

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is entered into effective as of _____, 2022 ("Effective Date") among the CITY OF MARQUETTE, MICHIGAN (the "CITY"), the CITY OF MARQUETTE BROWNFIELD REDEVELOPMENT AUTHORITY (the "MBRA"), and the NORTHERN MICHIGAN UNIVERSITY FOUNDATION, a Michigan 501 (c)(3) organization (the "FOUNDATION"), pursuant to which the MBRA and CITY propose to provide certain assistance and economic incentives in connection with the redevelopment of the former Marquette General Hospital into a mixed use commercial and residential development in conjunction with private partners (the "Project Incentives"), which assistance and economic incentives shall provide the framework for any future definitive binding contracts among the Parties with respect to the Project Incentives. Each of the CITY, MBRA and the FOUNDATION (collectively, the "Parties") acknowledges and understands that this document (i) is understood to be an expression of the intent of the Parties to attempt in good faith to negotiate and reach binding agreements on the matters discussed herein, (ii) is a summary of the anticipated terms of the Project Incentives, and (iii) is not a contract or an otherwise legally binding instrument and does not give rise to any legally binding obligation on the part of any of the Parties.

NOW, THEREFORE, the Parties agree to pursue good faith discussions and negotiations for such written agreements and approvals as may be necessary to finalize their mutual understandings of the following:

1. Former MGH: The FOUNDATION is currently considering acquiring and facilitating redevelopment of the former Marquette General Hospital ("MGH Site") which is located within the jurisdictional boundaries of the City of Marquette, Michigan and is comprised of multiple parcels generally bounded by W. Magnetic Street, 7th Street, W. Kaye Avenue, and 4th Street and more fully listed and described in Exhibit A. The FOUNDATION intends to secure a MASTER DEVELOPER that will implement a Development Plan for the MGH Site, as described below.
2. Proposed Commitments of the CITY, MBRA and FOUNDATION
 - a. Proposed Commitments of CITY and MBRA for MGH Site. In the event the FOUNDATION is able to acquire in fee simple title to MGH Site from DLP Marquette General Hospital, LLC and in order to induce the FOUNDATION to facilitate redevelopment of the MGH Site, the CITY and MBRA propose to, at their sole cost and expense, do the following with respect to the MGH Site, which shall be reimbursed through Brownfield TIF (as defined in Section 2.ii herein) on the MGH Site.
 - i. Environmental and Pre-Development Expenses: As approved by MBRA during its regular meeting on October 21, 2021, reimburse expenses in an amount of up to \$52,900 for the preparation of a Phase I Environmental Site Assessment, Phase II Environmental Site Assessment and Baseline Environmental in accordance with Part 201 of Act 451, PA 1994 to provide an exemption from environmental liability for pre-existing contamination and a Pre-Demolition Survey to identify the presence of lead/cadmium paint, asbestos containing materials, and Universal Waste in preparation of building demolition in accordance with State and Federal standards.
 - ii. Brownfield Plan: Facilitate the establishment of a Brownfield Plan pursuant to authority granted under Michigan Public Act 381 of 1996, as amended which

would make available to the FOUNDATION and its assignees reimbursement of Brownfield Eligible Activity expenses to the maximum extent allowed under Act 381 through Brownfield Tax Increment Financing (“TIF”) and support the FOUNDATION in securing local, state, and federal grants and loans. By way of explanation, TIF is a tool that allows a developer to be reimbursed for Brownfield Eligible Activities costs on Brownfield Eligible Property through the capture of increased incremental taxes on the property resulting from the new development. Brownfield Eligible Property includes contaminated, functionally obsolete, blighted, historically designated, or tax reverted property. Brownfield Eligible Activities include Baseline Environmental Assessment (Phase I and II Environmental Site Assessments and Baseline Environmental Assessments), Due Care Activities (due care plans, contaminated soil management, engineered barriers), Additional Response Activities (other remediation); Environmental Insurance, Demolition, Asbestos Abatement; Site Preparation, and Infrastructure, and, under certain circumstances, Property Acquisition and Transfer Assistance.

- iii. Additional Brownfield Incentives: Facilitate arrangements with the FOUNDATION and a master developer selected by the FOUNDATION (“MASTER DEVELOPER”) as needed to foster additional Brownfield incentives, including Act 381 Work Plan for approval of State tax capture, as well as Property Acquisition and Property Transfer Assistance which may require City ownership of affected property.
- iv. Brownfield Public Infrastructure: As part of the Brownfield Plan, design and reconstruct College Avenue in accordance with the plans included in Exhibit B, or a mutually agreeable alternative, and design and provide necessary upgrades to City utilities, including water, sewer and stormwater, and coordinate with Marquette Board of Light and Power for necessary electrical services as will be further described in the Brownfield Plan. City construction contracts will adhere to City Commission Policy 1999-02.
- v. Land Use Coordination: Expedite and facilitate all land use and zoning applications for the redevelopment of the MGH Site.
- vi. Development and Reimbursement Agreement: The CITY and MBRA will prepare a Development and Reimbursement Agreement with the terms and conditions for the reimbursement of Brownfield Eligible Activities through Brownfield TIF and negotiate in good faith with the FOUNDATION, and the MASTER DEVELOPER as appropriate, to agree upon and execute the Development and Reimbursement Agreement.

b. Proposed Commitments of the FOUNDATION for MGH Site. The FOUNDATION represents that it proposes to do the following with respect to the MGH Site, subject to the conditions precedent being satisfied or waived in writing by the FOUNDATION:

i. MASTER DEVELOPER

1. Serve as the facilitator for securing a MASTER DEVELOPER through a Request for Qualifications (RFQ), under the following conditions:

- a. The FOUNDATION will have exclusive rights to select the MASTER DEVELOPER.
 - b. Along with other requirements as determined by the FOUNDATION, the RFQ will include requests for information and experience with mixed use development to include multiple types of housing opportunities, sustainability, and community engagement.
2. Contract with the MASTER DEVELOPER to prepare and implement the Development Plan.
 3. Provide the proposed contract between the FOUNDATION and the MASTER DEVELOPER to the CITY and MBRA for review.
- ii. Community Engagement: In conjunction with the MASTER DEVELOPER, develop a Community Engagement Plan that describes the approach for engaging the community and compiling input for the FOUNDATION, the CITY and MBRA to review and implement the Community Engagement Plan.
 - iii. Development Plan: In conjunction with the MASTER DEVELOPER, prepare a Development Plan that will include, as a minimum:
 - a. Inventory of Parcels, Existing Buildings and Infrastructure, and Other Resources
 - b. ALTA Survey
 - c. Goals and Objectives
 - d. Affordable and workforce housing as described in the recommendations of the Ad Hoc Housing Committee report
 - e. Market Analysis
 - f. General Requirements under City Planning and Zoning
 - g. Design Requirements
 - h. Circulation and Open Space Design
 - i. Proposed Building Construction
 - j. Parking and Infrastructure Needs
 - k. Phasing Plan
 - l. Financing Plan
 - iv. Development and Reimbursement Agreement: The FOUNDATION, and the MASTER DEVELOPER, as appropriate, will negotiate in good faith with the CITY and MBRA to develop and execute the Development and Reimbursement Agreement.

3. General Provisions

- a. Conditions Precedent: Any future binding contract between the parties will require the approval by resolution of the Marquette City Commission and the City of Marquette Brownfield Redevelopment Authority.

- b. Notices: All notices, demands, requests and other communications under this MOU shall be in writing and addressed as follows:

City: City of Marquette
300 West Baraga Avenue
Marquette, Michigan 49855
Attn: Karen Kovacs, City Manager
kkovacs@marquettemi.gov

MBRA: City of Marquette Brownfield
Redevelopment Authority
1100 Wright Street
Marquette, Michigan 49855
Attn: Sheri Davie, Executive Director
marquettebrownfield@gmail.com

FOUNDATION: Northern Michigan University Foundation
607 Cohodas Hall, 1401 Presque Isle Avenue
Marquette, Michigan 49855
ATTN: Brad Canale, Chief Executive Officer
bcanale@nmu.edu

- c. Counterparts. This Agreement and other documents to be delivered pursuant to this Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document, and will be effective when counterparts have been signed by each of the parties and delivered to the other parties.
- d. Electronic Signatures. A manual signature on this Agreement or other documents to be delivered pursuant to this Agreement, an image of which shall have been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of this Agreement or other documents to be delivered pursuant to this Agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Agreement or such other document for all purposes.

[SIGNATURES APPEAR ON NEXT PAGE]

The parties hereto have caused this MOU to be executed as of the day and year first above written.

NORTHERN MICHIGAN UNIVERSITY FOUNDATION

Date: _____

By: Brad Canale, Its: Chief Executive Officer

MARQUETTE BROWNFIELD REDEVOLPMENT AUTHORITY

Date: _____

By: Sheri Davie, Its: Executive Director

CITY OF MARQUETTE

Date: _____

By: Jennifer A. Smith, Its: Mayor

Date: _____

By: Kyle Whitney, Its: Clerk

APPROVED AS TO SUBSTANCE

APPROVED AS TO FORM

Karen M. Kovacs, City Manager

Suzanne C. Larsen, City Attorney

EXHIBIT A-1

Property List

Tax Parcel	Street Address
(Parcel 4) Tax ID: 52-52-004-100-90	1119 N. Fourth Street
(Parcel 5) Tax ID: 52-52-004-100-80	1121 N. Fourth Street
(Parcel 6) Tax ID: 52-52-004-210-10	1200 N. Seventh Street
(Parcel 8) Tax ID: 52-52-004-108-20	427 W. College
(Parcel 9) Tax ID: 52-52-004-204-20	600 W. College
(Parcel 10) Tax ID: 52-52-004-208-60	613 W. College
(Parcel 11) Tax ID: 52-52-004-208-50	617 W. College
(Parcel 12) Tax ID: 52-52-004-208-40	619 W. College
(Parcel 13) Tax ID: 52-52-004-208-30	621 W. College
(Parcel 14) Tax ID: 52-52-004-208-20	627 W. College
(Parcel 15) Tax ID: 52-52-004-205-20	640 W. College
(Parcel 16) Tax ID: 52-52-004-100-70	309 W. Magnetic Street
Parking Lot (Parcel 18) Tax ID: 52-52-004-100-51	323 W. Magnetic Street
Parking Lot (Parcel 20) Tax ID: 52-52-004-100-40	325 W. Magnetic Street
Parking Lot (Parcel 22) Tax ID: 52-52-004-100-30	327 W. Magnetic Street
Parking Lot (Parcel 24) Tax ID: 52-52-004-100-20	329 W. Magnetic Street
Paved Parking Lot (Parcel 26) Tax ID: 52-52-004-106-80	420 W. Magnetic Street
Paved Parking Lot (Parcel 27) Tax ID: 52-52-004-105-50	441 W. Magnetic Street
MOB (Parcel 29) Tax ID: 52-52-004-209-30	508 W. Magnetic Street
MOB (Parcel 30) Tax ID: 52-52-004-209-40	510 W. Magnetic Street
Paved Parking Lot (Parcel 31) Tax ID: 52-52-004-213-40	515 W. Magnetic Street

Paved Parking Lot (Parcel 32) Tax ID: 52-52-004-213-30	519 W. Magnetic Street
Paved Parking Lot (Parcel 33) Tax ID: 52-52-004-214-30	521 W. Magnetic Street
Paved Parking Lot (Parcel 34) Tax ID: 52-52-004-213-20	525 W. Magnetic Street
Paved Parking Lot (Parcel 35) Tax ID: 52-52-004-213-10	527 W. Magnetic Street
MOB (Parcel 37) Tax ID: 52-52-004-209-50	622 W. Magnetic Street
Paved Parking Lot (Parcel 38) Tax ID: 52-52-004-209-60	624 W. Magnetic Street
Paved Parking Lot (Parcel 39) Tax ID: 52-52-004-209-70	636 W. Magnetic Street
Vacant Land (Parcel 41) Tax ID 52.-52-004-209-80	640 W. Magnetic Street
Vacant Land (Parcel 42) Tax ID: 52-52-004-209-90	642 W. Magnetic Street

EXHIBIT A-2

Depiction of the Property

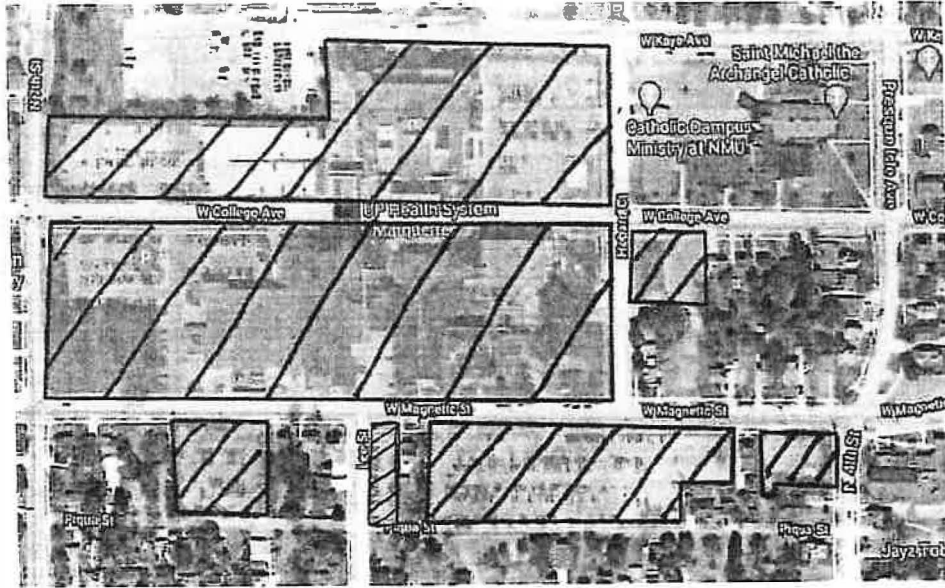


Exhibit B

COLLEGE AVENUE STREET RECONSTRUCTION SEVENTH STREET TO PRESQUE ISLE AVENUE

Existing Right of Way	80 feet wide
Street Classification	Urban Minor Arterial – Defined in Community Master Plan
Existing Street Width	40 - 45 feet. (Back of curb to Back of curb) Part of street area currently being used as a turn lane to hospital on north side.
Existing Curbing	C-2 curb and gutter and straight curbing
Existing on Street Parking	South side of the street & both sides of street east of Hebard Court
Existing Water Main	4” sand cast iron 1922, 8” sand cast iron 1919
Existing Sanitary Sewer	8” VCP 1922 and 1940
Existing Storm Sewer	15” concrete pipe 1944
PASER Rating	Currently rated a 2, (1 worst – 10 new)
Bicycle Facilities	Bicycles currently share roadway with motorists. This street is not included as a designated bikeway in the Community Master Plan.

Primary Issues: The street structure and all utilities are past their useful service lives. The undersized water main cannot provide sufficient fire flows.

Proposals: Upgrade the existing street by removal of the asphalt and road base and replace with current standard street materials at the proposed width show in the cross section.

Replace the undersized water mains with an 8-inch ductile water main to provide adequate fire flows.

Replace the sanitary sewer main with current approved standard materials.

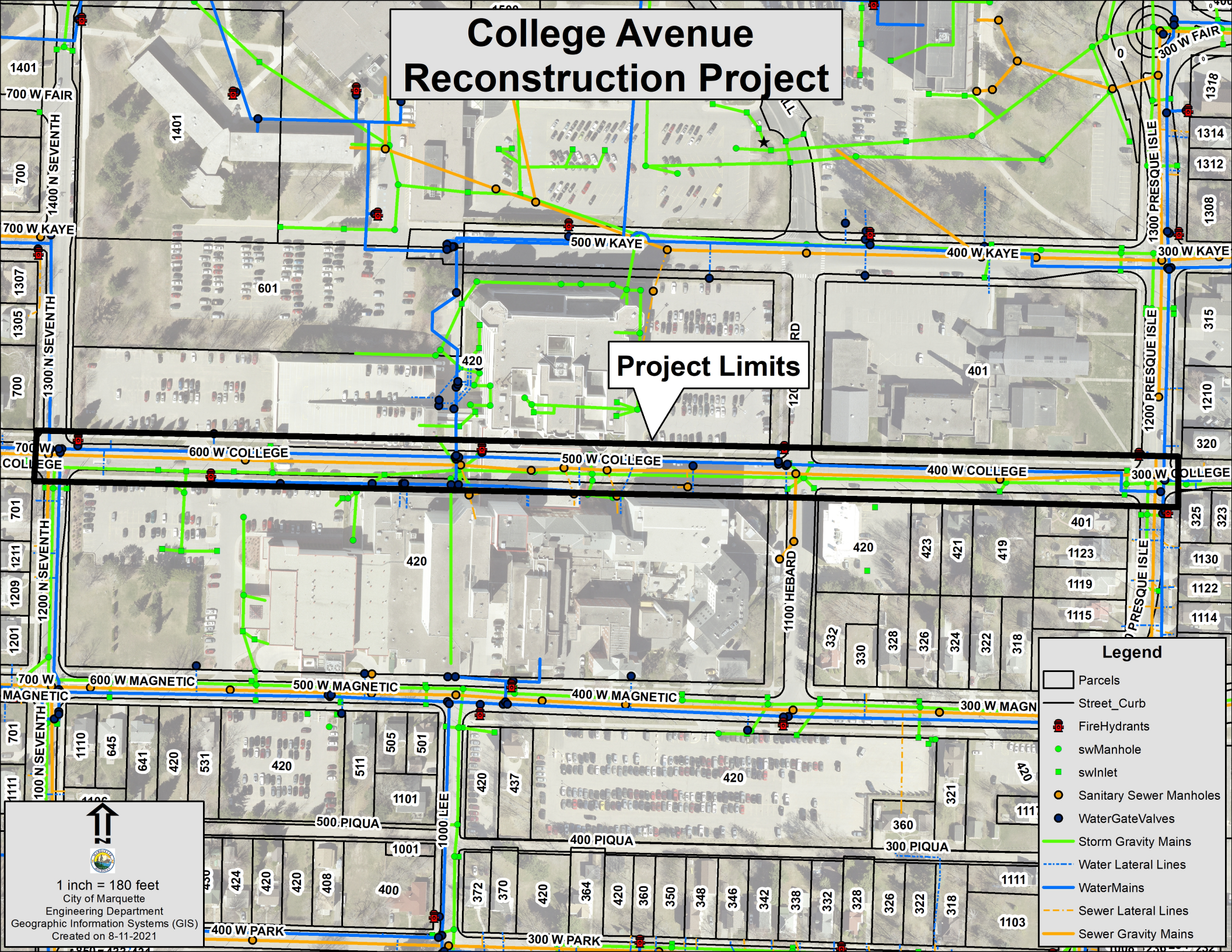
Concrete curb and gutter will replace the existing curbing to provide a uniform street cross section.

The storm sewer system will be replaced and upgraded to reinforced concrete piping. Additional structures and increased pipe sizes will be provided for sufficient flow intercepts.

College Avenue Reconstruction Project

Project Limits

- ### Legend
- Parcels
 - Street_Curb
 - FireHydrants
 - swManhole
 - swInlet
 - Sanitary Sewer Manholes
 - WaterGateValves
 - Storm Gravity Mains
 - Water Lateral Lines
 - WaterMains
 - Sewer Lateral Lines
 - Sewer Gravity Mains



1 inch = 180 feet

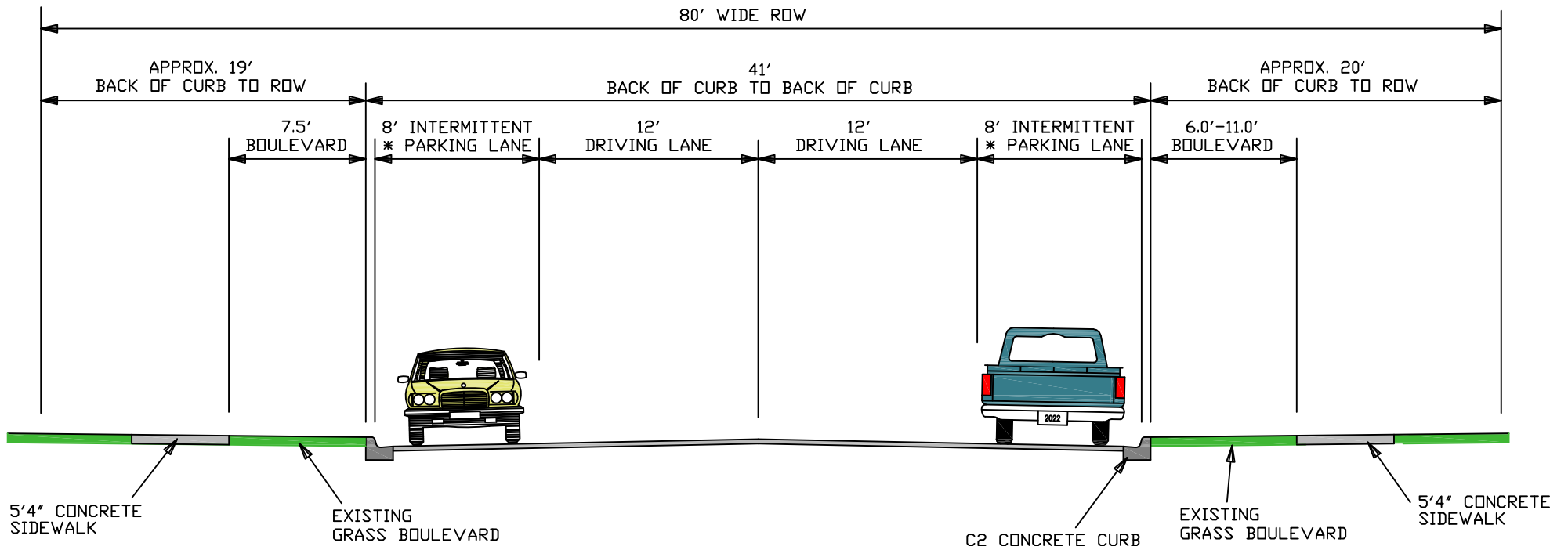
 City of Marquette

 Engineering Department

 Geographic Information Systems (GIS)

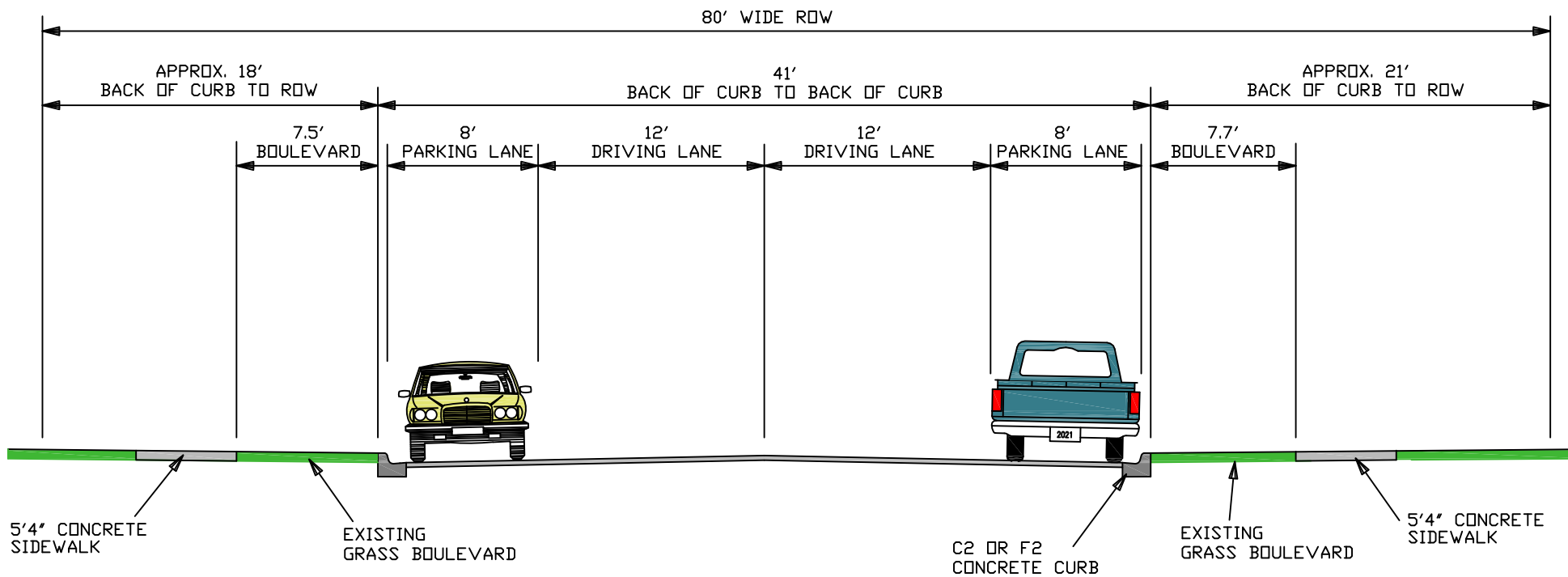
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**PROPOSED COLLEGE AVENUE
PRESQUE ISLE AVENUE TO SEVENTH STREET
(FACING WEST)**

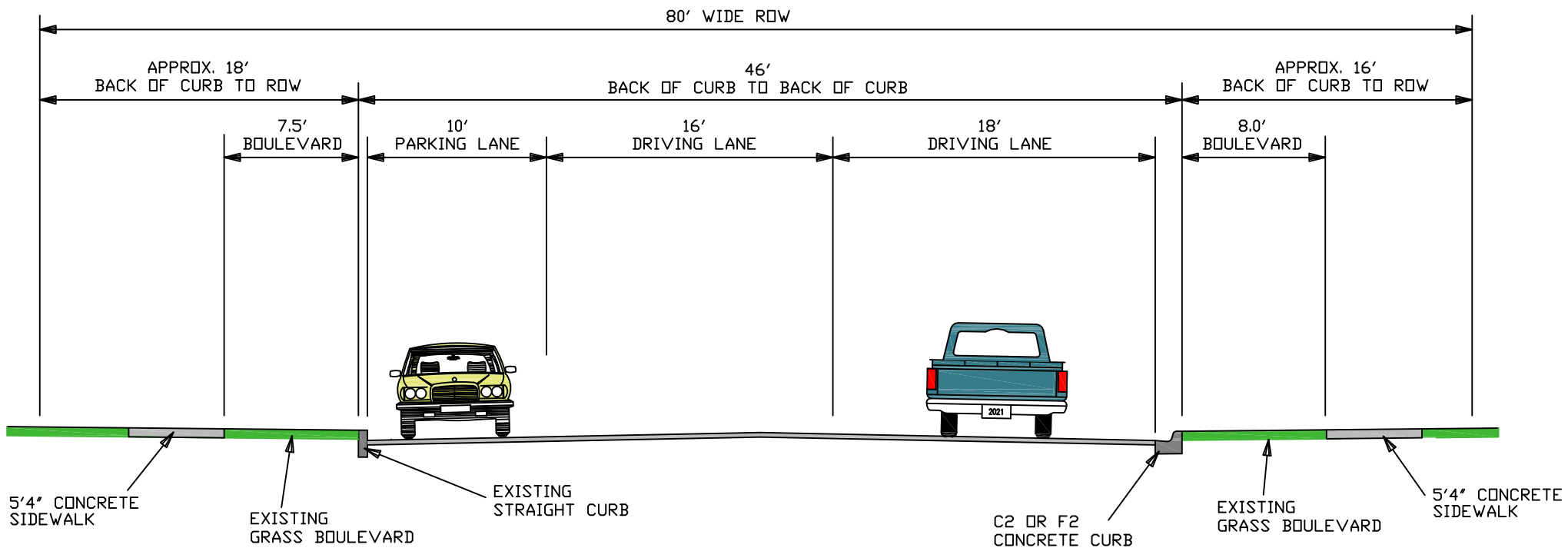


* EXISTING STREET PARKING LIMITS TO REMAIN. LAYOUT ALLOWS FOR EXPANSION IN THE FUTURE.

**EXISTING SECTION
COLLEGE AVENUE
PRESQUE ISLE AVENUE TO HEBARD COURT
(FACING WEST)**



**EXISTING SECTION
COLLEGE AVENUE
HEBARD COURT TO 328' EAST OF SEVENTH STREET
(FACING WEST)**



**EXISTING SECTION
COLLEGE AVENUE
328' EAST OF SEVENTH STREET TO SEVENTH STREET
(FACING WEST)**

