

REVISED 2857 PACKARD DEVELOPMENT AGREEMENT

THIS AGREEMENT, made this ____ day of _____, 2019, ("Agreement") by and between the City of Ann Arbor, a Michigan municipal corporation, with principal address at 301 East Huron Street, Ann Arbor, Michigan 48107, hereinafter called the CITY; and Peters Building Company, a Michigan corporation, with principal address at 172 S. Industrial Drive, P.O. Box 577, Saline, MI 48176, hereinafter called the DEVELOPER, witnesses that:

WHEREAS, the DEVELOPER owns certain land in the City of Ann Arbor, described in paragraph T-4 below (the "Property") and site planned as the Revised 2857 Packard Site Plan (the "Project"), located at 2857 Packard Road, and

WHEREAS, the DEVELOPER has caused certain land in the City of Ann Arbor, described below to be surveyed, mapped and site planned as the Revised 2857 Packard Site Plan, and desires site plan for City Council approval and development agreement approval thereof, and

WHEREAS, on _____, City Council approved the Revised 2857 Packard Site Plan ("Site Plan") and Agreement pursuant to a Consent Judgment entered by the Washtenaw County Circuit Court in Case No. 18-822-NZ on _____, 2019, and

WHEREAS, the DEVELOPER desires to build or use certain Improvements with and without the necessity of special assessments by the CITY, and

WHEREAS, the CITY desires to ensure that all of the Improvements required by pertinent CITY ordinances and regulations be properly made, and that the DEVELOPER will install these Improvements prior to any permits being issued.

THE DEVELOPER HEREBY AGREES:

(P-1) To prepare and submit to the CITY for approval plans and specifications ("the Plans") prepared by a registered professional engineer for construction of public water and sanitary sewer mains, public and private storm water management systems, public streets, sidewalks and streetlights ("the Improvements") provided that no work on said Improvements shall be commenced until the Plans have been approved by the City Administrator or designee, and until such other relevant information to CITY service areas as shall be reasonably required has been provided.

(P-2) To construct all Improvements set forth in Paragraph P-1 of this Agreement in accordance with the approved Plans and to repair all defects in the Improvements that occur within one year from the date of acceptance of the Improvements by the CITY, commencing on the latest date of the acceptance of any Improvements by the CITY. If the DEVELOPER fails to construct the Improvements, the CITY may send notice via first class mail to the DEVELOPER at the address listed above requiring it to commence and complete the Improvements in the

notice within the time set forth in the notice. The CITY may cause the work to be completed at the expense of the DEVELOPER, if the DEVELOPER does not complete the work within the time set forth in the notice. Every owner of a portion of the property, including co-owners of condominium units, shall pay a pro-rata share of the cost of the work. That portion of the cost of the work attributable to each condominium unit shall be a lien on that property and may be collected as a single tax parcel assessment as provided in Chapter 13 of the Ann Arbor City Code.

(P-3) To furnish, within 30 days of completion, an engineer's certificate that the construction of the public Improvements set forth in Paragraph P-1 above have been completed in accordance with the specifications of the CITY in accordance with the approved plans. The engineer's certificate will cover only those items the DEVELOPER'S engineer inspects.

(P-4) To grant easements to the CITY for public utilities and public right-of-way as shown on the approved site plan and construction drawings, subject to City Council approval. DEVELOPER shall submit legal descriptions and survey drawings for the easements prior to the request for and issuance of building permits, and the easements shall be granted to the CITY in a form reasonably acceptable to the CITY Attorney. The easements must be accepted by City Council prior to the request for and issuance of any temporary or final certificate of occupancy, although the easements may be accepted at a later time as determined by the CITY Public Services Area.

(P-5) To provide, prior to the issuance of building permits, a signing plan to the Fire Department and install all street name signs according to CITY specifications and to provide and install such temporary warning signs during the construction period as are appropriate to protect the health, safety and welfare of the public.

(P-6) To install all water mains, storm sewers, and sanitary sewers, pursuant to CITY approved plans and specifications, necessary to connect the site with existing CITY systems adjacent to the site prior to the issuance of any building permits. The final course of asphalt paving on private streets shall be completed prior to the issuance of any certificate of occupancy on the site.

(P-7) To be included in a future special assessment district, along with other benefiting property, for the construction of additional Improvements to Packard Road, such as street widening, storm sewers, curb and gutter, sidewalks, bike paths, street lights, and the planting of trees along Packard Road, frontage when such Improvements are determined by the CITY to be necessary. A provision shall be included in the master deed for the project stating that if the CITY undertakes to establish a special assessment district to improve *Packard Road*, each unit shall be assessed its pro rata share of the cost of Improvements allocable to the Property.

(P-8) To have conveyed to the CITY an easement for the off-site 8" sanitary sewer that fronts the parcel at 2873 Packard Road, or to provide an alternative connection to the City sanitary sewer system as approved by the City Public Services Area. The easements must be accepted by City Council prior to the request for and issuance of any temporary or final certificate of occupancy, although the easements may be accepted at a later time as determined by the CITY Public Services Area.

(P-9) To indemnify, defend and hold the CITY harmless from any claims, losses, liabilities, damages or expenses (including reasonable attorney fees) suffered or incurred by the CITY based upon or resulting from any acts or omissions of the DEVELOPER, its employees,

agents, subcontractors, invitees, or licensees in the design, construction, maintenance or repair of any of the Improvements required under this Agreement and the approved site plan.

(P-10) To cause to be maintained General Liability Insurance and Property Damage Insurance in the minimum amount of \$1,000,000 per occurrence and naming the CITY as additional insured to protect and indemnify the CITY against any claims for damage due to public use of the public improvement(s) in the development prior to final written acceptance of the public improvement(s) by the CITY. Evidence of such insurance shall be produced prior to any construction of improvement and a copy filed with the City Clerk's Office and shall remain in full force and effect during construction of the public improvement(s) and until notice of acceptance by the CITY of the Improvements.

(P-11) Existing woodland, landmark, and/or street trees shown on the site plan as trees to be saved shall be maintained by the DEVELOPER or condominium unit owner in good condition for a minimum of three years after acceptance of the public Improvements by the CITY or granting of Certificate of Occupancy or final approval of the lot or unit. Existing woodland, landmark, street trees that are determined by the CITY to be dead, dying or severely damaged due to construction activity within three years after acceptance of the public Improvements or granting of Certificate of Occupancy or final approval of the lot or unit, shall be replaced by the DEVELOPER as provided by Ann Arbor City Code.

(P-12) For the benefit of the residents of the DEVELOPER'S development, to make a park contribution of \$31,875 to the CITY Parks and Recreation Services Unit prior to the issuance of certificates of occupancy for Improvements to Buhr Park or Cobblestone Farms.

(P-13) The planting of mitigation trees in the public ROW, the maintenance, care and replanting are the responsibility of the DEVELOPER. All mitigation trees must be in thriving condition and if any die they must be replaced the following growing season in perpetuity as a continuing obligation of the Site Plan. This shall be included in the master deed for the Property.

(P-14) To contribute \$54,200 to the City's Street Tree Fund in lieu of planting mitigation trees on site prior to the issuance of permits.

(P-15) To complete an archaeological study for the site, as required by CITY ordinance or regulations, which is acceptable to the CITY prior to issuance of a grading permit and to follow the recommendations of the report.

(P-16) To create an association composed of all owners of 2857 Packard Road condominium, hereinafter called the "Association", in which membership shall be required by covenants and restrictions recorded as part of the master deed. The association shall be responsible for and shall execute the appropriate documents insuring perpetual maintenance and ownership of the landscape materials, exterior lighting, seating structures, driveways, on-site storm water management system, mitigation trees, and all other common elements.

(P-17) To construct, repair and/or adequately maintain on-site storm water management system. If the DEVELOPER fails to construct, repair and/or maintain the private storm water management system, the CITY may send notice via first class mail to the DEVELOPER at the address listed above, requiring it to commence and complete the items stated in the notice within the time set forth in the notice. The CITY may cause the work to be completed at the expense of the DEVELOPER if the DEVELOPER does not complete the work within the time set forth in the notice.

(P-18) After construction of the private on-site storm water management system, to maintain it until non-developer co-owners elect one or more directors to the Association's board of directors. Thereafter, by provision in the master deed, the Association shall own and maintain the storm water management system. Any proposed changes to the system must be approved by the City of Ann Arbor Systems Planning and Planning and Development Services Units. If the DEVELOPER or Association, as appropriate, fails to maintain any portion of the system, the CITY may send notice via first class mail to the DEVELOPER, or Association, at the address listed above, requiring it to commence and complete the maintenance stated in the notice within the time set forth in the notice. The CITY may cause the work to be completed at the expense of the DEVELOPER or Association if the DEVELOPER or Association does not complete the work, as appropriate, within the time set forth in the notice. If the CITY completes the work, and the costs remain unpaid by the Association for 60 days after notice via first class mail, the CITY may bill each condominium unit for the pro rata share of the total cost, or assess the pro rata share of those costs to each condominium unit as a single tax parcel assessment as provided in Chapter 13 of Ann Arbor City Code. Provisions for maintenance and responsibility for the storm water management system, as well as the pro rata share of each condominium unit shall be included by the DEVELOPER in the master deed.

(P-19) After construction of the private on-site storm water management system, to commission an annual inspection of the system by a registered professional engineer evaluating its operation and stating required maintenance or repairs, and to provide a written copy of this evaluation to the CITY Public Services Area upon request.

(P-20) To prepare and submit to the Planning and Development Services Unit one copy of the Master Deed, along with the required review fee, prior to issuance of building permits.

(P-21) To design, construct, repair and maintain this development in accordance with the provisions of Chapter 119 (Noise Control) to ensure that any noise emanating from said development will not impact nearby residents or businesses. In addition, DEVELOPER shall review existing noise sources surrounding said development and incorporate necessary design and construction techniques to ensure that future tenants will not be exposed to noise sources in violation of Chapter 119.

(P-22) To remove all discarded building materials and rubbish from the development at least once each month during construction of the development Improvements, and within one month after completion or abandonment of construction.

(P-23) Developer shall not begin demolition, removal, or salvage of the existing house on the Property prior to April 1, 2020, or when a grading permit is issued to commence construction of the Project, whichever is later, in order to provide the City (or a third party designated by the City Administrator) with time to explore options to move the house and preserve it at another location. Developer agrees to cooperate with the City, to allow reasonable access and entry to the house as long as the City provides notice of at least three business days, and to negotiate in good faith with the City regarding logistics of moving the house. City acknowledges that moving the existing house will be at its own expense.

(P-24) No unit in 2857 Packard may be divided such that an additional building parcel is created.

(P-25) DEVELOPER is the sole title holder in fee simple of the land described below except for any mortgage, easements and deed restrictions of record and that the person signing

below on behalf of DEVELOPER has legal authority and capacity to enter into this agreement for DEVELOPER.

(P-26) Failure to construct, repair and/or maintain the site pursuant to the approved site plan and/or failure to comply with any of this approved Agreement's terms and conditions shall constitute a material breach of the Agreement and the CITY shall have all remedies in law and/or in equity necessary to ensure that the DEVELOPER complies with the approved site plan and/or the terms and conditions of the approved Agreement. The DEVELOPER shall be responsible for all costs and expenses including reasonable attorney fees incurred by the CITY in enforcing the terms and conditions of the approved site plan and/or Agreement.

(P-27) In addition to any other remedy set forth in this Agreement or in law or equity, if DEVELOPER fails to make a timely or full payments to the CITY as set forth elsewhere in the Agreement to the CITY in the agreed upon manner, any unpaid amount(s) shall become a lien, as provided under Ann Arbor City Code and recorded with the Washtenaw County Register of Deeds, against the land described below and may be placed on the CITY tax roll as a single lot assessment, or if the development is converted to condominium ownership, every owner of a portion of the property shall pay a pro-rata share of the amount of the payments attributable to each condominium unit. If the unpaid amount(s), in whole or in part, has been recorded as a lien on the CITY'S tax roll and with the Washtenaw County Register of Deeds, upon payment of the amount in full along with any penalties and interest, the CITY, upon request, will execute an instrument in recordable form acknowledging full satisfaction of this condition.

(P-28) To pay for the cost of recording this Agreement with the Washtenaw County Register of Deeds, and to pay for the cost of recording all documents granting easements to the CITY.

(P-29) To complete the Natural Features Maintenance Plan as shown on Sheet 28 of the site plan, and include continuing compliance with the Natural Features Maintenance Plan in the Master Deed.

THE CITY HEREBY AGREES:

(C-1) In consideration of the above undertakings, to approve the Revised 2857 Packard Site Plan.

(C-2) To use the park contribution described above for Improvements to Buhr Park or Cobblestone Farms.

(C-3) To provide timely and reasonable CITY inspections as may be required during construction.

(C-4) To record this Agreement with the Washtenaw County Register of Deeds.

(C-5) Other items as needed.

GENERAL TERMS

Both the DEVELOPER and the CITY agree as follows:

(T-1) This Agreement is not intended to create a contractual right for third parties.

(T-2) This Agreement and any of its terms, conditions, or provisions cannot be modified, amended, or waived unless in writing and unless executed by both parties to this Agreement. Any representations or statements, whether oral or in writing, not contained in this Agreement shall not be binding on either party.

(T-3) This Agreement and any of its terms or conditions shall not be assigned or transferred to any other individual or entity unless prior approval of the CITY is received. Such approval shall not be withheld unreasonably.

(T-4) The obligations and conditions on the DEVELOPER, as set forth above in this Agreement and in the approved site plan, shall be binding on any successors and assigns in ownership of the following described parcel:

City of Ann Arbor, Washtenaw County, Michigan

Commencing at the South 1/4 post of Section 3, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence North 89°47'30" East, 594 feet in the South line of said Section for a Place of Beginning; thence North 00°51'30" East, 853.56 feet; thence North 89°56'30" East, 407.13 feet; thence South 00°56' West to the South line of the Section; thence West along said South Section line to Place of Beginning.

Being more particularly described as the following:

Commencing at the S 1/4 corner of Section 3, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence N89°47'30"E 593.60 feet (recorded 594 feet) along the South line of said Section 3 to the Point of Beginning; thence N00°51'30"E 853.56 feet along the East line of Lots 1-9 of "Green Lea" Subdivision as recorded in Liber 11 of Plats, Page 42, Washtenaw County Records; thence N89°56'30"E 407.13 feet along the South line of Lots 11-14 of said "Green Lea" Subdivision; thence S00°56'00"W 324.52 feet along the West line of Lots 29-33 of "Kensington Farms" Subdivision, as recorded in Liber 12 of Plats, Pages 49 and 50, Washtenaw County Records; thence continuing S00°56'00"W 528.00 feet; thence S89°47'30"W 406.03 feet (recorded West) along said South line of Section 3 to the Point of Beginning. Being a part of the SE 1/4 of Section 3, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan, and containing 7.96 acres, more or less.

Parcel ID No.: 09-12-03-404-054

(T-5) In addition to any other remedy in law or in equity failure to comply with all of the above paragraphs on the part of the DEVELOPER, or any part of the approved site plan, in part or in whole, shall give the CITY adequate basis and cause to issue a stop work order for any previously-issued building permits and shall be an adequate basis and cause for the CITY to deny the issuance of any building permits, certificates of occupancy, or any other permits unless and until the CITY has notified the DEVELOPER in writing that the DEVELOPER has satisfactorily corrected the item(s) the DEVELOPER has failed to perform.

