the cost of housing tends to be more expensive. Housing offered at a more reasonable price point in desirable neighborhoods of a community is an advantage in absorption.

Subject Site Review

The development proposed for the northeast quadrant of West 10 Mile Road and South Washington Avenue, between South Washington Avenue and South Main Street in Royal Oak, Michigan. The subject site is one of the gateway parcels into the City of Royal Oak, Michigan.

When reviewing the subject site with the aspect and qualities of the proposed housing and commercial developments, the subject site offers many of the same positive elements needed for these types of development. In particular is the location and access to employment centers, higher educational institutions and transportation. The Detroit Zoo is located across Woodward Avenue. The area also offers a very desirable living standard that is typically at a moderate to higher price housing. Commercial product, both established and newer; are well received in the immediate area. These combinations are offering the foundation for success for development based on specific needed product types.

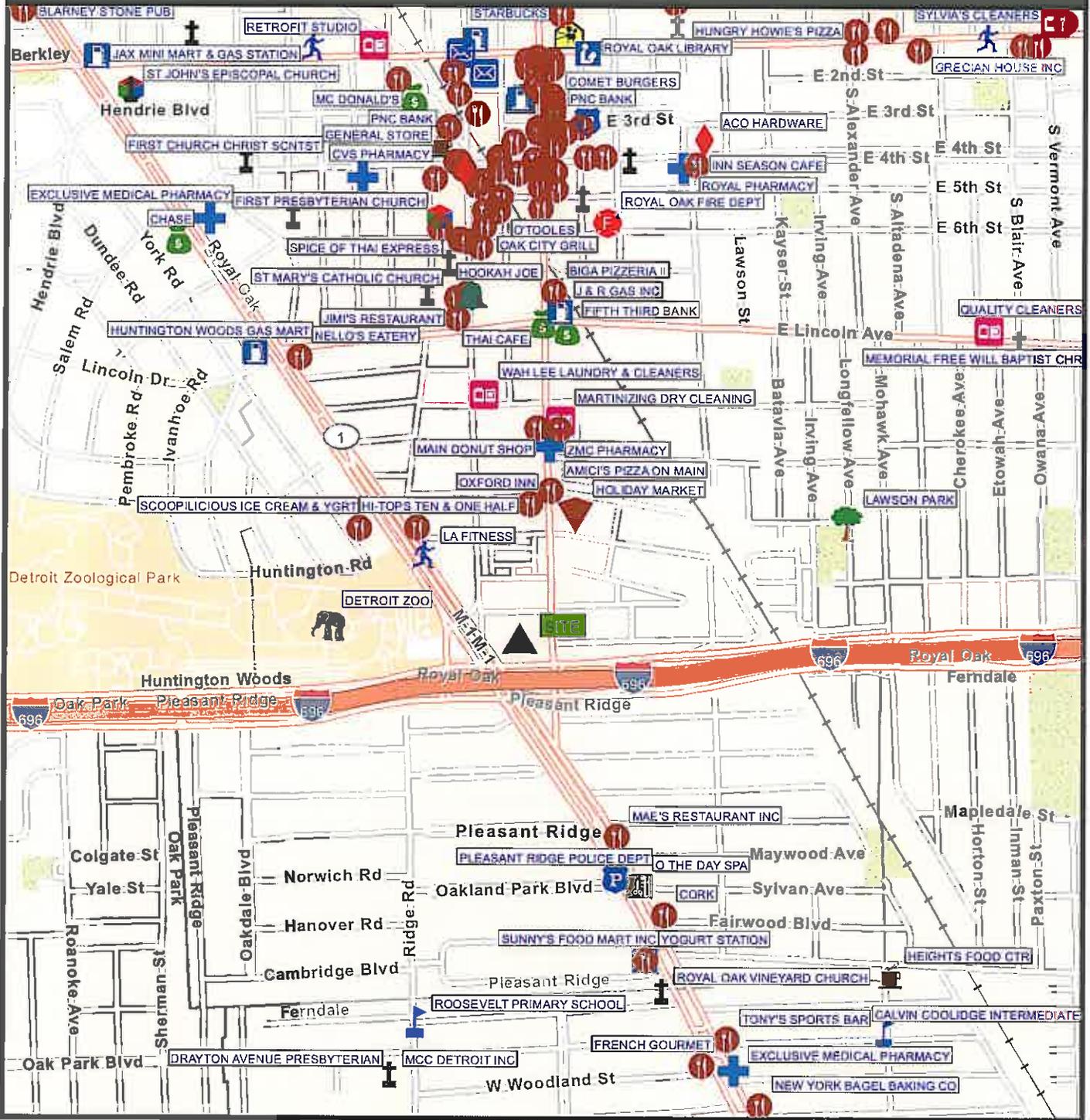
Mr. Bailey, hopefully this information will give you the opportunity to pursue this housing and commercial concept for the above mentioned site. As noted previously, a detailed market analysis will be needed to determine the exact demand, amenities and pricing structure for the proposed development. In the meantime, if you have any questions regarding the enclosed material, please feel free to call.

Sincerely,



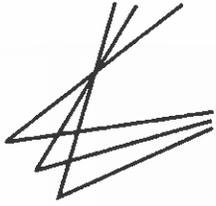
Richard Barnett
President

Royal Oak, MI: Map of Neighborhood Services



- | | | | | | | | | | |
|--|------------|--|-------------------|--|---------------|--|-------------------|--|------------|
| | Site | | Convenience Store | | Hair | | Pharmacy | | Shopping |
| | Bank | | Fire | | Laundry | | Police | | University |
| | Child Care | | Fitness Center | | Library | | Post Office | | Zoo |
| | Church | | Gas | | Middle School | | Recreation Center | | Restaurant |
| | Cinema | | Grocery | | Park | | | | |





NATIONAL LAND ADVISORY GROUP

2404 East Main Street • Columbus, Ohio 43209
Phone: 614.545.3900 • Fax: 614.545.4900

Company Profile

National Land Advisory Group, established in 1987, is a multi-faceted corporation engaged in the market research and consulting of various real estate activities. National Land Advisory Group supplies consulting services to real estate and finance professionals and state housing agencies through conducting market feasibility studies. National Land Advisory Group also provides a land evaluation and acquisition service for selective clients. Areas of concentration include residential housing and commercial developments. Research activity has been conducted on a national basis.

The National Land Advisory Group has researched residential and commercial markets for growth potential and investment opportunities, prepared feasibility studies for conventional and assisted housing developments, and determined feasibility for both family and elderly facilities. Recent income-assisted housing analyses have been conducted for Low Income Housing Tax Credit (LIHTC) programs, as well as developments associated with the Housing and Urban Development and Rural Housing Development Programs. The associates of National Land Advisory Group have performed market feasibility analyses for rental, condominium, and single-family subdivision developments, as well as, commercial, recreational, hotel/motel and industrial developments in numerous communities throughout the United States.

Additionally, National Land Advisory Group evaluates land acquisitions, specializing in helping developers capitalize on residential and commercial opportunities. National Land's investment methodology has resulted in the successful acquisition of numerous parcels of undeveloped land which are either completed or under development by an associated developer or client. National Land's acquisition tasks include market research, formal development planning, working with professional planning consultants and local government planning officials.

An independent market analyst, Richard Barnett (rbarnett@landadvisory.biz), President of National Land Advisory Group, specializes in both the residential and commercial sectors. Combining over twenty years of professional experience in the housing field with a degree in Real Estate and Urban Development from The Ohio State University, Mr. Barnett brings a wealth of information and insight into his analyses of housing markets. Between 1978 and 1987, Mr. Barnett served as a real estate consultant and market analyst, in the capacity of vice-president of a national real estate research firm. Since 1987, with the establishment of National Land Advisory Group, Mr. Barnett has produced hundreds of market studies for housing and commercial developments throughout the United States. Numerous articles and quotes by Mr. Barnett have been published in national publications.

Recently, real estate market analysis studies have been completed in the following states:

Alabama	Arkansas	California	Colorado
Florida	Georgia	Idaho	Illinois
Indiana	Iowa	Kentucky	Louisiana
Michigan	Minnesota	Mississippi	Missouri
Nebraska	Nevada	New Jersey	New Mexico
New York	North Carolina	North Dakota	Ohio
Pennsylvania	South Carolina	South Dakota	Tennessee
Texas	Utah	Virginia	Washington DC
West Virginia	Wisconsin		

Richard Barnett is a charter member of the National Council of Housing Market Analysts, a board member of the Ohio Housing Council, and a member of the National Housing & Rehabilitation Association and the Council for Rural Housing & Development. In recent years, Mr. Barnett, has been asked to speak to the Multi-Family World Conference and Ohio Capital Corporation for Housing's Annual Housing Conference.





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April 19, 2016

Attachment - E

FOREMOST DEVELOPMENT COMPANY

Mr. Terry L. Bailey
555 West Merrill Street, Suite 100
Birmingham, Michigan 48009

RE: Introduction Letter for Development Project Main Street & I-696 Site

Dear Mr. Bailey:

PM Environmental, Inc., (PM) is excited to participate in the Team to potentially develop the City of Royal Oak Site on Main Street and I-696. PM will provide Economic Incentive Services and Environmental Site Assessment Services, for O'Brien Energy Solutions. PM has extensive experience in the environmental, engineering and economic incentive consulting industry, specifically related to the projects of this nature. PM's project management and consulting experience includes supporting Brownfield programs and the successful redevelopment of Brownfield sites.

PM's focus is environmental due diligence and brownfield redevelopment, we are an environmental risk expert focused on business minded solutions. We make the complex simple, the difficult possible, and bring clarity to our clients concerns and confidence to their decision making process. Over the past five years, PM has ranked in the top 20 national environmental consulting and engineering service companies by EDR ScoreKeeper™, a market monitor for the environmental due diligence industry. PM is ranked #1 in Michigan.

PM has worked on thousands of projects, we have completed numerous Phase I and II Environmental Site Assessments (ESAs) and various degrees of site clean-up related to property transactions. In fact, PM completes over 2,500 due diligence projects (i.e. Phase I ESAs, Transaction Screens, etc.) per year and hundreds of Phase II ESAs, baseline environmental assessments (BEAs), brownfield projects, etc. Our work product is conducted in general accordance with the ASTM 1527 standard, the evolving All Appropriate Inquiry (AAI) rule that took effect November 1, 2006, and industry requirements. In addition to conventional lending transactions, PM specializes in environmental due diligence on SBA projects, USDA projects, HUD, Freddie Mac, Fannie Mae and FHA.

Currently, PM has proven technical experience with industry insiders including over 50 significant Brownfield redevelopment projects in Michigan. We stay on the leading edge of regulatory developments allowing us to guide clients through the dynamic landscape to solve problems before they become an issue. PM can assist with identifying and securing government incentives and other economic incentives for the Project on Main Street and I-696 in Royal Oak. PM is experienced working with the Michigan Economic Development Corporation (MEDC), Michigan Department of Environmental Quality (MDEQ) and the City of Royal Oak on Brownfield Redevelopment projects. This includes preparing Brownfield Plans for approval at the local level for property tax capture through Tax Increment Financing (TIF) and Act 381 Work Plans in accordance with the Michigan Brownfield Redevelopment TIF program (P.A. 381 of 1996, as amended), MEDC brownfield programs through the Community Revitalization Program (CRP) and MDEQ grants and loans, as well as tax abatements offered through the State (such as OPRA, PA 210, etc.). PM has extensive experience with all phases of environmental consulting associated with eligible activities and eligible investment.

PM has been established for over 23 years and has a team of over 140 people to ensure common sense solutions to environmental problems without over analyzing and over complicating projects. PM's mission is to be the leader in servicing our client's environmental needs. PM has uniquely differentiated services with an extensive technical staff, including:

- *Environmental professionals* as defined in §312.10 of 40 CFR 312;
- Licensed Professional Engineers;
- Licensed Professional Geologists;
- Qualified UST Consultants;
- Certified Storm Water and Waste Water Treatment Plant Operators;
- Environmental, Civil, and Geotechnical Engineers;
- Geologists, Hydrogeologists, and Geophysicists;
- GIS and CAD Professionals; and
- Field Scientists and Technicians;
- Staff trained and experienced in brownfield redevelopment;

PM's success is based upon its core values. When clients hire PM, they get peace of mind that the project will be completed right the first time, the results communicated in layman's terms so they can understand the game plan, and that the results will provide them with certainty.

In addition to this letter, we have included project profiles that demonstrate our expertise in multiple services in Royal Oak, Michigan.

PM is a Michigan based firm and has completed numerous projects of this nature. PM has no conflict of interest on this project. PM possesses the necessary qualifications and experience to complete the project within budget and schedule. The necessary key staff members will be dedicated to the project. We affirm that the contents of PM's statement are accurate, factual and complete to the best of our knowledge and belief.

We have read the City of Royal Oak's Request for Proposal Response for Development Project Main Street & I-696 Site. On behalf of our proposal team, we agree to and accept the terms, specific limitations and conditions expressed therein and look forward to assisting you with this project. If you have any questions related to this proposal, please do not hesitate to contact us at 800-313-2966 or email at debone@pmenv.com with any questions related to the project or this proposal.

Sincerely,
PM ENVIRONMENTAL, INC.



Jessica DeBone
Brownfield & Economic Incentive Consultant



Michael T. Kulka, P.E.
Chief Executive Officer

Attached: Additional Project Images and Profiles

PM Environmental, Inc. Services



Environmental
Due Diligence, Site Investigation, Remediation, Retail Petroleum Services, Environmental Risk Policy Development, Environmental Compliance, Industrial Hygiene Services



Consulting
Property Condition Assessments, Energy & Sustainability Services, Construction Loan Monitoring, Architectural Consulting



Economic
Brownfield Redevelopment & Reuse, Grant Procurement and Financial Incentives

Lumber Lofts

Royal Oak, Michigan

Project Summary

- Located in redevelopment target area in Royal Oak
- The property has been occupied by various manufacturing and distribution companies (fuel oil distribution operations, coal storage, foam manufacturing, a plastic injection molding company, lumber distribution and woodworking)
- Developer looking to make current warehouse property into loft-style apartments
- Reuse of two current buildings and parking area for new loft apartments, upgraded parking facilities, private outdoor spaces
- **Over \$12 million investment**
- Brownfield redevelopment tax increment financing used to reimburse the cost of eligible activities.
- **Over \$1.6 Million in reimbursement for environmental site assessments, due care and remediation activities**
- Currently undergoing demolition and remediation activities

Services
Environmental Due Diligence
Due Care Planning
PCB Toxic Substance Control Act Work Plan
Vapor Barrier Specifications
Act 381 Brownfield Plan and Work Plan
Remediation and Construction Oversight



33 on Harrison Condominiums

Royal Oak, Michigan

Project Summary

- Since 1931 the property was a railroad spur with loading platforms, tracks and ties were removed in 2000 and has remained vacant since.
- PM Environmental conducted Phase I Environmental Site Assessment (ESA) and identified multiple recognized environmental conditions (RECs), a Phase II ESA and Baseline Environmental Assessment (BEA) for liability protection
- PM determined the site a "Facility" and prepared Brownfield Plan that included reimbursement of **environmental assessments, demolition and due care activities.**
- Development includes six condominium buildings with garages, sidewalks, pavement and landscaping.
- PM lead the successful approval of a Brownfield Plan
- Owner/Developer to be reimbursed for eligible activities in 9 years
- Project to be completed Summer of 2016

Services

Phase I ESA
Phase II ESA
BEA
Documentation of Due Care
Compliance
Due Care Activities
Preparation of Brownfield Plan



The Hyatt

Royal Oak, Michigan

Project Summary

- The site, obsolete since 2000, is the future home of an ambitious **mixed use development and Hyatt Hotel**.
- Former tenants included a dealership service building, a dealership showroom building and a former car wash.
- Many environmental concerns including former underground and above ground storage tanks and questionable waste streams
- PM Environmental helped evaluate the risk of these conditions through a Phase I Report and asbestos survey.
- **Total investment in this site is expected to be around \$60,000,000**

Services

Phase I Environmental Site Assessment
Asbestos Survey
Tax Increment Financing Analysis



Starbucks

Royal Oak, Michigan

Project Summary

- This highly trafficked spot in Royal Oak had been developed in 1950 and multiple business had occupied the then-vacant office building. The adjacent property held an automotive repair shop. The client planned on demolishing those structures to build a new Starbucks with a drive-through.
- PM provided Site assessments- Phase II, and BEA and Documentation of Due Care Compliance, Excavation, transport, and disposal of 5,415 tons of contaminated soil and associated sample, verification, and reporting and backfill, pre-demolition asbestos survey and abatement, site demolition activities as well as preparation of Brownfield Plan and associated activities
- Estimated capital investment: Approximately \$1.65 million
- Project completed in fall of 2014. { [Watch Video](#) }
- Created 20 full time jobs for the area.
- Reimbursable costs: \$243,175

Services

Baseline Environmental Assessment Activities
Due Care Activities
Asbestos Containing Materials Survey and Abatement
Preparation of Brownfield Plan and Related Activities
Site Demolition



Headquarters

124 West Allegan St., Suite 2100
Lansing, MI 48933
Phone: (517) 377-3000
Fax: (517) 485-8604



Satellite

25700 West 8 Mile Road
Southfield, MI 48033
Phone: (248) 356-7300
Fax: (248) 356-7301

April 20, 2016

Royal Oak Downtown Development Authority
211 Williams Street
Royal Oak, MI 48067

Re: Additional Information Request
696 – Main Development Site

Dear Mr. Thwing,

Please review the information below in response to your additional questions about our development proposal for the 696 – Main site:

- Provide the proposed purchase price to be paid to the Downtown Development Authority, DDA in dollars for the site.
 - *Boji Group will pay fair market value upon an appraisal for the site.*
- Identify the maximum amount, if any, of tax increment (TIF) assistance or other incentives that you intend to request from the DDA or other entity.
 - *Requested incentives will include a property tax abatement of either Act 210 or Act 255, a Brownfield plan, infrastructure improvements and city permits.*
- Provide an estimate (breakdown) of the project costs/investment.
 - *Mixed-Use Hotel/Retail \$16.5 million project cost/investment*
 - *Mixed-Use Residential/Parking/Retail \$14.5 million project cost/investment*
 - *TOTAL \$31.0 million project cost/investment*
- Provide an estimated taxable value for the proposed project.
 - *Mixed-Use Hotel and Retail \$6.0 million*
 - *Mixed-Use Residential/Parking/Retail \$5.5 million*

- Provide an estimated schedule for completing due diligence, a development agreement and commencing construction assuming the DDA selects your concept on May 4th, 2016.
 - Project Selection: May 2016
 - Project Due Diligence: May 2016 – April 2017
 - Development Agreement Completion: April 2017 – May 2017
 - Project Final Design, City Approvals, Permits: June 2017 – September 2017
 - Project Construction (All Phases): September 2017 – April 2019

- Provide a statement regarding the developer’s capabilities to arrange financing for the proposed project. Will the development be self-financed or will it require lenders/investors and/or pre-leasing or sales?
 - The project will be financed 30% by developer’s equity and the remainder through a financing mechanism, so a 30/70 split, which is typical for this type of project. Developers have completed numerous multi-million dollar projects, and has a variety of conventional and investor financing options available to them. The project financing will not require pre-leasing or sales

- Provide a written and graphic portrayal of developers “vision” of how the site will be developed. The DDA’s intent is not to elicit elaborate architectural presentations but only to obtain a sense of developer’s ideas and concepts for the site. Any residential component shall include a description of the unit size range and price range (rental rate and/or sale price). Any hotel component shall be described based upon the attached definitions.
 - Project will be two major elements: a 7 story 144 room select-service hotel, and a mixed use 84 unit residential building over ground floor retail. All needed parking will be provided on-site via surface parking and a 2 level parking garage. Hotel will include an 8th floor walk out rooftop terrace for use by hotel guests. Residential units will be rental apartment type with a mix of one and two bedroom units. Average unit size is 1400 s.f. Above adjoining parking deck will be a rooftop terrace / greenspace for use by residential tenants and their guests. First floor to include approximately 20,000 s.f. retail space in the residential building, and 6,400 s.f. retail in the hotel building – for a total of 26,400 s.f. overall.
 - Please see attached for project plans, elevations, and ‘look of’ images
 - Residential rental units will be market rate.
 - Hotel component will be select service.

- Indicate whether the entire development will be complete in one or multiple phase(s).
 - Entire development will be complete in one phase.

We look forward to discussing this exciting project further with you.

Regards,



Michael Leinweber

V.P. of Construction Services

City of Royal Oak

Gateway Development

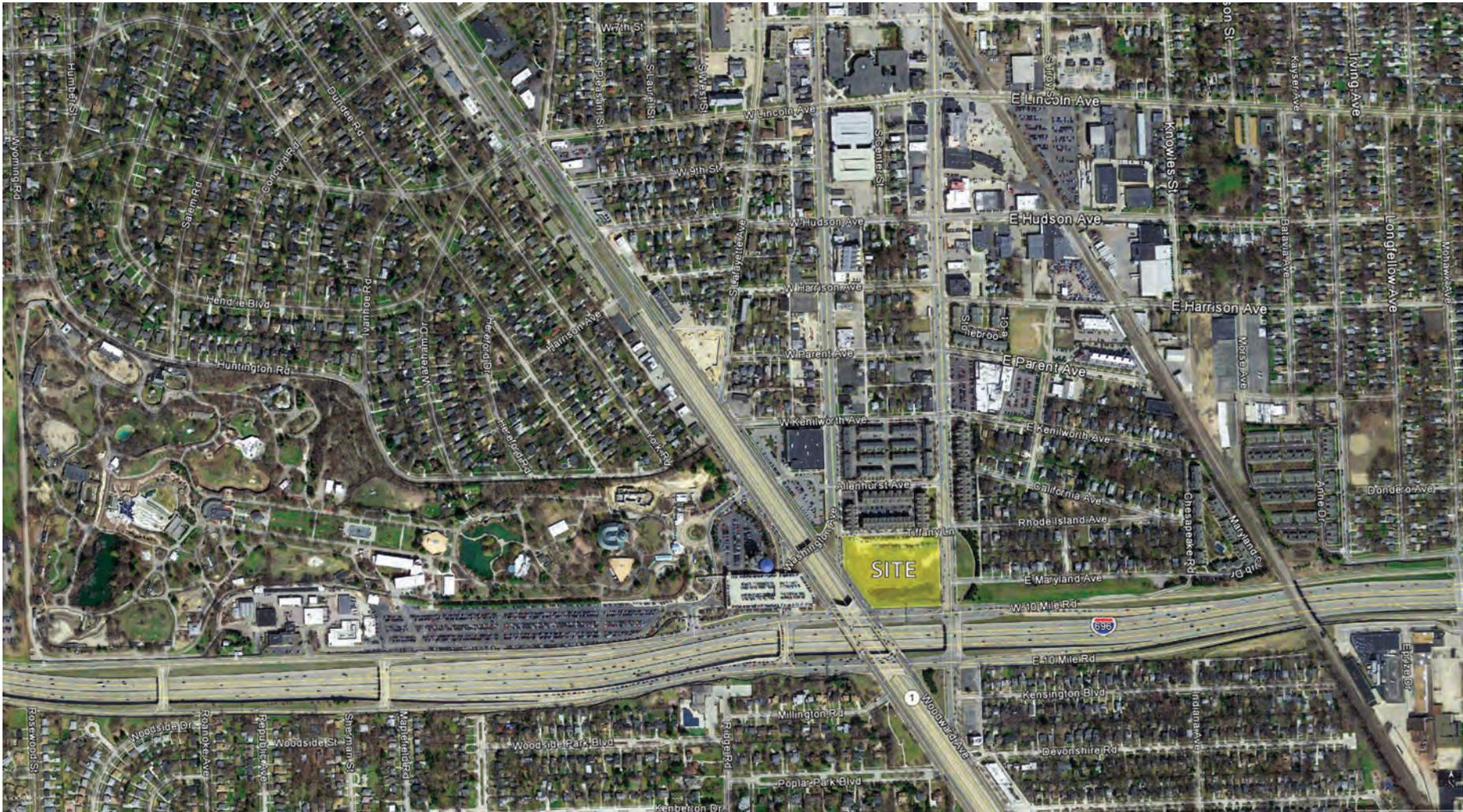
Hotel / Retail / Residential



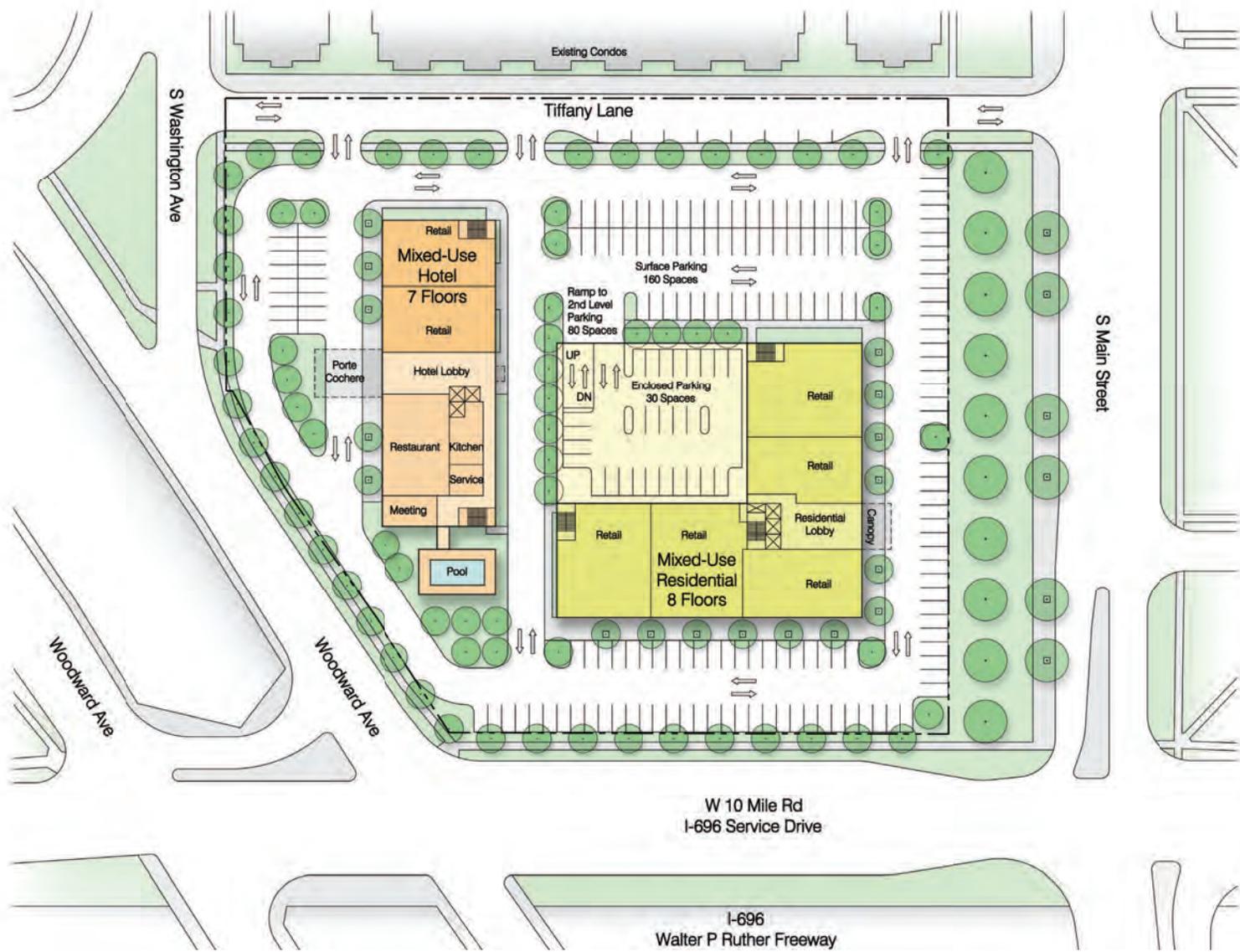
BojiGroup.com

SAROKI
ARCHITECTURE

April 5, 2016



Aerial View



Mixed-Use Hotel Building
(7 floors/ 106,500 sq. ft.)

- Level 1: Retail (6,400 sq. ft.)
Hotel Lobby & B.O.F. (5,600 sq. ft.)
Restaurant (3,000 sq. ft.)
Pool (1,500 sq. ft.)
- Levels 2-7: Hotel Rooms (6 floors)
(24 rooms per floor/ 15,000 sq. ft. per floor)
(144 Rooms total/ 90,000 sq. ft. total)
(8th Floor Hotel Pool Terrace)

Mixed-Use Residential Building
(8 floors/ 161,000 sq. ft.)

- Level 1: Retail (20,000 sq. ft.)
Residential Lobby (3,000 sq. ft.)
Enclosed Parking (36 vehicles/ 13,000 sq. ft.)
- Level 2: Enclosed Parking (80 vehicles/ 38,000 sq. ft.)
- Levels 3-8: Residential (6 floors @ 1,400 sq. ft. per unit)
(14 units per floor/ 28,000 sq. ft. per floor)
(84 total units/ 138,000 sq. ft. total)
(Level 3 terrace with green roof above covered parking)

Parking
Surface: 160 Spaces
Enclosed: 110 Spaces

Totals
Buildings: 267,500 sq. ft.
Parking: 270 Spaces
Retail: 26,400 sq. ft.
Hotel: 100,100 sq. ft. with 144 rooms
Residential: 141,000 sq. ft. with 84 units

Site Plan
Concept Development





Mixed-Use Hotel Building

Level 3: Hotel Rooms
 (24 rooms per floor / 15,000 sq. ft. per floor)
 (144 rooms total / 90,000 sq. ft. total)

Mixed-Use Residential Building

Level 3: Residential Units
 (14 units per floor / 23,000 sq. ft. per floor)
 (84 units total / 138,000 sq. ft. total)
 Green Roof / 7,400 sq. ft.
 Roof Terrace / 5,600 sq. ft.

Hotel/Retail Building and Mixed-Use Residential Building
3rd Floor Plan





8 Roof
 7 Hotel 6
 6 Hotel 5
 5 Hotel 4
 4 Hotel 3
 3 Hotel 2
 2 Hotel 1
 1 Ground Floor

8 Residential 6
 7 Residential 5
 6 Residential 4
 5 Residential 3
 4 Residential 2
 3 Residential 1
 2 Parking
 1 Ground Floor

Hotel/Retail Building and Mixed-Use Residential Building
 South Elevation





Hotel/Retail/Residential Building
Reference Images-Exterior



Hotel/Retail/Residential Building
Reference Images-Exterior



Hotel/Retail/Residential Building
Reference Images-Exterior





Hotel/Retail/Residential Building
Reference Images-Interior



Hotel/Retail/Residential Building
Reference Images-Interior

Timothy Thwing

From: Greg Newman [gnewman@keystonecres.com]
Sent: Thursday, April 21, 2016 2:33 PM
To: timt@romi.gov
Cc: Ryan Duff; Jimmy Asmar; mikeAbdulnoor@yahoo.com
Subject: 696/Main Development
Attachments: LOI, Woodward & 696, Royal Oak, 4-20-16.docx

Tim,

Please see the attached revised proposal (original sent December 28, 2015) which includes the requested additional information, as indicated on the letter dated April 12, 2016, for the "Gateway to Royal Oak" project. Our client is very excited about this development opportunity and is ready to get started upon acceptance.

If you have any questions, feel free to call me or Ryan Duff.

Sincerely,

Gregory S. Newman, *Principal*
Keystone Commercial Real Estate, LLC

248-356-8000 x 103 office
248-406-7113 Direct
248-353-7991 fax
248-444-0600 cell

31000 Northwestern Highway, Suite 200
Farmington Hills, MI 48334
www.keystonecres.com



Please join us at ICSC RECON at our Site Source Booth – Call for an appointment!

[Click here for our booth location](#)

Visit us at the Site Source booth S3933 on Q Street between 39th & 40th



April 20, 2016

Timothy E. Thwing, City Planner
City of Royal Oak
211 Williams Street
Royal Oak, MI 48068

**RE: Gateway to Royal Oak Project
Sidwell #25-21-479-031
NWC of Woodward Avenue & I-696
Royal Oak, MI 48067**

Dear Timothy:

This letter of intent serves as a proposal to purchase the above captioned property for a **premier mixed use development consisting of two Hilton brand Hotels in the economy and limited service and extended stay segments, a Retail and Office component.**

1. **Seller:** The City of Royal Oak Downtown Development Authority
2. **Purchaser:** IP Development, LLC
3. **Property:** The Property contains approximately 4.15 acres of land as described on Exhibit A.
4. **Contract Form:** Purchaser's standard purchase contract will be used.
5. **Purchase Price:** \$2,000,000.00
6. **Project Funding:** This project will be funded by the developer along with their preferred lenders. There will be no investor contribution. Additionally, the project will not require any preleasing.
7. **TIF Assistance:** None
8. **Project Cost:** The estimated cost and completed value of this project is Thirty Million (\$30,000,000) dollars.

9. **Project Cost Breakdown:**

- \$2,000,000 – Land Cost
- \$2,500,000 - Soft Costs
- \$2,000,000 – Site Development & Underground
- \$4,500,000 – FF&E
- \$19,000,000 – Building

10. **Estimated Taxable Value:** Approximately \$25,000,000

11. **Construction:** This project will be completed in **one phase** and the developer will commence construction, weather permitting, after the following items have been completed: Site Plan Approval, Closing on the property and upon the receipt of all building permits.

12. **Earnest Money Deposit:** \$15,000 to be held by the title company which shall be applicable towards the purchase price.

13. **Due Diligence Schedule:** Total 9 months (see items 14 & 15 for breakdown)

14. **Inspection Period:** One hundred fifty (150) days after the later of: (i) execution of the Contract, or (ii) the date that Seller obtains all necessary non-governmental third party (hotel) approvals for Purchaser's use of the Property as a Hotel development.

15. **Approval Period:** One Hundred Twenty (120) days after the end of the Inspection Period.

16. **Closing:** 30 days after Approval Period ends and Purchaser has waived all contingencies. Purchaser's title company will be used.

17. **Closing Costs:** Seller pays: (i) cost of all transfer and conveyance taxes and/or documentary stamps, (ii) the cost of recording any reciprocal easement agreements or similar underlying title documents to be recorded at closing, (iii) the cost of the closing escrow, (iv) all costs related to the issuance of Purchaser's title commitment, title policy, excluding any endorsements or extended coverage and (v) all roll-back taxes.

18. **Brokers:** Other than Keystone Commercial Real Estate, LLC, no brokers have been hired by Purchaser. Seller shall pay a six (6%) commission to Keystone Commercial Real Estate, LLC, which will be due at Closing.

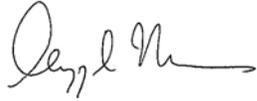
19. **Assignment of Contract**: Purchaser may assign the contract to a related party.
20. **Seller's Work**: Seller will not be required to do any site work on or off the Property pre-closing or post-closing
21. **Seller Materials**: Seller shall provide Purchaser with the following information, to the extent the same is in Seller's possession or control, no later than ten days after acceptance of this letter. The information is: (i) existing surveys (including legal descriptions); (ii) soils reports; (iii) geotechnical studies; (iv) engineering studies and test reports/results; (v) title policies and commitments and related documents (including back-up documents, operating agreements, OEAs and REAs); (vi) permits; (vii) governmental notices; (viii) any information regarding the environmental condition of the Property, including environmental studies, test results and reports; (ix) tax information (including tax bills for the previous year and (xi) any reports prepared by third parties with respect to the condition of the Property.
22. **Non Shop**: The Seller and its principal shareholders or partners, employees, agents, and representatives for a period of thirty (30) days from acceptance of this letter, (a) will not initiate, encourage the initiation by others of discussions or negotiations with third parties or respond to solicitation to third parties relating to the leasing or purchase of the referenced premises in whole or part, (b) will immediately notify Purchaser if any third party attempts to initiate any such solicitation, discussion or negotiation with Seller and (c) will not enter into agreement with respect thereto with any third party. The Seller hereby agrees that it shall be legally bound by the provisions of this paragraph and the Seller's violation of this paragraph will cause irreparable injury to Purchaser.
23. **CONFIDENTIALITY**: Seller and its principal shareholders or partners, employees, agents and representatives will not disclose the subject matter or terms of this letter or the transaction contemplated hereby unless written consent is obtained from Purchaser, which written consent may be withheld at Purchaser's sole discretion.

THIS LETTER OF INTENT IS NON-BINDING AND IS NOT INTENDED TO BE CONTRACTUAL IN NATURE. IT IS ONLY AN EXPRESSION FOR THE BASIS ON WHICH PURCHASER WOULD CONSIDER ENTERING INTO A PURCHASE CONTRACT. NEITHER PARTY SHALL BE OBLIGATED HEREUNDER OR PURSUANT TO ANY OTHER DOCUMENT OR CONVERSATION EXCEPT PURSUANT TO AND IN ACCORDANCE WITH A FORMAL, WRITTEN PURCHASE CONTRACT DULY EXECUTED BY EACH PARTY. A RESPONSE IS REQUESTED NO LATER THAN JANUARY 18, 2016.

Please feel free to call Greg Newman or Ryan Duff at (248) 356-8000 should you have any questions.

Sincerely,

KEYSTONE COMMERCIAL REAL ESTATE, LLC



Gregory S. Newman
Principal

Ryan Duff
Senior Sales Associate

PURCHASER:
IP Development, LLC

SELLER:
The City of Royal Oak Downtown
Development Authority

By: Jimmy Asmar
ITS: Member

By: Timothy E. Thwing
ITS: City Planner



31000 Northwestern Highway, Suite 200, Farmington Hills Michigan 48334
Phone 248-356-8000 – Facsimile 248-353-7991



31000 Northwestern Highway, Suite 200, Farmington Hills Michigan 48334
Phone 248-356-8000 – Facsimile 248-353-7991



Royal Oak
DOWNTOWN
DEVELOPMENT AUTHORITY

Meeting Date: 05/04/2016

211 Williams Street
Royal Oak, MI 48067
Phone: (248) 246-3280
downtownroyalok.org

MEMORANDUM

DATE: May 3, 2016
TO: MEMBERS OF THE DOWNTOWN DEVELOPMENT AUTHORITY
SUBJECT: **696-MAIN PROPERTY**

The DDA at its January 20, 2016 meeting received a report from the Business Marketing Committee which provided an overview of the interest being expressed in the 696-Main property and the direction or process the committee was considering. Over the last couple of months the BMC has been meeting with developers interested in the 696-Main Site and reviewing their proposals for the property.

A total of ten (10) groups have expressed an interest and met with the committee. The committee asked six (6) of the groups to submitted additional information. Those that provided a reply are attached.

The committee believes the development environment has changed significantly since the DDA decided to work with Schostak Bros (Tata) on an office development. At least two major office developments are proposed for the downtown area.

The committee is recommending that the DDA selected the proposal from Singh Development LLC for the following reasons:

Purchase Price; \$2,500,000
Phasing of project; None
Incentives requested: None
Short time period for Due diligence
Attractive Design and Density

Should the DDA concur with the Business Marketing Committee's recommendation the following resolution is recommended:

Be It Resolved, the Royal Oak Downtown Development Authority, DDA hereby selects Singh Development LLC as the preferred developer of the 696/Main Street property until the DDA's meeting on July 20th, 2016 in order to negotiate a Development Agreement with the DDA; and

Be It Further Resolved, upon expiration of this time period, this resolution is rescinded and the DDA and Singh Development LLC shall have no obligations to each other with respect to the 696/Main Street Property unless an extension is granted by the DDA.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Timothy E. Thwing', written over a horizontal line.

Timothy E. Thwing
Executive Director

Enclosure/attachment

Stephanie McIntyre –March 2016

Social Media

- Worked with Rebuild Nation for review and approval of monthly Facebook and Twitter ads – Sidewalk Café openings and upcoming May events for April
- Review February social media stats
- Kept Facebook page updated with upcoming events, businesses and comments
- Twitter messages
- Meet Our Businesses Monday –continued scheduling of interviews

Wine Stroll

- Developed participation form for downtown retailers

Website

- Reviewed and approved submitted businesses, events, music and photos as appropriate
- Updated website with upcoming events
- Responded to inquiries as appropriate through the downtown email

Other

- Submitted information for summer Insight
- Attended CMC Meeting on Thursday, March 3