## **CONDITIONAL REZONING AGREEMENT** (The Dean – Residential Housing Project)

This Conditional Rezoning Agreement (the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2025 (the "Effective Date"), by and between the City of Ann Arbor, a Michigan municipal corporation, with its offices located at 301 E. Huron Street, Ann Arbor, MI 48104 (the "City"), and East Madison Project Owner LLC, a Delaware limited liability company (the "Developer"), with its principal offices located at 10 Campus Boulevard, Newtown Square, PA 19073.

#### THE PARTIES RECITE THAT:

**WHEREAS,** the City is organized and existing under and pursuant to the laws of the State of Michigan, and exercising all of the powers provided for therein and pursuant to State law:

**WHEREAS,** the Developer is a Delaware limited liability company organized and existing in good standing under and pursuant to Delaware law, and exercising all of the powers provided therein;

**WHEREAS**, the Developer has contracts to acquire 9 parcels of real property located within the City, which collectively consist of approximately .95 acres of land bounded by S. 4th Avenue, E. Madison Street and S. 5th Avenue (as depicted and legally described on **Exhibit A**) (collectively, the "Property"). Four of the parcels are zoned M1(limited industrial district) and five of the parcels are zone R4C (multiple family residential). The parcels contain aging multi-family structures of average or poor quality which will all be removed;

**WHEREAS,** under and pursuant to Section 405 of the Michigan Zoning Enabling Act, 2008 PA 110, as amended (codified at MCL §125.3405 *et seq*), certain conditions voluntarily offered by the Developer, may become a condition of rezoning of land;

WHEREAS, on November \_\_\_\_\_, 2025, the Developer submitted an Application to Rezone the Property (the "Conditional Rezoning Request") from the M1 and R4C zoning districts to the D1 Downtown District, voluntarily offering certain conditions in connection with the rezoning request, in order to develop, construct, use and operate a high-rise multiple-unit residential building of approximately 220 dwelling units (the "Project" or the "Dean"). The Project is generally depicted in the Plan (the "Area Plan") attached hereto

as **Exhibit B** and as more specifically described and limited by the terms and conditions set forth herein;

WHEREAS, the Project and Conditional Rezoning Request by the Developer described herein, were not required by the City; rather it was offered voluntarily by the Developer and the offered conditions, intended acts and forbearances are deemed necessary by Developer to preserve and enhance the character of the area and, in general, is consistent with the City's Master Plan and other policies to provided necessary and convenient housing opportunities serviced by multi-modal transportation options, and to promote sustainable development with recreational amenities;

WHEREAS, Developer has not alleged or demonstrated that the existing zoning is invalid for any reason, but rather the proposed conditional rezoning of the Property with the conditions offered was determined by Developer, and confirmed by the City, to be compatible with the both the developed and changing character of the neighborhood and the goals of providing sufficient and suitable housing opportunities for the City's growing work force and University of Michigan student population, while promoting the public health, safety and welfare;

**WHEREAS**, the City has relied on Developer's representations that it will act in conformance with the conditions of rezoning as set forth herein and the Site Plan attached as **Exhibit B** (subject to change in accordance with conditions of rezoning and final site planning and engineering), so that the development of the Property will accomplish the above-stated goals and objectives of the City;

<b>WHEREAS</b> , the City Planning Commission, on	, 2025, held a Public
Hearing on the request for Conditional Rezoning and proposed	amendment to the City's
Zoning Map and thereafter at its meeting on, 2029	5, voted to recommend
approval of the request for Conditional Rezoning to the City Cou	ıncil; and

**WHEREAS,** the City Council, on \_\_\_\_\_, 2025, voted to approve the request for Conditional Rezoning based upon the conditions set forth in this Agreement and the attached Exhibits;

**NOW, THEREFORE,** in consideration of the foregoing and the mutual promises hereinafter set forth, the City and the Developer agree as follows:

- 1. **CONDITIONS OF REZONING.** If the Property is developed under the D1 District, the Property shall be developed, used and operated in a manner consistent with the following conditions of rezoning:
  - a. <u>Height Restrictions.</u> The maximum building height shall be 161 feet as measured from the average grade.
  - b. <u>Design Standards.</u> Although the Project is located just outside the Downtown Development District ("DD District"), the Developer agrees to adhere to the design requirements of the Downtown Development Authority for projects developed within the DD District.

c. <u>Building Setbacks.</u> The required Side and Rear Setbacks in the Midtown Downtown Overlay District is zero feet. The Developer agrees to increase this to 10' when abutting any residential zoned property,

#### 2. MISCELLANEOUS PROVISIONS.

- a. <u>Effective Date of Rezoning</u>. The rezoning shall take effect following the publication pursuant to MCL 125.340.
- b. <u>Agreement Consistent with Police Powers.</u> The action of the City in entering into this Agreement is based upon the understanding that many of the housing, transportation and environmental objectives of the City are reflected in the design of the Project as proposed and the City is thus achieving its police power objectives and has not, by this Agreement, bargained away or otherwise compromised any of its police power objectives.
- c. <u>Termination of Agreement</u>. In the event that the Developer or its designee fails to acquire the Property within twenty-four (24) months of the Effective Date (unless extended by the parties by mutual agreement), then this Agreement shall be deemed null and void and of no further force and effect and the Property will at the discretion of the City revert back to the M1 and R4C Zoning Districts without restrictions.
- d. <u>Entire Agreement.</u> This Agreement, the exhibits attached hereto, if any, and the instruments which are to be executed in accordance with the requirements hereof set forth all the covenants, agreements, stipulations, promises, conditions, and understandings between the City and the Developer concerning the Project as of the date hereof, and there are no covenants, agreements, stipulations, promises, conditions or understandings, either oral or written, between them other than as set forth herein.
- e. Relationship of the Parties. The relationship of the City and the Developer shall be defined solely by the expressed terms of this Agreement, including the implementing documents described or contemplated herein, and neither the cooperation of the parties hereunder nor anything expressly or implicitly contained herein shall be deemed or construed to create a partnership, limited or general, or joint venture between the City and the Developer, nor shall any party or their agent be deemed to be the agent or employee of any other party to this Agreement.
- f. <u>Michigan Law to Control.</u> This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with Michigan law.
- g. <u>Due Authorization.</u> The City and the Developer each warrant and represent to the other that this Agreement and the terms and conditions thereof have been duly authorized and approved by, in the case of the City, its City Council, and all other governmental agencies whose approval may be required as

a precondition to the effectiveness hereof, and as to the Developer, by the appropriate manager/members, and that the persons who have executed this Agreement below have been duly authorized to do so.

- h. Agreement to Run with the Land; Recording. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective heirs, successors, assigns and transferees, and shall run with the Property. This Agreement shall be recorded by Developer at its expense with the office of the Washtenaw County Register of Deeds and a copy provided to the City.
- i. <u>Counterparts.</u> This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one agreement. The signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement on the date first set forth above.

	City of Ann Arbor, a Michigan municipal corporation
	By: Its:
And:	By: Its:
State of Michigan ) ) ss County of Washtenaw)	
of the City of Ann Arbor, and to me known to be the persons describ	2025, before me personally appeared, the d, the d, the of the City of Ann Arboroed in and who executed the foregoing Conditional ed before me that they executed the same as their
	, Notary Public, County, Michigan Acting in County, Michigan My Commission Expires:

	Developer:
	East Madison Project Owner LLC, a Delaware limited liability company LLC
	By: Its: Manager
State of ) ss County of )	
known to be the person described	, 2025, before me personally appeared behalf of East Madison Project Owner LLC, to me do in and who executed the foregoing Conditional
Rezoning Agreement and acknowled free act and deed.	dged before me that they executed the same as their
	, Notary Public County, Michigan
	Acting in County, Michigan My Commission Expires:

### Drafted by:

Alan M. Greene, Esq. Dykema Gossett PLLC 39577 Woodward Avenue, Suite 300 Bloomfield Hills, MI 48304

### After recording return to:

Alan M. Greene, Esq. Dykema Gossett PLLC 39577 Woodward Avenue, Suite 300 Bloomfield Hills, MI 48304

#### **EXHIBIT A**

# TO CONDITIONAL REZONING AGREEMENT (Legal Description)

#### **EXHIBIT B**

# TO CONDITIONAL REZONING AGREEMENT (Area Plan)