

**DELHI CHARTER TOWNSHIP DOWNTOWN DEVELOPMENT AUTHORITY MEETING**

**Meeting Location – Community Services Center**

**2074 Aurelius Road, Holt, MI**

**Tuesday, June 25, 2024**

**7:00 p.m.**

**AGENDA**

**Call to Order**

**Pledge of Allegiance**

**Roll Call**

**Comments from the Public**

ANYONE WISHING TO COMMENT ON ANY MATTER NOT ON THE AGENDA MAY DO SO AT THIS TIME. PERSONS ADDRESSING THE BOARD MUST STATE THEIR NAME AND ADDRESS FOR THE RECORD AND WILL BE GIVEN TWO (2) MINUTES.

**Set/Adjust Agenda**

**Approval of Minutes: Regular Meeting of April 30, 2024**

**INFORMATIONAL MEETING FOR TAXING JURISDICTIONS**

Pursuant to Recodified Tax Increment Financing Act 57 of 2018  
Distribution, Review, and Discussion of 2024 Report

**Report**

Market Analysis for Delhi Charter Township – Howard Kohn, CEO Chesapeake Group

**Business**

1. Approval of Proposal with Advance Redevelopment Solutions

**Late Agenda Item**

- 2.

**Reports**

3. Executive Director
4. Marketing Committee
5. Planning Commission
6. Supervisor
7. Treasurer
8. Members

**Limited Comments**

MEMBERS OF THE PUBLIC MAY TAKE THE OPPORTUNITY TO ADDRESS THE BOARD REGARDING ANY ITEM ON THE AGENDA AT THE TIME SUCH ITEM IS OPEN FOR DISCUSSION BY THE BOARD. ANYONE WISHING TO COMMENT ON ANY MATTER NOT ON THE AGENDA MAY DO SO AT THIS TIME.

**Adjournment**

**DELHI CHARTER TOWNSHIP  
DOWNTOWN DEVELOPMENT AUTHORITY BOARD  
MINUTES OF REGULAR MEETING HELD ON April 30, 2024**

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The Downtown Development Authority met Tuesday, April 30, 2024 in a regular meeting at the Community Services Center, 2074 Aurelius Road, Holt, Michigan. Chairperson Leighton called the meeting to order at 7:00 p.m. The Pledge of Allegiance was recited.

**MEMBERS PRESENT:** Harry Ammon, Jon Breier, Rita Craig, Tim Fauser, John Hayhoe, David Leighton, Sally Rae

**MEMBERS ABSENT:** Nanette Miller

**OTHERS PRESENT:** C. Howard Haas, DDA Executive Director, Doreen Viney DDA Administrative Secretary

**PUBLIC COMMENT:** None

**SET/ADJUST AGENDA** There were no adjustments to the agenda.

**APPROVAL OF MINUTES**

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**Craig moved, Fauser supported, to approve the regular meeting minutes of January 30, 2024.**

A Voice Poll Vote was recorded as follows: All Ayes  
Absent: Miller

**MOTION CARRIED**

**Rae moved, Ammon supported, to approve the regular meeting minutes of November 28, 2023.**

A Voice Poll Vote was recorded as follows: All Ayes  
Absent: Miller

7:05 Nanette Miller joined the Board meeting.

**BUSINESS**

**Purchase of Replacement Streetlight Posts**

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**Fauser moved, Craig supported to approve the proposal from Michigan Lighting Systems for the purchase of replacement streetlight posts in the amount of \$31,590.00**

A Roll Call Vote was recorded as follows:  
Ayes: Ammon, Breier, Craig, Fauser, Hayhoe, Leighton, Miller, Rae  
Absent:

**MOTION CARRIED**

SUBJECT TO APPROVAL

**DELHI CHARTER TOWNSHIP  
DOWNTOWN DEVELOPMENT AUTHORITY BOARD  
MINUTES OF REGULAR MEETING HELD ON April 30, 2024**

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**REPORTS**

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**Executive Director**

Mr. Haas stated that Esker Square Building 2 has eight to nine units preleased and Building 1 is 100% leased. There will be a Grand Opening in June to welcome Esker Square to the community. Mr. Haas spoke about the Farmers Market expansion and explained that the DDA is waiting for Consumers Power to have utility lines moved to the pole barn of 2042 Cedar Street. A survey will be conducted to combine 2042 and 2150 to allow for this expansion. He reported that there will be solar generators mounted behind the pole barn acquired through a Federal Grant. Mr. Haas stated that Ingham County Sheriff's office has spoken to him about Flok Safety, an ID system that would employ 22 cameras in Delhi Township and South Lansing for security. Mr. Haas reported the Chesapeake Group will complete the housing survey in May and would report their findings later in the summer at a recorded Board Meeting. He spoke about new Brownfield laws passed by Michigan Legislatures, that allows developers to recapture tax dollars over time on property purchased over fair market value for housing. Mr. Haas has been in contact with the owner of Bigby Coffee in Holt. The DDA owns the property contiguous to Bigby and may potentially lease the property to Bigby to serve individuals utilizing the non-motorized trail. No permanent structure will be erected, and the property would revert to the DDA if Bigby sells. He also reported that the Food Frenzy had 867 guests. Fifteen food trucks participated, he expects expansion of the Farmers market will allow more food trucks and vendors.

Mr. Fauser inquired if the solar panels behind 2042 Cedar would extend beyond the property line, and would any trees need to be trimmed. Mr. Haas responded that they would not extend beyond the property line and no trees would need trimming.

**Advertising & Marketing Committee**

David Leighton reported that the Advertising and Marketing meeting was held that afternoon. The data given by Truscott Rossman showed strong participation in social media. He spoke about discussions enabling postings to be tracked in more detail. Proposals for drone videos were discussed in potential areas such as the Farmers Market, Music in the Park, and other local areas of interest. Truscott continues to revise the DDA Value Piece.

**Planning Commission**

The planning commission will again be looking at the application on Elk Horn pass homes on the property located on the North corner of College and Holt Road.

**Supervisor**

Mr. Hayhoe reported the Cruise to Holt event this Friday May 3rd at the Farmers Market, it is posted on Facebook. The date is not set for Music in the Park.

SUBJECT TO APPROVAL

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**Treasurer**

Treasurer Sally Rae stated that Fiscal Year 2023 is still being finalized, there is no report.

**Members**

**Limited Comments**

**ADJOURNMENT**

The meeting was adjourned at 7:17 p.m.

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Nanette Miller, Secretary

/dv

SUBJECT TO APPROVAL

**2024 Downtown Development Authority & Brownfield Redevelopment Authority Activities**

**Informational Meeting for Taxing Jurisdiction**

**Pursuant to Recodified Tax Increment Financing Act 57 of 2018**

**June 25, 2024**

- Construction completed on Building 2 at Esker Square and is leasing. The Esker Square project will provide the Cedar Street Corridor with 90 apartments with first floor live/work units available. Building 1 is 100% occupied.
- Property of 2142 Cedar Street, immediately adjacent to the Holt Farmer's Market was purchased. The house will be demolished with the pole barn to remain as vendor space with additional parking.
- The Holt Farmers Market will be hosting its popular Food Frenzy, and BBQ and Brew events this summer and fall. Food trucks and live entertainment brought thousands of Delhi Township residents and visitors to the Cedar Street corridor.
- Operation of Holt Farmers Market, one of the Township's most popular destinations continues to expand. SNAP (EBT), Double Up Food Bucks, Senior and WIC Project FRESH coupons accepted.
- Quarterly Newsletter HoltNow published highlighting local businesses. Continued expansion of social media outlets (Facebook, Twitter, and Instagram) highlight Township events and local businesses.
- The Non-motorized trail between Holt and Mason was constructed in conjunction with the re-surfacing of Cedar Street.

June  
2024



**Executive Summary:  
Market Analysis  
For  
Delhi Charter Township**

Corporate Office: 8516 Green Lane, Baltimore, Maryland 21244  
Offices in Maryland, Michigan, Florida, and Pennsylvania  
410.265.1784/800.745.0185 [tcgroup@rcn.com](mailto:tcgroup@rcn.com) [www.chesapeakegroup.com](http://www.chesapeakegroup.com)

# Delhi Township Analysis Summary

The following are the conclusions from the market-rate housing and commercial assessment prepared by The Chesapeake Group, Inc. (TCG) in cooperation with the Township and Delhi's Downtown Development Authority. TCG is an independent economic analysis and development planning consulting firm established in 1974. TCG has offices in Michigan, Maryland, Pennsylvania, and Florida. TCG has provided services to the Township and DDA several times during the last fifteen years.

Extensive research was conducted, and a new database was developed for this market assessment to define opportunities. Included were a review of historical development patterns, residential and commercial sales and rental trends, a survey of area residents focused on housing needs and commercial spending patterns, and computer modeling.

***It Is Not Necessarily Where You Have  
Been But Where You Are Going***

## HOUSING

Based on the following factors, demand for additional housing from the development and redevelopment of parcels in Delhi Charter Township follows. (Holding capacity and zoning are not factors related to market but the Township's ability to seize opportunities.)

- ✓ Historical permitting patterns for the Township and the County.
- ✓ Sales and rental trends.
- ✓ Residents' Likelihood of moving as defined through the survey of more than 400 unique households.
- ✓ Internally generated new households.
- ✓ Income levels and affordability of the new units.
- ✓ The desire for smaller housing units by significant numbers of current residents who may move.
- ✓ Age composition of households.
- ✓ The desire for walkability.
- ✓ Competitive positioning.

1. It is conservatively estimated that about 225 new housing units will have been, are under construction, or will be under construction since the last U.S. Census in 2020.
2. A total of between 700 and 1,200 new units are expected to be marketable, permitted, and absorbed over the next five years through 2029.
3. Between 450 and 700 units will be homes traditionally defined as "multi-family" or attached homes. (The definition of family has and continues to change.) Many of the households will consist of one or two members.
4. About ninety percent of the attached units will be two to three bedrooms, with about sixty percent of these being three bedrooms. The "third" bedroom will often be used as a work space, den, or hobby area.
5. About five to seven percent of the attached units will be one-bedroom or studio.
6. Rent levels for attached units are likely to rise from current levels by \$300 to \$500.
7. The attached units will primarily be rented. However, many of these could be developed and marketed as "rent-to-own" homes.
8. The new units will likely be townhouse-style, accommodating first-story bedrooms for various age groups. Attached "flats" could be a significant portion of the housing units.

- 9. Between 250 and 400 “single-family” or detached units will also be marketable over the next five years.
- 10. Sale prices, by necessity, will be \$325,000 or above, with most being above \$350,000.
- 11. However, forty to fifty percent of the detached units will likely not be owner-occupied and potentially be marketed as “rent-to-own” developments.

*Anticipated New Housing Units for the Township through 2029\**

New Units	2020-2024	2024-2029
Low	228	696
High	228	1213

\*Developed by The Chesapeake Group, Inc., 2024.

- 12. The County will likely increase its housing inventory between 2,975 and 3,795 units between 2024 and 2029. These units contribute to the potential demand for goods and services within the Township.

*Anticipated new housing Units in the County by 2029\**

New Units	2020-2024	2024-2029
Low	2300	2975
High	2300	3795

\*Developed by The Chesapeake Group, Inc., 2024.

## COMMERCIAL

The following opportunities are derived from the anticipated growth in households in the Township and the County.

- ✓ About 100,000 square feet of new or replacement space is primarily generated by the residents of the Township.
- ✓ One focus should be on food and food services. Attraction should focus on “independent, non-chain operations” and in the core of Holt. These establishments create a dilemma as financing such operations is historically more difficult than financing chain operations.
- ✓ An additional 15,000 to 20,000 square feet of food space can be captured from the County market growth, focusing on food and food services.



June  
2024

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THE CHESAPEAKE GROUP, INC  
BUILDING A FOUNDATION FOR THE FUTURE



## Market Analysis For Delhi Charter Township

Corporate Office: 8516 Green Lane, Baltimore, Maryland 21244  
Offices in Maryland, Michigan, Florida, and Pennsylvania  
410.265.1784/800.745.0185 [tcgroup@rcn.com](mailto:tcgroup@rcn.com) [www.chesapeakegroup.com](http://www.chesapeakegroup.com)



# Delhi Charter Township Market Analysis

The following is an assessment for market-rate residential and commercial development opportunities in Delhi Charter Township. The assessment was prepared by The Chesapeake Group, Inc. (TCG) in cooperation with the Township and Delhi's Downtown Development Authority.

TCG is an independent economic analysis and development planning consulting firm established in 1974. TCG has offices in Michigan, Maryland, Pennsylvania, and Florida. TCG has extensive experience throughout Michigan and is currently or has been in the past year a consultant to several private developers and public sector jurisdictions in eastern, central, and western sections of Michigan. Through that process, TCG has conducted surveys of households focused on future housing needs and household spending. TCG has provided services to the Township and DDA several times during the last fifteen years.

Residential activity has evolved and will continue to evolve. Both external and internal factors impact marketable residential and commercial opportunities. External factors influencing future development are universal, expanding and limiting opportunities. Internal factors are those that are unique to Delhi Township or neighboring areas. Past, current, and future market conditions play a critical role in a community's land use. Communities are not stagnant. Changes create opportunities that can be seized.

This document is based on extensive primary and secondary data research, surveys of households, and demand forecasting based on proprietary computer models. The opportunities presented do not reflect the holding capacity of the land or zoning. They reflect only market considerations. The area may be able to hold more or fewer homes and other activities than indicated. The opportunities represent the opinions of The Chesapeake Group, Inc. (TCG) based on the substantial analysis and research as well as the collective experience of the professionals associated with TCG.

The analysis involved six components. The first is a review of residential permitting trends impacting future development. The second consists of current residential market conditions. The third involves future housing market conditions, while the fourth involves defining residential opportunities. The sixth and seventh involve current commercial patterns, conditions and projections of demand for goods and services..

## **HISTORICAL HOUSING AND HOUSEHOLD GROWTH CONTEXT**

Non-residential development must be placed within the context of residential development. Most often, households generate potential sales and supportable space for other goods and services. Furthermore, based on historical patterns and trends, housing growth has the most significant potential to reconfigure future land use.

Two historical periods are significant when looking at opportunities. One is prior to the Great Recession, and the other is more recent years when interest rates for mortgages were extremely low for an extended period. The following summarizes the patterns for Ingham County from 2000 through 2010. It is noted that prior to the Great Recession that began in 2006 housing prices generally rose at a rapid pace because resale expectations were extremely high.

- ✓ A total of roughly 7,000 housing units were permitted in the County.
- ✓ The number of new housing units permitted averaged about 700 yearly.
- ✓ Most homes permitted for the County are defined as “single-family” units. “Single-family” is a term used best describing detached housing units. Sixty-nine percent or about seven in ten were detached homes.
- ✓ Thirty-one percent are defined as “multi-family” homes. These units are best described as attached homes as each unit is still intended to be for one “household” or “family.” They differ because they are attached to another unit through shared walls, ceilings, floors, or other means.

*Table 1 - Ingham County Permitted Homes from 2000 through 2010\**

Type of Unit	Total Units	Avg	Percent
Total Units	6967	697	100%
Units in Single-Family Structures	4811	481	69%
Units in All Multi-Family Structures	2156	216	31%
Units in 2-unit Multi-Family Structures	84	8	1%
Units in 3- and 4-unit Multi-Family Structures	32	3	0%
Units in 5+ Unit Multi-Family Structures	2040	204	29%

\*Developed by The Chesapeake Group, Inc., 2024. Based on the HUD database.

The patterns for Delhi generally meshed with the County’s pattern partially because the Township has a significant share of the County’s population and households.

- ✓ The Township permitted 2,055 homes.
- ✓ Delhi averaged just over 200 homes yearly.
- ✓ Sixty-seven percent of all homes permitted were detached units.
- ✓ One-third of all permitted homes were attached.
- ✓ Delhi permitted twenty-nine percent of all units permitted.
- ✓ The Township permitted thirty-two percent of all attached homes in the County.

*Table 2 – Delhi Charter Township Permitted Homes from 2000 through 2010\**

Type of Unit	Total Units	Avg	Percent	Percent of County
Total Units	2055	206	100%	29%
Units in Single-Family Structures	1369	137	67%	28%
Units in All Multi-Family Structures	686	69	33%	32%
Units in 2-unit Multi-Family Structures	8	1	0%	10%
Units in 3- and 4-unit Multi-Family Structures	0	0	0%	0%
Units in 5+ Unit Multi-Family Structures	678	68	33%	33%

\*Developed by The Chesapeake Group, Inc., 2024. Based on the HUD database.

The second period is defined as 2011 until 2022. 2023 is excluded as the available database was not considered “final” when this document was prepared.

The year 2011 is considered the technical end of the Great Recession. During all but the final two years, interest rates, including mortgage rates, were extremely low by historical standards, increasing housing affordability. On the other hand, development costs rose rapidly during the latter parts of the period due to the Covid Pandemic and its impact on supply chains and other factors.

The following reflects the permitting for Ingham County.

- ✓ A total of about 6,600 housing units were permitted during the time frame.
- ✓ The number of units permitted for the County equals roughly the same number permitted during 2000 through 2010.
- ✓ The proportion of single-family or detached homes permitted is substantially between that of the previous period, while the proportion of attached or multi-family units expanded substantially.

*Table 3 - Ingham County Permitted Homes from 2011 through 2022\**

Type of Unit	Total Units	Avg
Total Units	6592	599
Units in Single-Family Structures	2763	251
Units in All Multi-Family Structures	3829	348
Units in 2-unit Multi-Family Structures	28	3
Units in 3- and 4-unit Multi-Family Structures	34	3
Units in 5+ Unit Multi-Family Structures	3767	342

\*Developed by The Chesapeake Group, Inc., 2024. Based on the HUD database.

The following reflects the Township's permitting.

- ✓ Over 1,100 homes were permitted from 2011 through 2022.
- ✓ About two-thirds of the units were detached.
- ✓ On average, just over 100 units were permitted annually.
- ✓ A total of roughly 380 attached homes were permitted.
- ✓ The Township permitted seventeen percent of all units permitted for the County.
- ✓ The Township permitted about ten percent of all attached units permitted for the County.

*Table 4 – Delhi Township Permitted Homes from 2011 through 2022\**

Type of Unit	Total Units	Avg	Percent	Percent of County
Total Units	1,117	102	100%	17%
Units in Single-Family Structures	734	67	66%	27%
Units in All Multi-Family Structures	383	35	34%	10%
Units in 2-unit Multi-Family Structures	2	0	0%	7%
Units in 3- and 4-unit Multi-Family Structures	8	1	1%	24%
Units in 5+ Unit Multi-Family Structures	373	34	33%	10%

\*Developed by The Chesapeake Group, Inc., 2024. Based on the HUD database.

## CURRENT MARKET CONDITIONS – SINGLE FAMILY

Current sales and rental rates in and around Delhi were reviewed. The database was developed using online sources such as Zillow.com, Realtor.com, Trulia.com, and a range of local Real Estate sites.

The following is a synopsis of current housing market patterns by zip code area and the number of bedrooms. Construction timespans for single-family detached homes are provided based on their age before and post-1972, when the Michigan Building Code was first established under the State Construction Code Act.

Per square foot prices (real estate listing prices) for each zip code area were compared to the pricing data in the Delhi Charter Township Housing Market Assessment previously completed by The Chesapeake Group. Though the data applied in both studies may vary based on factors such as ownership, unit availability, area trends, and other factors, the large sample sizes of the studies are considered sufficient identifying and comparing fundamental trends in the housing market between 2019 and 2024.

### Zip Code 48821

The following summarizes the findings for Zip Code 48821.

- ✓ The units were built between 1945 and 2021. About twenty percent were built before 1972, and eighty percent were built since 1972.
- ✓ The range in sale price per square foot for all units was between \$106 and \$284.
- ✓ The average sale price per square foot was \$185.
- ✓ For two-bedroom units, the average per square foot sales price was \$232.
- ✓ The range in sale price per square foot for three-bedroom units was \$193 and \$284.
- ✓ The average sale price per square foot was \$224 for three-bedroom homes.
- ✓ The range in sale price per square foot was from \$106 to \$153 for four or more bedroom units.
- ✓ For four or more bedroom units, the average sale price per square foot was \$132.

*Table 5 - Per Square Foot Sale Price for Units in Zip Code Area 48821\**

Number of Bedrooms	Per Square Foot Sales Price 2024	Per Square Foot Sales Price 2019	Percent Change in Per Square Foot Sale Price 2019 - 2024
2	\$232	\$117	98%
3	\$224	\$135	66%
4+	\$132	\$106	25%

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48842

The following summarizes the findings for Zip Code 48842.

- ✓ The units were built between 1925 and 2016. About fifty-six percent were built before 1972, and forty-four percent were built since 1972.
- ✓ The range in sale price per square foot for all units was between \$77 and \$233.
- ✓ The average sale price per square foot was \$138.
- ✓ The average per square foot sales price was \$232, while the range was from \$129 and \$161 for two-bedroom units.
- ✓ The range in sale price per square foot for three-bedroom units was \$77 and \$233.
- ✓ The average sale price per square foot was \$132 for three-bedroom homes.
- ✓ The range in sale price per square foot was from \$102 to \$207 for four or more bedroom units.
- ✓ The average sale price per square foot was \$146 For four or more bedroom units.

*Table 6 - Per Square Foot Sale Price for Units in Zip Code Area 48842\**

Number of Bedrooms	Per Square Foot Sale Price - 2024	Per Square Foot Sale Price - 2019	Percent Change in Per Square Foot Sale Price 2019 - 2024
2	\$139	\$63	121%
3	\$132	\$135	-2%
4+	\$146	\$106	38%

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48854

The following summarizes the findings for Zip Code 48854.

- ✓ The units were built between 1841 and 2024. About fifty-six percent were built before 1972, and forty-four percent were built since 1972.
- ✓ The range in sale price per square foot for all units was between \$95 and \$252.
- ✓ The average sale price per square foot was \$154.
- ✓ The range in sale price per square foot for three-bedroom units was \$117 and \$252.
- ✓ The average sale price per square foot was \$152 for three-bedroom homes.
- ✓ The range in sale price per square foot was from \$102 to \$207 for four or more bedroom units.
- ✓ The average sale price per square foot was \$155 for four or more bedroom units.

*Table 7 - Per Square Foot Sale Price for Units in Zip Code Area 48854\**

Number of Bedrooms	Per Square Foot Sale Price - 2024	Per Square Foot Sale Price - 2019	Percent Change in Per Square Foot Sale Price 2019 - 2024
3	\$152	\$126	21%
4+	\$155	\$139	12%

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48910

The following summarizes the findings for Zip Code 48910.

- ✓ The units were built between 1853 and 1986. Virtually all units were built since 1972.
- ✓ The range in sale price per square foot for all units was between \$44 and \$194.
- ✓ The average sale price per square foot was \$108.
- ✓ The average per square foot sales price was \$118 for one-bedroom units.
- ✓ The average per square foot sales price was \$109, while the range was from \$69 and \$141 for two-bedroom units.
- ✓ The range in sale price per square foot for three-bedroom units was \$44 and \$194.
- ✓ The average sale price per square foot was \$109 for three-bedroom homes.
- ✓ The range in sale price per square foot was from \$72 to \$148 for four or more bedroom units.
- ✓ The average sale price per square foot was \$99 for four or more bedroom units.

*Table 8 - Per Square Foot Sale Price for Units in Zip Code Area 48910\**

Number of Bedrooms	Per Square Foot Sale Price - 2024	Per Square Foot Sale Price - 2019	Percent Change in Per Square Foot Sale Price 2019 - 2024
1	\$118	\$71	66%
2	\$109	\$64	70%
3	\$109	\$68	60%
4+	\$99	\$65	52%

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48911

The following summarizes the findings for Zip Code 48911.

- ✓ The units were built between 1918 and 2024. About two-thirds of the units were built before 1972.
- ✓ The range in sale price per square foot for all units was between \$63 and \$207.
- ✓ The average sale price per square foot was \$116.
- ✓ The average per square foot sales price was \$179 for one-bedroom units.
- ✓ The average per square foot sales price was \$111, while the range was from \$68 and \$146 for two-bedroom units.
- ✓ The range in sale price per square foot for three-bedroom units was \$63 and \$207.
- ✓ The average sale price per square foot was \$119 for three-bedroom homes.
- ✓ The range in sale price per square foot was from \$87 to \$137 for four or more bedroom units.
- ✓ The average sale price per square foot was \$109 for four or more bedroom units.

*Table 9 - Per Square Foot Sale Price for Units in Zip Code Area 48911\**

Number of Bedrooms	Per Square Foot Sale Price - 2024	Per Square Foot Sale Price - 2019	Percent Change in Per Square Foot Sale Price 2019 - 2024
1	\$179 (One Listing)	No Listings	NA
2	\$111	\$91	22%
3	\$119	\$102	17%
4+	\$106	No Listings	NA

\*Developed by The Chesapeake Group, Inc., 2024.

Table 10 compares the per square foot sale price of housing units in each zip code area by the number of bedrooms.

*Table 10 - Per Square Foot Sale Price Comparison (2024)*

Zip Code	Average Price Per Square Foot			
	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedrooms
48821	NA	\$232	\$224	\$132
48842	NA	\$139	\$132	\$146
48854	NA	NA	\$152	\$155
48910	\$118	\$109	\$109	\$99
48911	\$179	\$111	\$119	\$106

\*Developed by The Chesapeake Group, Inc., 2024.

Information was also obtained and analyzed for housing sales by year for each year from 2009 through the beginning of 2024 for Delhi Charter Township. The table indicates the following.

- ✓ In general, the average sale price for homes increased annually. The one exception was between 2013 and 2014, but the one-year exception is too small to be considered statistically significant.
- ✓ The average sales price per square foot also generally grew annually, except for the end of the Great Recession.
- ✓ Average annual sale price per square foot increases were generally small, ranging from two to five percent prior to 2017.
- ✓ Since 2017, the average change in price has ranged from a low of three and four percent, to larger increases of ten and eleven percent in 2017 and 2018, and to a high increase of more than ten percent in 2022.
- ✓ From 2021 through 2023, the range in increases per square foot was no less than seven percent to just above fourteen percent.



Table 11 – Delhi Township Taxing Authority Residential Sales by Year\*

Year	Avg Sale Price/ Home	Avg Sq Ft/Home	Avg Sq Ft Price	Annual Change in Price/Sq Ft	Annual Change in Price/Sq Ft
2009	\$119,047	1825	\$65.23	Not App	Not App
2010	\$113,235	1845	\$61.38	(\$3.85)	94.1%
2011	\$112,713	1890	\$59.65	(\$1.73)	97.2%
2012	\$121,645	1896	\$62.94	\$3.29	105.5%
2013	\$135,861	2054	\$66.14	\$3.20	105.1%
2014	\$134,612	1948	\$69.12	\$2.98	104.5%
2015	\$146,286	1992	\$73.45	\$4.33	106.3%
2016	\$153,001	2039	\$75.05	\$1.60	102.2%
2017	\$164,108	1968	\$83.38	\$8.33	111.1%
2018	\$175,385	1912	\$91.75	\$8.37	110.0%
2019	\$186,933	1940	\$96.38	\$4.63	105.0%
2020	\$209,186	2103	\$99.48	\$3.10	103.2%
2021	\$225,091	1980	\$113.71	\$14.23	114.3%
2022	\$241,301	1919	\$125.72	\$12.01	110.6%
2023	\$276,367	2055	\$134.50	\$8.78	107.0%
2024**	\$271,233	2105	\$128.87	(\$5.63)	95.8%
Range	\$112/713 - \$276,367	1825-2105	\$65.23-\$134.50	\$3.85-\$14.23	94.1%-114.3%

\*Developed by The Chesapeake Group, Inc., 2024.

\*\*Incomplete database.

## CURRENT MARKET CONDITIONS – RENTAL HOUSING - APARTMENTS AND TOWNHOUSES

As with single-family housing, information for rental units was reviewed based on rental rates in and around Delhi Township. Once again, online sources such as Zillow.com, Realtor.com, Trulia.com, Rent.com, and a range of local real estate apartment sites were employed in developing the data. Complexes with a combined total of over 4,000 rental units located in Zip Codes 48821, 48842, 48854, 48910, and 48911 were examined to ascertain present market conditions.

Additionally, the information was compared to the findings of the Township’s Housing Market Study which was completed by The Chesapeake Group in 2019. Though the data applied in both studies may vary based on factors such as ownership, unit availability, area trends, and the like, the large sample sizes of the studies are considered sufficient for identifying and comparing fundamental trends in the rental market between 2019 and 2024.

The following is noted for the five zip code areas combined.

- ✓ Apartments range in size from 536 to 1,640 square feet.
- ✓ The average apartment is 1,273 square feet.
- ✓ Monthly rental rates range from \$574 to \$2,249.
- ✓ The monthly average rental rate is \$1,273.

- ✓ Fifty-nine percent of the rental units were constructed between 1964 and 1980.
- ✓ Nine percent were constructed between 1981 and 2000.
- ✓ Thirty-two percent were constructed between 2001 and 2024.

Information summaries generated for each zip code area follow.

### Zip Code 48821 - Rental Units

The following summarizes the findings for Zip Code 48821.

- ✓ Apartments range in size from 1,104 to 1,640 square feet.
- ✓ The average apartment is 1,388 square feet.
- ✓ Monthly rental rates range from \$1,092 to \$1,473.
- ✓ The monthly average rental rate is \$1,258.
- ✓ The average rent per square foot is \$0.91.
- ✓ The most recent units built were in 2006.

*Table 12 - Rental Information for Units in Zip Code Area 48821\**

<b>Zip Code 48821</b>	<b>Estimated Rental Unit Detail 2024</b>	<b>Estimated Rental Unit Detail 2019</b>
Unit size range in square feet	1104 - 1640	520 - 1420
Average unit size in square feet	1388	976
Rent range per month	\$1092 - \$1423	\$500 - \$1065
Average rent per month	\$1258	\$624
Average rent per square foot	\$0.91	\$0.82

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48842 - Rental Units

The following summarizes the findings for Zip Code 48842.

- ✓ Apartments range in size from 750 to 1,470 square feet.
- ✓ The average apartment is 995 square feet.
- ✓ Monthly rental rates range from \$849 to \$2,249.
- ✓ The monthly average rental rate is \$1,465.
- ✓ The average rent per square foot is \$1.47.
- ✓ The units were built between 1964 and 2023.

*Table 13 - Rental Information for Units in Zip Code Area 48842\**

<b>Zip Code 48842</b>	<b>Estimated Rental Unit Detail 2024</b>	<b>Estimated Rental Unit Detail 2019</b>
Unit size range in square feet	750 - 1470	400 - 1650
Average unit size in square feet	995	976
Rent range per month	\$849 - \$2249	\$425 - \$2150
Average rent per month	\$1465	\$903
Average rent per square foot	\$1.47	\$1.05

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48854 - Rental Units

The following summarizes the findings for Zip Code 48854.

- ✓ Apartments range in size from 536 to 1,258 square feet.
- ✓ The average apartment is 932 square feet.
- ✓ Monthly rental rates range from \$574 to \$1,219.
- ✓ The monthly average rental rate is \$1,008.
- ✓ The average rent per square foot is \$1.08.
- ✓ The units were built between 1964 and 2004.

*Table 14 - Rental Information for Units in Zip Code Area 48854\**

<b>Zip Code 48854</b>	<b>Estimated Rental Unit Detail 2024</b>	<b>Estimated Rental Unit Detail 2019</b>
Unit size range in square feet	536 - 1258	650 - 1083
Average unit size in square feet	932	808
Rent range per month	\$574 - \$1219	\$650 - \$1083
Average rent per month	\$1008	\$802
Average rent per square foot	\$1.08	\$0.99

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48910 - Rental Units

The following summarizes the findings for Zip Code 48910.

- ✓ Apartments range in size from 600 to 1,423 square feet.
- ✓ The average apartment is 836 square feet.
- ✓ Monthly rental rates range from \$800 to \$2,390.
- ✓ The monthly average rental rate is \$1,196.
- ✓ The average rent per square foot is \$1.43.
- ✓ The units were built between 1964 and 2020.

*Table 15 - Rental Information for Units in Zip Code Area 48910\**

<b>Zip Code 48910</b>	<b>Estimated Rental Unit Detail 2024</b>	<b>Estimated Rental Unit Detail 2019</b>
Unit size range in square feet	600 – 1423	610 - 1034
Average unit size in square feet	836	839
Rent range per month	\$800 - \$2390	\$625 - \$1025
Average rent per month	\$1196	\$790
Average rent per square foot	\$1.43	\$0.94

\*Developed by The Chesapeake Group, Inc., 2024.

### Zip Code 48911 - Rental Units

The following summarizes the findings for Zip Code 48911.

- ✓ Apartments range in size from 250 to 1,372 square feet.
- ✓ The average apartment is 814 square feet.
- ✓ Monthly rental rates range from \$670 to \$1,450.
- ✓ The monthly average rental rate is \$988.
- ✓ The average rent per square foot is \$1.21.
- ✓ The units were built between 1964 and 2018

*Table 16 - Rental Information for Units in Zip Code Area 48911\**

<b>Zip Code 48911</b>	<b>Estimated Rental Unit Detail 2024</b>	<b>Estimated Rental Unit Detail 2019</b>
Unit size range in square feet	250 – 1327	420 – 1500
Average unit size in square feet	814	816
Rent range per month	\$670 - \$1450	\$505 - \$1330
Average rent per month	\$988	\$808
Average rent per square foot	\$1.21	\$0.99

\*Developed by The Chesapeake Group, Inc., 2024.

Table 17 offers a comparison of the rental information for each of the zip codes.

*Table 17 - Rental Information Comparison for Units in Zip Code Areas 48821, 48842, 48854, 48910 and 48911\**

<b>Factor</b>	<b>48821</b>	<b>48842</b>	<b>48854</b>	<b>48910</b>	<b>48911</b>
Unit size range in square feet	1104 - 1640	750 - 1470	536 - 1258	610 - 1034	250 – 1327
Average unit size in square feet	1388	995	932	839	814
Rent range per month	\$1092 - \$1423	\$849 - \$2249	\$574 - \$1219	\$625 - \$1025	\$670 - \$1450
Average rent per month	\$1258	\$1465	\$1008	\$790	\$988
Average rent per square foot per month	\$0.91	\$1.47	\$1.08	\$0.94	\$1.21

\*Developed by The Chesapeake Group, Inc., 2024.

The following are representative examples of the complexes examined for the rental market analysis.

Blue Water Village  
 Delhi Manor  
 South Square  
 Willoughby Estates  
 Whispering Pines  
 Esker Square  
 Aspen Lakes Estates

Green Park Townhomes  
 Cherry Grove  
 Mason Hills  
 Mason Manor  
 Old Orchards  
 Briar Cliffe  
 Cedar Place

Volaris  
Trapper’s Cove  
Fountain Place  
Apple Bailey  
BLVD West  
Everett  
Tammany Hills  
Capitol Village  
Park Place Manor  
Lansing 74  
Fred  
Aspen Flats  
Twin Oaks Meadows

Bookshires  
Waverly Park  
Autumn Ridge  
The Grove  
Edge at 1010  
Summerhill Estates  
Arbors at Georgetown  
Birch Tree  
Woodland Lakes  
900 West  
Woodbridge Manor  
Willowood  
Carolina Flats

**CURRENT MARKET CONDITIONS – CONDOMINIUMS**

Condominiums are a form of ownership but are often viewed differently than detached or attached units. The following is a synopsis of condominiums on the market. Construction period comparisons are provided based on a home’s age before and post-1972, when the Michigan Building Code was first established under the State Construction Code Act.

Per square foot prices (real estate listing prices) for condominium units in the study area were compared to the pricing data in the Delhi Charter Township Housing Market Assessment previously completed by The Chesapeake Group. Though the information is based on different “for sale” condominium units among the time periods, the data indicates changes in market conditions.

The following summarizes the findings for the condominiums.

- ✓ The sale price per square foot for two-bedroom units ranged between \$80 and \$192 for those constructed since 1972.
- ✓ The average sale price per square foot was \$131 for two-bedroom units built before 1972 and \$138 for post-1972 units.
- ✓ The average monthly condo or homeowner association fee is \$372 for those built before 1972 and \$214 for those constructed after that date.

*Table 18 – Two-Bedroom Condominium Units (2024)\**

Factor	Constructed Prior to 1972	Constructed 1972 to Present
Range in sale price per square foot	\$131	\$80 - \$192
Average sale price per square foot	\$131	\$138
Average unit size in square feet	1069	1170
Average monthly homeowner’s association fee	\$372	\$215

\*Developed by The Chesapeake Group, Inc., 2024.

The following table contains the differences between this study and the previous TCG effort for two-bedroom condominiums.

*Table 19 - Sale Price and Size Comparison for Two-Bedroom Condominium Units (2019 & 2024)\**

<b>Factor</b>	<b>2024</b>	<b>2019</b>
Range in sale price per square foot	\$80 - \$192	\$61 - \$122
Average unit size in square feet	1155	1000+

\*Developed by The Chesapeake Group, Inc., 2024.

- ✓ The sale price per square foot for three-bedroom units ranged between \$104 and \$142 for those constructed since 1972.
- ✓ The average sale price per square foot was \$114 for three-bedroom units built before 1972 and \$119 for post-1972 units.
- ✓ The average monthly condo or homeowner association fee is \$386 for those constructed before 1972 and \$222 for those built after that date.

*Table 20 – Three-Bedroom Condominium Units (2024)\**

<b>Factor</b>	<b>Constructed Before 1972</b>	<b>Constructed 1972 to Present</b>
Range in sale price per square foot	\$103 - \$131	\$104 - \$142
Average sale price per square foot	\$114	\$119
Average unit size in square feet	1336	1367
Average monthly homeowner's association fee	\$386	\$222

\*Developed by The Chesapeake Group, Inc., 2024.

The following table contains three-bedroom condo differences between this study and the previous TCG effort.

*Table 21 - Sale Price and Size Comparison for Three-Bedroom Condominium Units (2019 & 2024)\**

<b>Factor</b>	<b>2024</b>	<b>2019</b>
Range in sale price per square foot	\$103 - \$142	\$58 - \$123
Average unit size in square feet	1479	1000+

\*Developed by The Chesapeake Group, Inc., 2024.

## **CURRENT RENT ASSISTED MARKET CONDITIONS**

The following information details facilities participating in rental assistance programs through agencies such as the Michigan State Housing Development Authority and the Federal Department of Housing and Urban Development.

- ✓ Apartments range in size from 576 to 1,021 square feet.
- ✓ The average one-bedroom unit is 627 square feet.
- ✓ The average two-bedroom unit is 910 square feet.
- ✓ Monthly rental rates range from \$500 to \$1,153.
- ✓ The monthly average rental rate is \$818.
- ✓ The average rent per square foot is \$1.72.

*Table 22 - Units Defined as Rent Assisted\**

<b>Factor</b>	<b>Estimated Figure</b>
Unit Size Range in Square Feet (All Units)	576 - 1,021
Average Unit Size in Square Feet One Bedroom	627
Average Unit Size in Square Feet Two Bedroom	910
Unit Rental Rate Range Per Month	\$500 - \$1153
Average Unit Rental Rate Per Month	\$818
Average Unit Rent Per Square Foot	\$1.72

\*Developed by The Chesapeake Group, Inc., 2024.

## CURRENT SENIOR DELINEATED UNITS

The following is information on units specifically identified as senior housing, typically referencing ages of 55 and above. (The designation as such does not mean that other opportunities do not exist.)

- ✓ Units range in size from 600 to 770 square feet.
- ✓ The average one-bedroom unit is 600 square feet.
- ✓ The average two-bedroom unit is 770 square feet.
- ✓ Monthly rents range from \$814 to \$1,153.
- ✓ The average rental rate per month is \$984 per unit.
- ✓ The average unit per square foot rental rate is \$1.43.

*Table 23 - Units Referenced as Senior Housing\**

<b>Factor</b>	<b>Estimated Figure</b>
Unit Size Range in Square Feet (All Units)	600 - 770
Average Unit Size in Square Feet One Bedroom	600
Average Unit Size in Square Feet Two Bedroom	770
Unit Rental Rate Range Per Month	\$814 - \$1153
Average Unit Rental Rate Per Month	\$984
Average Unit Rent Per Square Foot	\$1.43

\*Developed by The Chesapeake Group, Inc., 2024.

## HOUSEHOLD MOVEMENT

An important component of the housing market is the existing households. Their likelihood of moving is important. One goal is to provide them with the housing they want in the near future.

As part of this effort, TCG surveyed households in the area in cooperation with and through the Downtown Development Authority and the Township. More than 425 “unique” (different) households responded to the online survey.

- ✓ Forty-five percent of area households may or are likely to move to a different home in the next few years.

*Table 24 – Likelihood of Households Moving in the Next Five Years\**

Potential to Move in the Next 5 Years	Percent
Maybe	27%
No	55%
Yes	18%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

- ✓ One-half of those that may or are likely to move will seek a home smaller than the current home.

*Table 25 – Relative Size of the Next Home\**

Next Home	Percent
Larger	18%
Same	32%
Smaller	50%

\*Developed by The Chesapeake Group, Inc., 2024.

- ✓ In general, those living in homes between 1,000 and 2,000 square feet are most likely to move.
- ✓ Those currently living in some of the largest homes will generally seek smaller or same-sized units in the future.

*Table 26 - Size of the Current Home Compared to that Sought in the Future\**

Current Unit Sq Ft	All May or Likely	Seek Larger	Seek Same	Seek Smaller
Under 750 square feet	1%	0%	3%	0%
750 to 999 square feet	9%	15%	11%	5%
1,000 to 1,999 square feet	77%	70%	94%	69%
2,000 to 2,499 square feet	13%	15%	31%	0%
2,500 to 3,499 square feet	15%	0%	14%	22%
3,500 square feet or more	3%	0%	3%	4%
Total	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.



- ✓ Most of those likely to move have annual household incomes above \$50,000.
- ✓ More than two-thirds have annual incomes above \$75,000.
- ✓ Forty-six percent have annual incomes above \$100,000.
- ✓ One-quarter of the households have incomes above \$150,000.
- ✓ For those with incomes below \$90,000, financing will likely be difficult unless other assets exist, which is particularly common among seniors or those with equity in current homes.

*Table 27 - Income Level of Those That May or Are Likely to Move\**

Likely or May Move	All
Less than \$10,000	1%
\$10,000 to \$19,999	0%
\$20,000 to \$29,999	0%
\$15,000 to \$19,999	1%
\$20,000 to \$29,999	2%
\$30,000 to \$49,999	8%
\$50,000 to \$74,999	22%
\$75,000 to \$99,999	21%
\$100,000 to \$149,999	21%
\$150,000 to \$199,999	17%
\$200,000 to \$249,999	5%
\$250,000 or more	3%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

- ✓ The two primary reasons for moving are lifestyle changes and changes in one or more household members' physical or medical conditions.

*Table 28 - Primary Reason for Moving\**

Reason for Move	Percent
Changes in financial conditions	3%
Changes in household member's physical condition/medical changes	20%
Decrease in the number of people living in the residence	7%
Housing market conditions	3%
Increase in the number of people living in the residence	2%
Lifestyle changes	31%
Others	33%
Rental conditions	2%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The table that follows contains information on income and age clusters for those who may or are likely to move. Highlighted are those clusters for which market-rate housing opportunities are likely to have the greatest impact.

*Table 29 - Those that May or Are Likely to Move by Income and Age Cluster\**

Income	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 or over
Less than \$10,000	0%	0%	0%	0%	0%	0%
\$10,000 to \$19,999	0%	3%	0%	0%	3%	0%
\$20,000 to \$29,999	0%	0%	3%	5%	0%	0%
\$15,000 to \$19,999	0%	3%	0%	0%	0%	0%
\$30,000 to \$49,999	0%	0%	3%	5%	0%	27%
\$50,000 to \$74,999	8%	21%	6%	17%	41%	35%
\$75,000 to \$99,999	33%	14%	15%	29%	<b>24%</b>	<b>19%</b>
\$100,000 to \$149,999	<b>25%</b>	<b>28%</b>	<b>21%</b>	<b>17%</b>	<b>28%</b>	<b>15%</b>
\$150,000 to \$199,999	<b>25%</b>	<b>24%</b>	<b>35%</b>	<b>17%</b>	<b>3%</b>	<b>4%</b>
\$200,000 to \$249,999	8%	0%	12%	9%	0%	0%
\$250,000 or more	0%	7%	6%	2%	0%	0%
Total	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Also indicative of market opportunities are current rents and square footage of homes, with market segments highlighted.

*Table 30 - Monthly Payment by Square Footage for Current Home\**

May or Likely Move	750 to 999 square feet	1,000 to 1,999 square feet	2,000 to 2,499 square feet	2,500 to 3,499 square feet
None	18%	15%	15%	15%
Less than \$400/month	9%	5%	5%	5%
\$400 to \$599/month	9%	9%	9%	9%
\$600 to \$799/month	18%	13%	13%	13%
\$800 to \$999/month	18%	19%	19%	19%
\$1,000 to \$1,249/month	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>
\$1,250 to \$1,499/month	<b>9%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>
\$1,500 to \$1,749/month	0%	<b>8%</b>	<b>8%</b>	<b>8%</b>
\$1,750 to \$1,999	0%	3%	3%	3%
\$2,000 to \$2,499/month	0%	0%	0%	0%
\$2,500 to \$2,999/month	0%	3%	3%	3%
\$3,000 to \$3,499/month	0%	0%	0%	0%
\$3,500 or more	0%	0%	0%	0%
Total	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Table 31 contains the information on current monthly housing payments and income clusters for those that may or are likely to move, with targeted market segments highlighted.

*Table 31 - Income and Current Monthly Housing Payment\**

	None	\$400 to \$599/month	\$600 to \$799/month	\$800 to \$999/month	\$1,000 to \$1,249/month	\$1,500 to \$1,749/month
Less than \$10,000	0%	9%	0%	0%	0%	0%
\$10,000 to \$19,999	0%	0%	6%	0%	0%	0%
\$20,000 to \$29,999	0%	0%	0%	0%	0%	0%
\$15,000 to \$19,999	5%	0%	6%	0%	0%	0%
\$30,000 to \$49,999	5%	36%	6%	11%	4%	0%
\$50,000 to \$74,999	38%	27%	39%	22%	16%	0%
\$75,000 to \$99,999	21%	0%	17%	22%	12%	<b>29%</b>
\$100,000 to \$149,999	<b>13%</b>	27%	28%	28%	<b>24%</b>	<b>29%</b>
\$150,000 to \$199,999	<b>15%</b>	0%	0%	6%	<b>40%</b>	<b>14%</b>
\$200,000 to \$249,999	<b>3%</b>	0%	0%	11%	<b>4%</b>	<b>14%</b>
\$250,000 or more	0%	0%	0%	0%	0%	<b>14%</b>
Total	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

## HOUSING DEMAND AND OPPORTUNITIES

Based on the following factors, demand for additional housing from the development and redevelopment of parcels in Delhi Charter Township follows. (Holding capacity and zoning are not factors related to market but the Township's ability to seize opportunities.)

- ✓ National and regional patterns and trends.
- ✓ Historical permit patterns.
- ✓ Sales trends.
- ✓ Likelihood of moving.
- ✓ Internally generated new households.
- ✓ Income levels and affordability of new units.
- ✓ The desire for smaller housing units.
- ✓ Age composition of households.
- ✓ The desire for walkability.
- ✓ Competitive positioning.

1. It is conservatively estimated that about 225 new housing units will have been, are under construction, or will be under construction since the last U.S. Census in 2020.
2. A total of between 700 and 1,200 new units are expected to be marketable, permitted, and absorbed over the next five years through 2029.
3. Between 450 and 700 units will be homes traditionally defined as "multi-family" or attached homes. (The definition of family has and continues to change.) Many of the households will consist of one or two members.

4. About ninety percent of the attached units will be two to three bedrooms, with about sixty percent of these being three bedrooms. The “third” bedroom will often be used as a work space, den, or hobby area.
5. About five to seven percent of the attached units will be one-bedroom or studio.
6. Rent levels for attached units are likely to rise from current levels by \$300 to \$500.
7. The attached units will primarily be rented. However, many of these could be developed and marketed as “rent-to-own” homes.
8. The new units will likely be townhouse-style, accommodating first-story bedrooms for various age groups. Attached “flats” could be a significant portion of the housing units.
9. Between 250 and 400 “single-family” or detached units will also be marketable over the next five years.
10. Sale prices, by necessity, will be \$325,000 or above, with most being above \$350,000.
11. However, forty to fifty percent of the detached units will likely not be owner-occupied and potentially be marketed as “rent-to-own” developments.

*Table 32 - Anticipated New Housing Units for the Township through 2029\**

New Units	2020-2024	2024-2029
Low	228	696
High	228	1213

\*Developed by The Chesapeake Group, Inc., 2024.

12. The County will likely increase its housing inventory between 2,975 and 3,795 units between 2024 and 2029. These units contribute to the potential demand for goods and services within the Township.

*Table 33 - Anticipated new housing Units in the County by 2029\**

New Units	2020-2024	2024-2029
Low	2300	2975
High	2300	3795

\*Developed by The Chesapeake Group, Inc., 2024.

## COMMERCIAL

The ability to purchase goods and services is typically based on the number and size of the households in an area, the growth in the market based on added households or incomes, and the income levels of residents.

Income levels are a significant factor in the demand for goods and services. Most income and assets are spent on three essential commodities, irrespective of income: housing, food, and transportation. Housing has previously been reviewed extensively.

There is a significant range of household incomes in the Township and surrounding areas. The mean average annual household income level was determined through the survey and is estimated to be \$106,600. The mean average is generally twenty percent or as much as \$20,000 above the median average generally defined through the federal census. However, the mean is more accurate in defining purchasing power.

Table 34 - Household Incomes of Delhi Area Residents\*

Household Incomes	Percent
Less than \$10,000	1%
\$10,000 to \$19,999	0%
\$20,000 to \$29,999	2%
\$15,000 to \$19,999	2%
\$30,000 to \$49,999	7%
\$50,000 to \$74,999	22%
\$75,000 to \$99,999	22%
\$100,000 to \$149,999	22%
\$150,000 to \$199,999	13%
\$200,000 to \$249,999	6%
\$250,000 or more	3%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

A breakdown of the incomes by age clusters is found in the following table.

Table 35 - Income by Age Cluster\*

Household Income	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 or over
Less than \$10,000	6%	2%	1%	0%	0%	2%
\$10,000 to \$19,999	0%	0%	0%	0%	1%	0%
\$20,000 to \$29,999	0%	0%	3%	5%	3%	0%
\$15,000 to \$19,999	0%	9%	0%	0%	0%	0%
\$30,000 to \$49,999	0%	8%	1%	6%	6%	22%
\$50,000 to \$74,999	12%	21%	12%	17%	36%	31%
\$75,000 to \$99,999	29%	19%	16%	29%	24%	20%
\$100,000 to \$149,999	29%	28%	16%	17%	27%	20%
\$150,000 to \$199,999	18%	2%	33%	17%	3%	4%
\$200,000 to \$249,999	6%	6%	10%	9%	0%	2%
\$250,000 or more	0%	6%	7%	2%	0%	0%
Total	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Various issues are facing the households. Those identified most frequently follow.

- |                |                     |            |
|----------------|---------------------|------------|
| Aging          | Economy             | Retirement |
| College costs  | Taxes               |            |
| Cost of living | Maintaining a house |            |

**FOOD SPENDING**

Most food is purchased at grocery and box store operations. Restaurants and other food service establishments typically prevail when eating outside the home. Farmers’ markets capture some sales from either or both, depending upon the character of the vendors.

The survey indicates Meijer and Kroger are in dominant market positions for supermarkets and box stores. Meijer attracts almost half of the residents regularly for groceries and related merchandise.

- ✓ Kroger attracts a little over one-third of the households.
- ✓ Aldi attracts about ten percent of the households.

Table 36 – Grocery Operations Market Share\*

Grocery Market Share	Percent
Aldi	10%
Costco	1%
Kroger	37%
Meijer	48%
Sams	1%
Others	4%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Households spend an average of \$155 weekly on groceries and related merchandise. Annual grocery spending is estimated at \$7,750, or 14.67 percent of annual retail goods and related services sales. The following table contains the general weekly spending on groceries and related merchandise. One-third generally spend more than \$125 weekly.

Table 37 - Weekly Grocery Spending\*

Average Weekly Grocery Spending	Percent
Less than \$45	4%
\$45 to \$59.99	4%
\$60 to \$74.99	11%
\$75 to \$99.99	17%
\$100 to \$124.99	18%
\$125 to \$149.99	17%
\$150 to \$199.99	12%
\$200 to \$249.99	9%
\$250 to \$299.99	3%
\$300 or more	4%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Table 38 contains the breakdown of weekly grocery spending by age cluster. In general, and it is not surprising, households headed by those under 55 years of age spend more on groceries than households with primary income earners 55 or older.

Table 38 – Weekly Grocery Spending by Age Cluster\*

Weekly Grocery Spending by Age	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 or over
Less than \$35	6%	0%	0%	1%	0%	4%
\$35 to \$44.99	6%	0%	1%	7%	4%	4%
\$45 to \$59.99	6%	2%	6%	7%	4%	4%
\$60 to \$74.99	0%	6%	1%	11%	17%	22%
\$75 to \$99.99	22%	6%	15%	19%	21%	18%
\$100 to \$124.99	0%	16%	19%	18%	21%	22%
\$125 to \$149.99	<b>22%</b>	<b>26%</b>	<b>19%</b>	<b>11%</b>	15%	15%
\$150 to \$199.99	<b>11%</b>	<b>21%</b>	<b>10%</b>	<b>14%</b>	8%	9%
\$200 to \$249.99	<b>11%</b>	<b>10%</b>	<b>18%</b>	<b>8%</b>	5%	2%
\$250 to \$299.99	0%	5%	6%	3%	2%	0%
\$300 or more	<b>17%</b>	<b>8%</b>	3%	3%	2%	2%
Total	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The Township has long provided for a Farmers' Market in the community's core (Holt). As defined in the following table, about one-fourth of the responding households go to the Holt or other markets at least twice monthly.

Table 39 - Frequency of Purchases from Farmers' Markets, Stands, and Others\*

Purchase at Farmers' Markets, Etc.	Percent
A few times/week	3%
About once/week	10%
About twice/month	10%
Once/ month	11%
4 to 9 times/year	24%
Once or twice/year	24%
Less often than once/year	18%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

In addition to purchasing groceries, households frequently purchase food to consume outside of their home or have it prepared by others and then eaten at home or elsewhere. The type and frequency of such food purchases allow for the estimation of household spending on such food purchases.

- ✓ Almost half of all households eat lunch outside their home at least once weekly.
- ✓ About one-fourth eat lunch out about every other week.

*Table 40 – Frequency of Eating Lunch Outside of the Home\**

Frequency of Eating Lunch Outside the Home	Percent
A few times/week	17%
About once/week	30%
About twice/month	22%
Once/ month	12%
4 to 9 times/year	12%
Once or twice/year or less	8%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The frequency by income strata is found in the following.

*Table 41 – Frequency of Eating Lunch Outside of the Home by income\**

Frequency of Eating Lunch Outside the Home	All	Less than \$10,000	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 to \$249,999	\$250,000 or more
A few times/week	17%	25%	0%	0%	11%	20%	12%	26%	22%	28%	11%
About once/week	30%	0%	0%	0%	22%	36%	33%	22%	27%	44%	11%
About twice/month	22%	75%	67%	14%	30%	20%	22%	19%	20%	0%	44%
Once/ month	12%	0%	0%	29%	19%	9%	8%	15%	13%	11%	33%
4 to 9 times/year	12%	0%	0%	29%	7%	7%	15%	8%	15%	17%	0%
Once or twice/year or less	8%	0%	33%	29%	11%	9%	10%	10%	4%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

There are relationships between food spending and the type of establishment frequented.

- ✓ Area residents prefer local non-chain operations to national operations by area residents for lunch. (This can be good for the central core Holt area from a market perspective, but is often associated with a higher historic turnover. However, given changes in demographics, the turnover pattern may not be true in the foreseeable future.)



Table 42 - Type of Establishment Frequented for Lunch\*

Type of Lunch Establishment	Percent
A local non-chain full-service restaurant	46%
A national or regional chain full-service restaurant	15%
Fast food operation	26%
Sub shop	6%
Other	6%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

This lunch pattern holds across all income strata.

Table 43 - Type of Establishment Frequented for Lunch by Income Category\*

Type of Lunch Establishment	All	Less than \$10,000	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 to \$249,999	\$250,000 or more
A local non-chain full-service restaurant	46%	50%	67%	29%	44%	52%	49%	49%	39%	44%	44%
A national or regional chain full-service restaurant	15%	0%	0%	14%	16%	15%	17%	10%	16%	17%	11%
Fast food operation	26%	50%	33%	43%	28%	21%	26%	25%	32%	22%	11%
Sub shop	6%	0%	0%	0%	4%	6%	4%	4%	12%	6%	0%
Other	6%	0%	0%	14%	8%	6%	4%	13%	2%	11%	33%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

People eat dinner outside the home more frequently than they eat lunch outside the house.

- ✓ Fifty-five percent eat dinner at least weekly outside of the home at a food service establishment.
- ✓ An additional one-fourth make such trips about twice monthly.

Table 44 - Frequency of Eating Dinner Outside of the Home at Food Service Establishments\*

Frequency for Dinner	Percent
A few times/week	21%
About once/week	34%
About twice/month	24%
Once/ month	10%
4 to 9 times/year	7%
Once or twice/year or less	5%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

- ✓ Those with higher and lower incomes generally eat outside the home with greater frequency.

*Table 45 - Frequency of Eating Dinner Outside of the Home at Food Service Establishments by Income\**

Frequency for Dinner	All	Less than \$10,000	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	to \$149,999	to \$199,999	to \$249,999	\$250,000 or more
A few times/week	21%	25%	0%	0%	33%	10%	20%	23%	21%	55%	0%
About once/week	34%	50%	50%	0%	26%	29%	36%	26%	43%	64%	0%
About twice/month	24%	25%	50%	0%	11%	18%	24%	30%	26%	27%	0%
Once/ month	10%	0%	0%	43%	0%	16%	9%	15%	5%	9%	38%
4 to 9 times/year	7%	0%	0%	29%	11%	14%	8%	4%	3%	0%	25%
Once or twice/year or less	5%	0%	50%	29%	19%	13%	4%	1%	2%	0%	25%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	88%

\*Developed by The Chesapeake Group, Inc., 2024.

As is the case with establishments preferred for lunch, area residents prefer local non-chain operations to national operations for dinner.

- ✓ More than one-half of the residents (54%) prefer local non-chain full-service restaurants for dinner.

*Table 46 - Type of Establishment Frequented for Dinner\**

Type of Establishment for Dinner	Percent
A local non-chain full-service rest.	54%
A national or regional chain full-service rest.	27%
Fast food operation	7%
Sub shop	1%
Other	11%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Table 47 contains both the establishments preferred for lunch and dinner.

*Table 47 - Type of Establishment Frequented for Lunch and Dinner\**

Type of Establishment for Dinner	Lunch	Dinner
A local non-chain full-service rest.	46%	54%
A national or regional chain full-service rest.	15%	27%
Fast food operation	26%	7%
Sub shop	6%	1%
Other	6%	11%
Total	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

As with lunch, the dinner pattern holds across all income strata.

*Table 48 - Type of Establishment Frequented for Dinner by Income Category\**

Type of Establishment for Dinner	ALL	Less than \$10,000	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 to \$199,999	\$200,000 to \$249,999	\$250,000 or more
A local non-chain full-service rest.	54%	50%	67%	43%	30%	55%	59%	56%	45%	67%	67%
A national or regional chain full-service rest.	27%	25%	0%	14%	37%	29%	22%	29%	38%	33%	11%
Fast food operation	7%	25%	33%	14%	11%	10%	10%	4%	4%	0%	0%
Sub shop	1%	0%	0%	14%	0%	1%	0%	0%	2%	0%	0%
Other	11%	0%	0%	14%	22%	4%	10%	11%	13%	0%	22%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The table that follows compares the frequency of eating dinner and lunch out. Dinner is eaten out with greater frequency as previously note.

*Table 49 - Frequency of Eating Lunch and Dinner Outside of the Home at a Food Service Establishment\**

Frequency Outside the Home	Lunch	Dinner
A few times/week	17%	21%
About once/week	30%	34%
About twice/month	22%	24%
Once/ month	12%	10%
4 to 9 times/year	12%	7%
Once or twice/year or less	8%	5%
Total	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The preferred type of establishment for lunch and dinner follows. While the most significant share prefers a local non-chain in both cases, a larger proportion frequents national chains for dinner than lunch. The increase comes from lower proportions seeking fast food operations for dinner.

*Table 50 - Type of Establishment Frequented for Lunch and Dinner\**

Type of Lunch Establishment	Lunch	Dinner
A local non-chain full-service restaurant	46%	54%
A national or regional chain full-service restaurant	15%	27%
Fast food operation	26%	7%
Sub shop	6%	1%
Other	6%	11%
Total	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

## OTHER SPENDING

A growing number of sales are exported from most communities through online purchases. Delhi area residents are similar to other residents frequently exporting dollars through online purchasing .

- ✓ About half of the households shop online at least weekly, with almost half of these doing so a few times a week.
- ✓ An additional one-quarter of the resident households make purchases online about twice monthly.

*Table 51 – Frequency of Online Purchases\**

Online Purchases	Percent
A few times/week	<b>22%</b>
About once/week	<b>26%</b>
About twice/month	25%
Once/ month	12%
4 to 9 times/year	9%
Once or twice/year	5%
Less often than once/year	2%
Total	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Households also spend income on entertainment.

- ✓ About one-fourth of the households have at least one member who frequents craft and art shows between four and nine times annually.
- ✓ More than four in ten have someone who seeks some form of entertainment outside the home at least monthly.

*Table 52 - Frequency One or More Household Members Seek Select Forms of Entertainment\**

Frequency	Movies	Craft/Art Shows	Any Entertainment
A few times/week	0%	0%	3%
About once/week	3%	0%	9%
About twice/month	3%	2%	17%
About once/month	5%	0%	13%
4 to 9 times/year	16%	<b>26%</b>	22%
Once or twice/year	37%	0%	20%
Less often than once/year or never	35%	73%	16%
Total	100%	100%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

Current shopping options that residents can walk to and the restaurants offered in the Township are generally defined as being either “poor” or “fair” by residents of the Delhi area.

*Table 53 – Resident Evaluation of Select Township Characteristics\**

Characteristic	1 Poor	2 Fair	3 Good	4 Very Good	5 Excellent	TOTAL
Shopping options to walk to	59%	26%	12%	2%	1%	100%
Holt/Delhi Township's restaurants	22%	39%	30%	6%	2%	100%
The availability of places that I can live, recreate, and walk	10%	25%	39%	20%	6%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The current pricing and rental rates for retail space in the Delhi Charter Township area is contained in the table that follows. The listings may provide a partial picture.

*Table 54 - Pricing and Rental Rates for Retail Space in the Delhi Charter Township Area (Based on Listings)\**

Zip Code	Sale Price/Square Foot	Average Monthly Rental Rate Per Square Foot
48821	No For-Sale Listings	\$12.04
48842	No For-Sale Listings	\$10.73
48854	No For-Sale Listings	\$20.97
48910	\$52.66	No Rental Listings
48911	No For-Sale Listings	\$13.00
Area Average	\$52.66	\$12.84

\*Developed by The Chesapeake Group, Inc., 2024.

## MULTI-TENANT OFFICE SPACE CONDITIONS

The office market throughout the country, Michigan, and the Lansing area has changed in the past five years. Other than medical operations most often associated with a large medical institution, the multi-tenant office market has slowed or declined. However, on a positive note, area residents generally feel good or better about the availability of professional and personal services in the Township.

*Table 55 – Evaluation by Residents of Professional and Personal Services Available in Delhi\**

Evaluation	1 Poor	2 Fair	3 Good	4 Very Good	5 Excellent	TOTAL
Availability of professional and personal services	9%	32%	41%	13%	4%	100%

\*Developed by The Chesapeake Group, Inc., 2024.

The pricing and rental rates for office space follow. The listings may not provide a complete picture.

*Table 56 - Pricing and Rental Rates for Office Space for the Delhi Charter Township Area  
(Based on Listings)\**

Zip Code	Sale Price/Square Foot	Average Monthly Rental Rate Per Square Foot
48821	No For-Sale Listings	\$13.71
48842	No For-Sale Listing	\$12.07
48854	\$80.43	\$9.89
48910	\$53.70	No Rental Listings
48911	No For-Sale Listings	\$15.59
Area Average	\$62.76	\$13.53

\*Developed by The Chesapeake Group, Inc., 2024.

## INDUSTRIAL SPACE LISTINGS

The following table contains listings for industrial space in the Delhi area. The listings may not provide a complete picture. Irrespective of the listings, demand for warehouse and flex space continues to be strong.

*Table 57 - Pricing and Rental Rates for Industrial Space for the Delhi Charter Township Area  
(Based on Listings)\**

Zip Code	Sale Price/Square Foot	Average Monthly Rental Rate Per Square Foot
48821	No For-Sale Listings	\$1.30
48842	No For-Sale Listings	No Rental Listings
48854	\$20.00	\$12.00
48910	\$18.49	No Rental Listings
48911	\$87.00	\$7.45
Area Average	\$19.62	\$8.48

\*Developed by The Chesapeake Group, Inc., 2024.

## COMMERCIAL DEMAND ESTIMATES

The expansion or replacement of supportable space for retail goods, related offices, and other services results from market expansion, the capture of new dollars, or the capture of exported dollars. With few exceptions, the generation of added supportable space is derived from residential growth in the market. The associated dollars and supportable space are not extracted from any existing business.

Supportable space, measured by square footage, reflects the number of dollars necessary to support business activity. It includes the ability to pay all operating costs and provide a reasonable return on investment. Each type of business or service has different sales or revenues per square foot requirements to pay expenses and provide a return.

As defined, the number of households and rooftops will expand modestly in the next five, ten, and twenty years. The resulting growth in supportable square feet should not drain any existing business, assuming competitiveness. Therefore, growth-based supportable square feet are new spaces for which demand will exist and can be used to build a new inventory of space or fill vacant spaces.

Primary market-generated sales are sales from new households in the Township. These sales are expected to have grown from \$456.4 million in 2020 to \$465.4 million in 2024. Further growth is anticipated, with sales reaching \$490.1 million in 2029.

*Table 58 - Delhi Charter Township Residents\**

<b>Retail Goods &amp; Services Sales</b>	<b>2020</b>	<b>2024</b>	<b>2029</b>
TOTAL	\$456,409,000	\$465,364,000	\$490,147,000

\*Developed by The Chesapeake Group, Inc., 2024.

The increase in market sales will expand supportable space from about 1.4 million square feet in 2024 to about 1.5 million square feet in 2029.

*Table 59 - Supportable Square Feet of Space from the Primary Market by Category\**

<b>Category</b>	<b>2020 SQ FT</b>	<b>2024 SQ FT</b>	<b>2029 SQ FT</b>
Food	105,563	107,634	113,366
Eat/Drink	136,271	138,945	146,343
General Merchandise	345,925	352,715	371,501
Furniture	43,071	43,916	46,254
Transportation	149,729	152,669	160,800
Drugstore	41,614	42,430	44,690
Apparel	98,521	100,453	105,803
Hardware	145,627	148,484	156,394
Vehicle Service	91,444	93,238	98,205
Miscellaneous	235,128	239,742	252,509
TOTAL	1,392,893	1,420,226	1,495,865

\*Developed by The Chesapeake Group, Inc., 2024.

No matter the strength of any market or the range of services available, capturing all dollars from area households is impossible. People spend money on vacations, visiting family and friends in other locations, and outside their home market for many different reasons.

*Table 60 - Supportable Square Feet of Space from at the County Level by Category\**

<b>Category</b>	<b>2024 SQ FT</b>	<b>2029 SQ FT</b>
Food	1,425,689	15,201
Eat/Drink	1,840,405	19,621
General Merchandise	4,671,935	49,808
Furniture	581,683	6,200
Transportation	2,022,200	21,558
Drugstore	562,016	5,992
Apparel	1,330,571	14,187
Hardware	1,966,761	20,970
Vehicle Service	1,235,013	13,168
Miscellaneous	3,175,512	33,857
TOTAL	18,811,785	200,562

\*Developed by The Chesapeake Group, Inc., 2024.

## COMMERCIAL OPPORTUNITIES

The following opportunities are derived from the anticipated growth in households in the Township and the County.

- ✓ About 100,000 square feet of new or replacement space is primarily generated by the residents of the Township.
- ✓ One focus should be on food and food services. Attraction should focus on “independent, non-chain operations” and in the core of Holt. These establishments create a dilemma as financing such operations is historically more difficult than financing chain operations.
- ✓ An additional 15,000 to 20,000 square feet of food space can be captured from the County market growth, focusing on food and food services.
- ✓ Any attraction focus for multi-tenant office users should focus on either medical activity or physical movement of the university.





**DELHI CHARTER TOWNSHIP  
DOWNTOWN DEVELOPMENT AUTHORITY**

4410 HOLT ROAD, HOLT, MI 48842

TELEPHONE (517) 699-3866

FACSIMILE (517) 699-3878

www.delhidda.com

dda@delhitownship.com

June 20, 2024

To: DDA Board Members

From: C. Howard Haas, Executive Director

Re: Proposal with Advanced Redevelopment Solutions

Upon approval the DDA would hire Advanced Redevelopment Solutions to assist in the potential utilization of the recently inactive Brownfield Legislation. This company has a solid history of assisting governmental bodies in difficult development contexts. At the DDA's request, Advanced Development Solutions submitted the attached proposal in the amount of \$16,060.00.

**Recommended Motion:**

**I move to approve the proposal with Advanced Redevelopment Solutions in the amount of \$16,060**

**ADVANCED REDEVELOPMENT SOLUTIONS**

PO Box 204, Eagle MI 48822  
Tel 517.648.2434  
ephelzer@msn.com

MAY 15, 2024

Mr. Howard Haas  
Executive Director  
Delhi Downtown Development Authority  
4410 Holt Rd.  
Holt, MI 48842

Transmitted Via Email:  
howard.haas@delhitownshipmi.gov

Subject: Engagement Letter  
Preliminary Incentives Evaluation Project Support  
Multiple Parcels on Aurelius Road, Cedar Street and North Street  
Holt, Michigan 48842  
Project Contract Number: 240006

Dear Mr. Haas,

We are pleased that you have engaged Advanced Redevelopment Solutions ("Firm") as your Consultant ("Consultant") to assist the Delhi Downtown Development Authority (herein referred to as "Client" or "DDA") with the redevelopment of up to ten (10) parcels (exact addresses/parcels are not yet finalized) in Holt, Michigan ("Property" or "Subject Property") into a Mixed-use Project consisting of multifamily residential apartment units and commercial (hereinafter referred to as the "Project") which is the subject of this Engagement Letter ("Agreement"). Below is a map identifying the location of the proposed Project.



Our understanding is that the Property under redevelopment consideration consists of pre-developed land with multiple structures.

The planned Project Property, up to ten (10) parcels, is described as follows by addresses and current ownership:

- 2224 Aurelius Road – DDA Owned
- 2221 Cedar Street – DDA Owned
- 2211 Cedar Street – Privately Owned
- 2205 Cedar Street – Privately Owned
- 2197 Cedar Street – DDA Owned
- 2191 Cedar Street – DDA Owned
- 2189 Cedar Street – Privately Owned
- 2185 Cedar Street – DDA Owned
- 2179 Cedar Street – DDA Owned
- 4444 North Street – DDA Owned

These addresses of the Project Property are subject to change. The Client currently does not own or control all the planned Project Property.

Based upon our discussions and information provided, the Project is planned to begin construction in early to mid-year 2025 and complete the Project at the end of 2026 or early 2027.

The Project will impact / increase the tax base of the Delhi Township (“Township”) and its business community.

By the Client’s signed acceptance of this Engagement Letter (“Agreement”), Client engages our Firm's services to provide select consulting services for the above referenced Project. This letter confirms the scope and related terms of our engagement for the following Client:

- Client Authorized decision maker and contact information:  
Mr. Howard Haas, Executive Director  
Delhi Downtown Development Authority  
4410 Holt Road, Holt, MI 48842  
Phone: 517-699-3866  
Email: howard.haas@delhitownshipmi.gov

## **OVERVIEW OF SERVICES**

Advanced Redevelopment Solutions consulting services provides Incentives Services, Project Financial Support Services, Project Management Site Construction Services (Pad Ready Brownfield Services and Site Development Services), Entitlement Services, Redevelopment Ready Site Services, and Owners Representation Services to its clients throughout the various stages of the development process.

This Agreement is specific to the consulting services for Incentives Services only. Other services, upon request, will be contracted separately from, or by Addenda to, this Agreement.

Our Firm's role in this initial stage of the redevelopment process was discussed at our meeting with you on April 11, 2024, to address two specific incentive legislative amendments in 2022 and 2023 that may benefit the planned Project Property as defined in the Scope of Services below.

### **SCOPE OF SERVICES**

Unless otherwise provided in this Agreement, Consultant shall furnish everything necessary to perform the agreed upon services, including, but not limited to, all supervision, personnel, supplies, services and transportation. Consultant shall perform all the services in a careful and competent manner with properly skilled and trained personnel.

Services included under this Agreement are as follows:

<b>Incentives Services</b>
----------------------------

This Agreement to provide select Incentives Services engages our Firm in the initial stages of the development process to assist and support the packaging and process of the applicable incentives for related Project activities that are limited to:

- Brownfield Tax Increment Financing ("Brownfield TIF") program incentive under the Brownfield Redevelopment Financing Act (PA 381 of 1996, as amended) to allow projects within the DDA District to gain access to and use local and/or state tax increment revenues generated as a result of a redevelopment projects new taxable value. Specifically for a project proposed under a "workforce housing Brownfield TIF" signed into law under Public Act 90 of 2023, an amendment to the Brownfield Redevelopment Financing Act (PA 381 of 1996, as amended), taking immediate effect on July 18, 2023.
- Workforce Housing Payment in Lieu of Taxes ("Workforce Housing PILOT") incentive under the State Housing Development Authority Act of 1966 (PA 346 of 1966, as amended) to allow local governments the ability to develop Workforce Housing PILOT policies and enter into PILOT agreements with developers who are building or rehabbing workforce housing units. Currently, many local governments allow PILOTS for developments as part of the developer's process to be awarded low-income housing tax credits through MSHDA. This legislation allows local governments to review PILOT agreements for developments that are not applicants for state or federal tax credits, thus allowing a needed tool for governments and developers/builders to partner together to address local workforce housing needs.

These incentives are available through local and/or state governmental agencies. Consultant will work to appropriately structure its services based upon the needs of the prospective developer and Client's desires/goals.

NOTE: These two incentives may be applied to a project independently or in combination with each other.

### **Task 1 – Preliminary Incentives Evaluation – Brownfield TIF Plan and Workforce Housing PILOT**

The following tasks will be completed to support the planned Project's preliminary evaluation of the Brownfield TIF and/or Workforce Housing PILOT incentives.

Consultant understands that it will need to evaluate the Brownfield TIF and Workforce Housing PILOT incentives under one or more scenarios to evaluate what will fit best with different financial structures for the prospective developer.

Consultant will complete the preliminary Brownfield TIF Plan and Workforce Housing PILOT incentives evaluation that will:

- Assist the Client in identifying Project estimated eligible activities. Eligible activity costs estimates are to be provided by the prospective developer of the planned Project to the best of their ability. However, the Consultant will assist the prospective developer in its calculation and justification of the Housing Subsidy (financing gap) eligible activity cost for the development of housing units for income-qualified households (attainable/work-force housing) between 80%-120% Area Medium Income (AMI).
- Estimate the planned Project's preliminary projected future taxable value.
- Estimate the planned Project's total annual taxes paid and annual capturable tax increment revenue under the Brownfield TIF that could be made available toward the reimbursement of eligible activity costs.
- Estimate the duration of Brownfield Plan capture after completion of the planned redevelopment Project because of the Project estimated eligible activity costs.
- Estimate a Workforce Housing PILOT value for the planned Projects portion of the redevelopment project that is being developed for workforce housing.
- Provide estimates of how the Workforce Housing PILOT and Brownfield Plan can work together or independently.
- Participate in meetings (virtual or in-person) upon request of the Client and the prospective developer as needed.
- Prepare a "summary letter report" of the potentially applicable economic development tools/financial incentives. This summary letter report is the Consultants final deliverable under this agreement and will include all of the estimates identified above. The summary letter report will be provided to the Client as a starting point in our discussions to pursue the adoption of a Brownfield Plan and/or Workforce Housing PILOT. The preparation of the Brownfield Plan and assistance on the Workforce Housing PILOT and their adoption/approval processes will be covered under an addendum to this agreement if the Client is in support of the use of these incentives for the prospective developer's Project.

The work activities described above will provide the basis for pursuing and securing the Brownfield TIF incentive under an adopted Brownfield Plan and/or Workforce Housing PILOT. The packaging of the applicable incentives and making of applications (Brownfield Plan and Workforce Housing PILOT) will be covered under a separate scope of services and cost task. Consultant has not included time or costs for the creation and evaluation of a prospective developer's proforma as a part of this preliminary effort. The Client and the prospective developer will also be solely responsible in its considerations of its tax structure and any tax impacts related to the identified incentive in this effort.

The potential mechanisms discussed above could be useful in bridging financing gaps to manage the site-specific conditions, building needs, and market conditions. These incentives are available from local and state governmental agencies. We will work to appropriately structure our services based upon the needs of the planned Project, the willingness of local and state governmental agencies to participate, the structure and roles of the already selected development team members, and your desires/goals.

#### **CHANGES IN THE SERVICES AND EXTRA WORK**

Under this Agreement specific task(s) have been described in the section titled "SCOPE OF SERVICES". However, subject to the terms and conditions of this Agreement, Client may retain Consultant as a consultant and technical advisor to perform other consulting services specifically set out in written Addenda to this Agreement which shall be made a part hereof from time to time. Consultant agrees, subject to the terms and conditions of this Agreement, to

render such other consulting services during the term of this Agreement so long as this Agreement is amended by authorized representatives of both parties.

Client may request changes to the services to be provided by Consultant at any time. No changes shall be made and no claims for extra work shall be valid or binding except as authorized in writing signed by Client and Consultant.

**FEES AND PAYMENTS**

Our fees for the above consulting services will be based on the nature and complexity of the engagement, the degree of responsibility involved, the time spent on performing the services, and the experience level of the personnel assigned, plus out-of-pocket expenses.

The Consultant shall be paid by the Client based upon the fees included for each individual approved task assignment. These fees will be either time and materials (T&M) or lump sum (LS) figures based on the Schedule of Fees attached to this Agreement. The Schedule of Fees is attached hereto and by this reference made part of this Agreement. Client shall pay for the services of Eric Helzer for this Project’s Task 1B assignment under this Agreement an amount of \$285.00 per hour. Eric Helzer records his time in 1/4th of an hour (15 minute) increments. Activities billed include telephone and in-person conferences concerning your Project, research, correspondence, document drafting, e-mails, and other work necessary to represent the Client’s Project effectively. For most services such as brief {less than 1/4th of an hour (15 minute) increments} telephone conferences, receiving and sending e-mail and voicemail, the Client will not be charged. Consultant cannot predict or guarantee the total cost of any meeting to be billed on an hourly basis. If we have discussed any estimate or range of total cost, it is exactly that, an estimate, which cannot be relied upon as a guaranteed cost. The Consultant will attempt to send an invoice for its services and costs due monthly. However, invoices may be sent less frequently. Client may request an invoice at any time, allowing for a reasonable time to prepare that invoice. Invoices will be sent to the Client via email to the email address we have on file.

Under this Agreement the estimated fees are as follows:

Task #	Task Name	Cost Type	Unit	Hourly/ Unit Rate	Estimated Cost *
<b>Task 1</b>	<b>Preliminary Incentives Evaluation–Brownfield TIF Plan and Workforce Housing PILOT</b>				
Task 1A	Summary Letter Report	LS	1	\$11,500.00	\$11,500.00
Task 1B	Meetings (virtual or in-person)	T&M NTE	16	\$285.00	\$4,560.00
<b>Total Estimated Cost</b>					<b>\$16,060.00</b>

**Notes:**

**LS = Lump Sum**

**T&M NTE = Time and Materials Not to Exceed**

**\* All Estimated Costs are 100% reimbursable to the Client with tax increment revenues under an adopted Brownfield Plan by the local governing body.** This projected amount reimbursable with tax increment revenues are the estimated professional fees of Consultant under this Agreement in the event the Project Brownfield Plan is approved under PA 381, as amended. Outside professional fees and hard costs related to Brownfield (PA 381) activities, are not included in the table above.

Advanced Redevelopment Solutions typically requires a retainer upon execution of this Agreement before commencement of services but has waived this requirement. Retainer, if any, shall be held and applied to Clients invoices for services rendered by Consultant under this Agreement, as it may be amended. Additional retainers may be required for future tasks under Addenda to this Agreement. Any remaining retainer will be returned to Client when services are completed.

The Client agrees to pay our invoices upon receipt. A late payment charge at the rate of 18 percent per annum will be imposed on amounts 30 days or more past due. Any questions or objections to any bill or statement rendered by us to Client must be made within 15 days of the billing date. If Client does not question or object to a bill or statement within 15 days of the billing date, the bill or statement will be deemed to be accurate and correct and fully due and payable. Client further agrees that any invoice 30 days or more past due shall entitle Consultant to file and record a claim of lien against the Client's interest in the Property in the amount of the past due invoiced fee, including late payment charges, to secure payment. Consultant shall not be entitled to any claim or claim of lien against Client for any additional compensation or damages in the event of payment.

Further, the obligation for the payment of the fees and out-of-pocket expenses is not contingent on the outcome of the engagement. The Client shall be responsible for any and all costs incurred by Consultant to successfully collect fees, including court costs and attorney fees.

### **CLIENT'S STATEMENT**

Client hereby represents and warrants to Consultant, and consents and agrees, to the following statements, which shall be binding on Client and relied upon by Consultant, in the performance of Services:

- (i) Client is duly organized and validly existing under the laws of its jurisdiction with the power to carry on its business as it is now being conducted; and
- (ii) Client acknowledges that Consultant will act as Client's authorized representative throughout the engagement of services related to Client's proposed Project and in such capacity shall perform the duties contemplated by this Agreement. Consultant, as an authorized representative of Client, has the right to: contact any public agency, including talking with any public employee without additional consent; have access to information and records of Client; attend public agency meetings; request information through freedom of information acts (FOIA); complete forms and applications; sign forms and applications, such as pre-applications and reports required to secure any intended incentives or approvals but this provision shall not include any binding financial agreements; provide documentation; appeal agency decisions, and; receive forms and notices; and
- (iii) Client acknowledges Consultant shall not be responsible for, acts or omissions of any contractor, subcontractor, sub-subcontractor, consultant, subconsultant, sub-subconsultant, architect or any other persons or entities performing portions of the Work not directly under the management of the Consultant. The term "Work" in this Agreement means the construction and services required for the Project, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Consultant to fulfill the Consultant's obligations. The Work may constitute the whole or a part of the development Project; and
- (iv) Client owns, or has executed, valid and current purchase agreement(s) or similar binding contract(s) to control the Property under consideration by Client for its proposed Project as described in this Agreement.
- (v) Client has received permission from the Property owner(s) or seller(s) to allow Client to apply for and obtain all permits and incentives for the proposed Project; and
- (vi) Client agrees, upon request of the Consultant, to cooperate with and participate in Consultant's activities under this Agreement. This includes calling meetings, providing meeting sites and amenities, and providing information requested by Consultant. Client will be involved in approval processes under this Agreement that will include public forums and negotiations with public agencies; and
- (vii) Client acknowledges that the Consultant as a part of its services under this Agreement will disclose Client provided information that will become part of the public domain by publication or otherwise; and

- (viii) All information and documents provided by Client for use in any application or incentive are true, complete and accurate so that Consultant can rely on the information in the performance of its services under this Agreement without further investigation; and
- (ix) Client, as Owner, or upon becoming the fee title holder, of the Property, represents that it has and will pay when due all property taxes, tax assessments and other governmental charges imposed upon the Property before any penalty or interest accrues thereon (provided however that extensions for filing and payment of such taxes shall be permitted hereunder if disclosed and consented to Consultant); and
- (x) Client has filed all tax returns required to have been filed. All such tax returns were correct and complete in all material respects. All taxes owed by Client (if shown on any tax return) have been paid or provided for in Client's financial statements. Client currently is not the beneficiary of any extension of time within which to file any tax return. To Client's knowledge, no claim has ever been made by an authority in a jurisdiction where Client does not file tax returns that it is or may be subject to taxation by that jurisdiction. There are no actual, pending or, to Client's knowledge, threatened liens, encumbrances, or charges against any of the assets of Client arising in connection with any failure (or alleged failure) to pay any tax; and
- (xi) Client is not in material violation of any laws, rules, or regulations which apply to the conduct of its business or any facilities or property owned, leased, operated, or used by Client. There has never been any citation, fine, or penalty imposed, asserted, or threatened against Client under any foreign, federal, state, local, or other law or regulation relating to zoning or environmental matters and Client is aware of no current circumstances likely to result in the imposition or assertion of such a citation, fine, or penalty; and
- (xii) Prior to the Consultant making any application on Client's behalf, Client represents that there has been no unremedied adverse change in the financial or any other condition of Client's application(s); and
- (xiii) In the making of any application Client represents that it intends to fully complete the Project as described in any application submitted to a public agency, and if any application is approved by a public agency the Project will be completed within the time schedule set forth in that application; and
- (xiv) Client understands that incentive programs are not entitlement programs, and as such, approval of any incentive program is not guaranteed; and
- (xv) Client understands that it is their responsibility to remain in compliance with any incentive program secured along with any related incentive legislation. Post incentive program award actions of Client are not the responsibility of the Consultant; and
- (xvi) Consultant is not an attorney and does not provide legal advice, as such, it is the Client's responsibility to seek legal advice at its own expense, on legal matters or questions that may arise regarding any incentive program and to have any incentive program documents prepared by Consultant reviewed by Client's legal counsel prior to submission to any public agency; and
- (xvii) Consultant is not an accountant and does not provide accounting services, as such, it is the Client's responsibility to seek accounting/financing advice at its own expense, on tax matters or questions that may arise regarding any incentive program and to have any incentive program documents prepared by Consultant reviewed by Client's accountant prior to submission to any public agency; and
- (xviii) Client acknowledges that it will cooperate with local assessing official(s) on determining the post-development taxable value of the proposed Project because Client recognizes that any incentive involving tax increment financing is dependent upon tax increment revenue projections. Projections of post-development taxable value will be part of any tax increment finance projection. The accuracy of all projections is directly related to the information provided by the Client; and
- (xix) Client acknowledges that tax increment revenue in any incentive involving tax increment financing will be estimated based upon specific assumptions detailed in a tax increment financing plan adopted by the governing body and or authority. The assumptions are based upon factors beyond the Consultant's



control and there is, therefore, no assurance that these projections will be achieved. Many factors may prevent the projections from being achieved. These include yearly changes in the tax rates of the various taxing entities, the rate of property value inflation, the construction plans of private individuals and companies, and unpredictable legislative changes affecting assessment ratios, assessed valuation exemptions, and tax rates. Certain school and county tax rates are subject to periodic renewal by the electors and may not be renewed. Legislative changes exempting particular types of property from taxation may cause a drop in revenues. Changes in business operations may cause equipment to become obsolete and lose value to a greater extent than has been projected. Limitations imposed on the annual increase in valuation of each parcel of property may reduce assessment growth and capture assessed values below assumed rates and levels. Challenges to property valuations by individual taxpayers may result in a reduction in those taxes due to a reduction in valuations though the appeal process. Also, further changes by the State in the method of financing public education that would reduce property tax rates could result in a reduction in tax increment revenue; and

- (xx) There is no assurance that growth will occur or that tax rates will remain in effect for the duration of the plan, as may be projected, for any incentive involving tax increment financing. Further, there is no assurance that federal and or state legislation will not be adopted that will have an impact on the governing body or on any authority's ability to meet debt service on any bonds issued pursuant to any legislatively adopted Public Acts in anticipation of the collection of tax increment revenues captured for the purpose of paying the cost of certain allowed activities or public improvements within a governing body; and
- (xxi) There are adequate means of ingress and egress for vehicular and pedestrian traffic to and from the Property and each adjoining street, road or highway. All routes of ingress and egress to and from the Property, to the extent they pass through adjoining land, do so in accordance with valid public or private easements which will inure to the benefit of Client. To Client's knowledge, the Property does not violate any restriction, condition or agreement contained in any easement, reciprocal easement, restrictive covenant, or similar instrument or agreement affecting the Property or any part thereof. Client has secured full access to the Property from seller of the Property;
- (xxii) This Agreement has been authorized by Client, and when executed, is a valid and binding agreement of Client, fully enforceable according to its terms;
- (xxiii) Prior to start of construction, Client to furnish and record a complete, executed Notice of Commencement containing a proper, legal description of the Property; and
- (xxiv) Client shall pay all costs including but not limited to architects, engineering, other professionals, permits, construction, utilities, builder's risk insurance and Consultant's fees. Client shall be solely responsible for payments of Consultant's fees.

#### **CONSULTANT'S STATEMENT**

Consultant hereby represents and warrants to Client, and consents and agrees, to the following statements, which shall be binding on Consultant and relied upon by Client, in the performance of Services:

- (i) Consultant shall coordinate and verify all permits necessary for the completion of construction and improvements having been obtained at Client's expense; and
- (ii) Consultant shall carry insurances naming Client as additional insured.

#### **ASSIGNMENT**

This Agreement shall not be assignable by either party without the prior written consent of the other party.

## **RELATIONSHIP**

This Agreement does not make either party the employee, partner, joint venture, agent or legal representative of the other for any purpose whatsoever. Neither party is granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of the other party.

## **CONFIDENTIALITY**

The parties acknowledge that in connection with Consultant's Services, subject to the terms and conditions of this Agreement, Consultant hereby agrees that during the term of this Agreement and for a period of two (2) years thereafter: (i) Consultant shall not publicly divulge, disseminate, publish or otherwise disclose any Client Confidential Information without Client's prior written consent, which consent shall not be unreasonably withheld; and (ii) Consultant shall not use any such Client Confidential Information for any purposes other than consultation with Client, except for Consultant's use of such information for purely internal research, analysis or comparison. Notwithstanding the above, Client and Consultant acknowledge and agree that the obligations set out in this section shall not apply to any portion of Client Confidential Information which:

- (i) was at the time of disclosure to Consultant part of the public domain by publication or otherwise; or
- (ii) became part of the public domain after disclosure to Consultant by publication or otherwise, except by breach of this Agreement; or
- (iii) was already properly and lawfully in Consultant's possession at the time it was received from Client; or
- (iv) was or is lawfully received by Consultant from a third party who was under no obligation of confidentiality with respect thereto; or
- (v) was or is independently developed by Consultant without reference to Client Confidential Information; or
- (vi) is required to be disclosed by law, regulation or judicial or administrative process; or
- (vii) in the case of information prepared by Consultant, is encompassed within and derived from Consultant's professional commitments to any information required to be submitted to any public agency, in writing or orally, which is generated or derived by the Consultant in the performance of or as a result of the services hereunder.

Notwithstanding any other term of this Agreement, Client agrees that it shall not disclose to Consultant any information which is Client Confidential Information: (i) except to the extent necessary for Consultant to fulfill Consultant's obligations to Client under this Agreement; or (ii) unless Consultant has agreed in writing to accept such disclosure. All other information and communications between Client and Consultant shall be deemed to be provided to Consultant by Client on a non-confidential basis. Client also agrees that Consultant may share the terms of this Agreement on a confidential basis with its employees, legal and financial advisors, insurers and other third parties who have a legitimate need to know about them, and that Consultant may disclose the existence and general nature of his consulting arrangement with Client with any public agency, its colleagues and co-workers, and its collaborators, as well as boards and audience members at meetings and forums at which Consultant is speaking or presenting, whenever such disclosures are legally or ethically required or appropriate. Client further agrees that Consultant shall not be liable to Client or to any third party claiming by or through Client for any unauthorized disclosure or use of Client Confidential Information which occurs despite Consultant's compliance with Consultant's obligations under this Agreement.

Upon termination of the Agreement, or any other termination of Consultant's services for Client, all records, drawings, notebooks and other documents pertaining to any Confidential Information of Client, whether prepared by Consultant or others, and any material, specimens, equipment, tools or other devices owned by Client then in Consultant's possession, and all copies of any documents, shall be returned to Client, except Consultant may keep one copy of all

documents for his or her files (which copy shall be subject to the confidentiality and non-use requirements set out in this Agreement).

### **CONSULTANTS FILE RETENTION POLICY**

It is Consultants' policy to retain Client files for a period of five (5) years after completion of the Services, after which time Consultant may arrange for proper destruction of the contents of the file without further notice to Client. According to the Michigan Rules of Professional Conduct, Rule 1.15, the file developed in this matter belongs to Client. At any time during Consultants' five-year file retention period, Client may have access to or can make arrangements to take the file. Consultants may retain copies of their work product in this matter.

### **E-MAIL COMMUNICATION**

In connection with this engagement, we may communicate with you or others via e-mail transmission. As e-mails can be intercepted and read, disclosed or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that e-mails from us will be properly delivered and read only by the addressee. Therefore, Consultant specifically disclaims, and Client waives, any liability or responsibility whatsoever for interception, unintentional disclosure or communication of e-mail transmissions, or for the unauthorized use or damage to any person or entity resulting from the use of e-mail transmissions, including any consequential, incidental, direct, indirect or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

### **LIMITATIONS OF DAMAGES; LIMITATIONS PERIOD FOR BRINGING A LAWSUIT; INDEMNIFICATION**

In order to help avoid any litigation in the event of a disagreement arising out of the performance of services under this engagement, and to help determine the amount of damages, if proven, Client agrees that Consultant's maximum exposure and liability to Client for damages of any kind or nature, foreseen or unforeseen, arising out of or in any way related to any act or omission for which we are or maybe responsible in the performance of any services contracted for under the terms of this engagement, are limited to the amount of our fees for this engagement. This limitation shall not, however, apply to the extent that damages arose out of our gross negligence or willful misconduct.

To the fullest extent permitted by law, Client shall indemnify, defend and hold harmless the Consultant, Consultant's agents and employees of them from and against any and all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of work caused by the negligent acts or omissions of Client or anyone directly or indirectly employed by Client or anyone for whose acts it may be liable including but not limited to, claims and liabilities made by architect, engineer, contractor, sub-contractors, utilities, suppliers, Consultant management company, employees or third parties relating to the Project. This indemnification shall not, however, apply to the extent that damages arose out of our gross negligence or willful misconduct of the Consultant, Consultant's agents or employees.

Further, because of the difficulties inherent in recalling communications and preserving all relevant information, Client further agrees that, notwithstanding any applicable period of limitations or tolling period for bringing commencing an action based upon services performed under this engagement, any such proceeding, except actions brought by Consultant to enforce payment of our invoices, must be brought within 12 months from the date of the completion of the services giving rise to such claim, unless Client management, within this same 12 month period, provides Consultant with a written notice of the specific defect in our services that forms the basis of the claim.

### **FACILITATED MEDIATION/ARBITRATION**

The parties agree that any controversy that cannot be resolved between the parties will be submitted to facilitative mediation for resolution. In the event that mediation is not successful in resolving the controversy the parties will

submit the controversy to binding arbitration pursuant to the Uniform Michigan Arbitration Act with the arbitrator to be selected by mutual agreement of the parties and the cost to be shared equally by the parties. If Facilitated Mediation does not resolve any controversy or dispute arising among the parties or under this Agreement, the controversy or dispute shall be resolved by arbitration conducted in Lansing, Michigan. Judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

Before arbitration may be commenced, the following steps must be taken to attempt to resolve any dispute that arises out of or in connection with this Agreement (including any dispute as to the validity, breach or termination of the Agreement, or as to any claim in tort, in equity or pursuant to any statute):

- (i) Notice (the notice of dispute) must be given in writing by the party claiming that a dispute has arisen to the other party (or parties) to this contract specifying the nature of the dispute;
- (ii) Upon receipt of the notice of dispute, the parties must meet and attempt to agree upon an appropriate procedure for resolving the dispute e.g. by selecting an approved Mediator;
- (iii) If within 10 business days of receipt of the notice of dispute the dispute is not resolved or an appropriate alternative dispute resolution process is not agreed, then the parties shall refer the dispute to a Mediator approved by the Ingham County Circuit (Business) Court.;
- (iv) The parties must co-operate with the Mediator as facilitator;
- (v) If within 10 business days after referral of the dispute to the parties have not agreed upon the mediator or other relevant particular the mediator and any other relevant particular will be determined in accordance with the Arbitration provisions of this Agreement.

This clause will remain operative after the Agreement has been performed and notwithstanding its termination.

#### **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Michigan, without reference to rules regarding choice of law.

#### **SEVERABILITY; WAIVER**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any delay or waiver by a party to declare a breach or seek any remedy available to it under this Agreement or by law will not constitute a waiver as to any past or future breaches or remedies.

#### **ENTIRETY**

This Agreement is the entire understanding and agreement between the parties with respect to the subject matter covered, and all prior agreements, understandings, covenants, promises, warranties and representations, oral or written, express or implied, not incorporated in this Agreement are superseded. This Agreement may not be amended or supplemented in any way except in writing, dated and signed, by authorized representatives of both parties.

#### **TERM OF ENGAGEMENT**

Unless terminated sooner, this engagement shall terminate upon the completion of the services that are specified in this Agreement unless this Agreement is amended or extended by authorized representatives of both parties. In addition, either party may terminate this engagement at any time by giving written notice to the other party, at the addresses reflected in this engagement letter. Such written notice shall be delivered not less than 30 calendar days before the effective date of termination. In the event of such termination, Client agrees to pay Consultant for the unpaid services performed up to such effective date of termination at our standard hourly rates plus costs and expenses.

**EFFECTIVE DATE**

Consultant has agreed to commence performance of the duties immediately as described in this Agreement upon receipt of required retainer and Client execution of this Agreement which shall set the Effective Date. Acceptance of this Agreement by Client acknowledges that Client has authorized services from the Effective Date forward.

**NOTICES**

Any notices required by this Agreement shall be delivered to the following address by registered or certified mail, delivery service or email providing proof of delivery/receipt. Notice requiring response in less than 10 days shall be delivered by overnight delivery service.

To Client:

**Howard Haas**  
Executive Director  
Delhi Downtown Development Authority  
4410 Holt Road, Holt, MI 48842  
Email: [howard.haas@delhitownshipmi.gov](mailto:howard.haas@delhitownshipmi.gov)

To Consultant:

**Eric P. Helzer, EDFP**  
Principal  
Advanced Redevelopment Solutions  
PO Box 204, Eagle, MI 48822  
Email: [ephelzer@msn.com](mailto:ephelzer@msn.com)

--- This area intentionally blank ---

**EXECUTION OF ENGAGEMENT LETTER**

Please return a signed and dated copy to me within three (3) business days of receipt of this letter along with the required retainer, if any. Please understand, under no circumstances, shall we prepare any significant work product or attend key public meetings until we receive from Client, this signed engagement letter and the required retainer.

We are pleased to have you as a client and look forward to continuing our mutually beneficial relationship. Thank you for your confidence in Advanced Redevelopment Solutions.

Warm regards,



**ERIC P. HELZER, EDFP**  
PRINCIPAL

Attachment: Schedule of Fees

By signing below, Client and Client's authorized representative whose signature appears below acknowledge that they have read this Agreement, fully understand its terms and voluntarily sign the same with the understanding that Clients' acceptance of this Agreement shall be fully binding upon Client.

**CLIENT HEREBY ACCEPTS ALL OF THE TERMS AND CONDITIONS SET FORTH ABOVE AND IN ALL ADDENDA SIGNED BY CLIENT:**

\_\_\_\_\_  
**Howard Haas**  
Delhi Downtown Development Authority

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Date**

**ADVANCED REDEVELOPMENT SOLUTIONS**

PO Box 204, Eagle MI 48822

Tel 517.648.2434

**SCHEDULE OF FEES**

**As of May 1, 2024**

**Delhi Downtown Development Authority**

**I. FEES FOR SERVICES:**

Hourly rates for:

Principal/Senior Incentives Advisor	\$240.00 - \$420.00
Senior Associate/Senior Project Manager	\$185.00 - \$285.00
Associate/Incentives Advisor/Project Manager	\$120.00 - \$185.00
Research/Technical Associate	\$90.00 - \$130.00
Field Manager	\$75.00 - \$135.00
Assistant Services	\$65.00
Administrative Support Services	\$55.00

**II. EQUIPMENT CHARGES:**

Photocopies (normal)	No Charge
Materials & Supplies*	No Charge

The following will be billed:

- Postage & Express Delivery (cost)
- Mileage (as allowable by the IRS)
- Long-Distance Travel: Airline Ticket & Rental Vehicle (cost plus 10% with Client approval)
- Lodging (cost plus 10%)
- Meals (cost plus 10%)
- Outside Photocopying (volume jobs, cost plus 10%)\*\*

\* (specially acquired materials and supplies charged at cost plus 10%)

\*\* (occasional large-scale printing or binding jobs charged at cost plus 10%)

**III. SERVICES OF OTHERS:**

Occasionally Advanced Redevelopment Solutions may employ related professionals for the performance of any services and those professionals utilized will be billed within hourly rates identified above. Additionally, other services of other consultants, experts, contractors, other professionals or support personnel may be required. These services of others will be sought and obtained with the Client's review and approval. If the Client requests it, a bidding process or request for proposals may be utilized. In most cases the cost of outside services is the responsibility of the Client. However, there are situations where it is advantageous for the Client and Advanced Redevelopment Solutions to subcontract outside services. Services subcontracted by Advanced Redevelopment Solutions will be authorized under an amendment to the Agreement approved by both parties. Client recognizes the additional administrative costs, risk and liability borne by Advanced Redevelopment Solutions when accomplishing a portion of the services through subconsultants and subcontractors. The costs for utilizing subcontractors, if approved by Client, shall be provided for in an amendment to this Agreement.