

DOWNTOWN DEVELOPMENT AUTHORITY

WORK SESSION

April 4, 2012 4:00 p.m.

**Brownstown Township Hall – Board Room
21313 Telegraph Road
Brownstown, Michigan 48183**

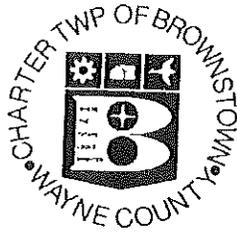
- 1.) Clock Tower proposal discussion
- 2.) Phase III bike path update
- 3.) Town Center market study/implementation strategy – RCL co
- 4.) Dog Park fees discussion

Posted: 3/30/12 10:30am

CHARTER TOWNSHIP OF BROWNSTOWN

Community Services Department

21313 Telegraph Road
Brownstown, MI 48183-1399
734-675-0166



March 29, 2012

Ms. Teri Rybski, Chair
Downtown Development Authority
21313 Telegraph Road
Brownstown, Michigan 48183

Re: Phase III Bikepath Alternatives

Honorable Chair and Members:

As mentioned in our correspondence dated February 29, 2012, we have initiated the planning and design of the Bikepath-Phase III along Gudith Rd., Sibley Rd., and Racho Rd. to connect with King Rd. and Pennsylvania Rd.

On March 14, 2012 Hennessey Engineering completed one layout of the Phase III Bikepath along the above mentioned roadways and a cost summary of approximately \$900,000 (see attachment "A" and "B".) In reviewing the information, we concluded that there could be some cost savings and we developed three Bikepath alternatives (see attached Alternatives) that would still meet the DDA's objective of connecting a Bikepath system from King Road to Pennsylvania Rd and better align with the DDA's Bikepath budget. All three alternatives illustrate adjustments to attachment "A" prepared by Hennessey Engineering. Additionally, the three alternatives include new pedestrian signals and crossings at select intersections, which were not included in Hennessey Engineering's Phase III layout and cost summary. The alternative Bikepath descriptions follows:

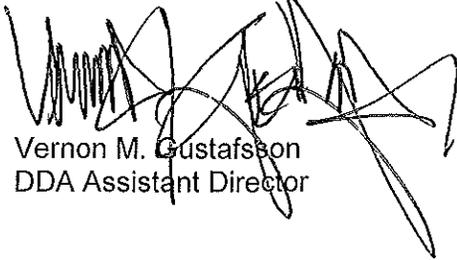
- Alternative 1: Removes a section of the planned Bikepath on the northside of King Rd. and a section of the planned Bikepath and a bridge that crosses the Blakely Drain and associated floodway and floodplain at the north end of Racho Rd. Shifts the Bikepath to the northside of Sibley Rd. connecting Gudith Rd., Gudith Elementary School and Racho Rd.
- Alternative 2: Removes sections of the planned Bikepath along King Rd., Dix/Toledo Highway, Gudith Rd., Sibley rd., and Racho Rd. This alternative

would also eliminate a planned bridge over the Van Kleef Drain on Racho Rd. This alternative proposes a bicycle route (signed only) through the Prairie Creek residential subdivision that would connect King Rd. and Gudith Rd. and a bicycle route (signed only) through the Southland Village Estates residential subdivision to connect Sibley Rd., Gudith Elementary School and Racho Rd.

- Alternative 3: Eliminates the Bikepath along King Rd., Gudith Rd., Sibley Rd., and Racho Rd. and plans for a five foot or greater paved shoulder along these roadways.

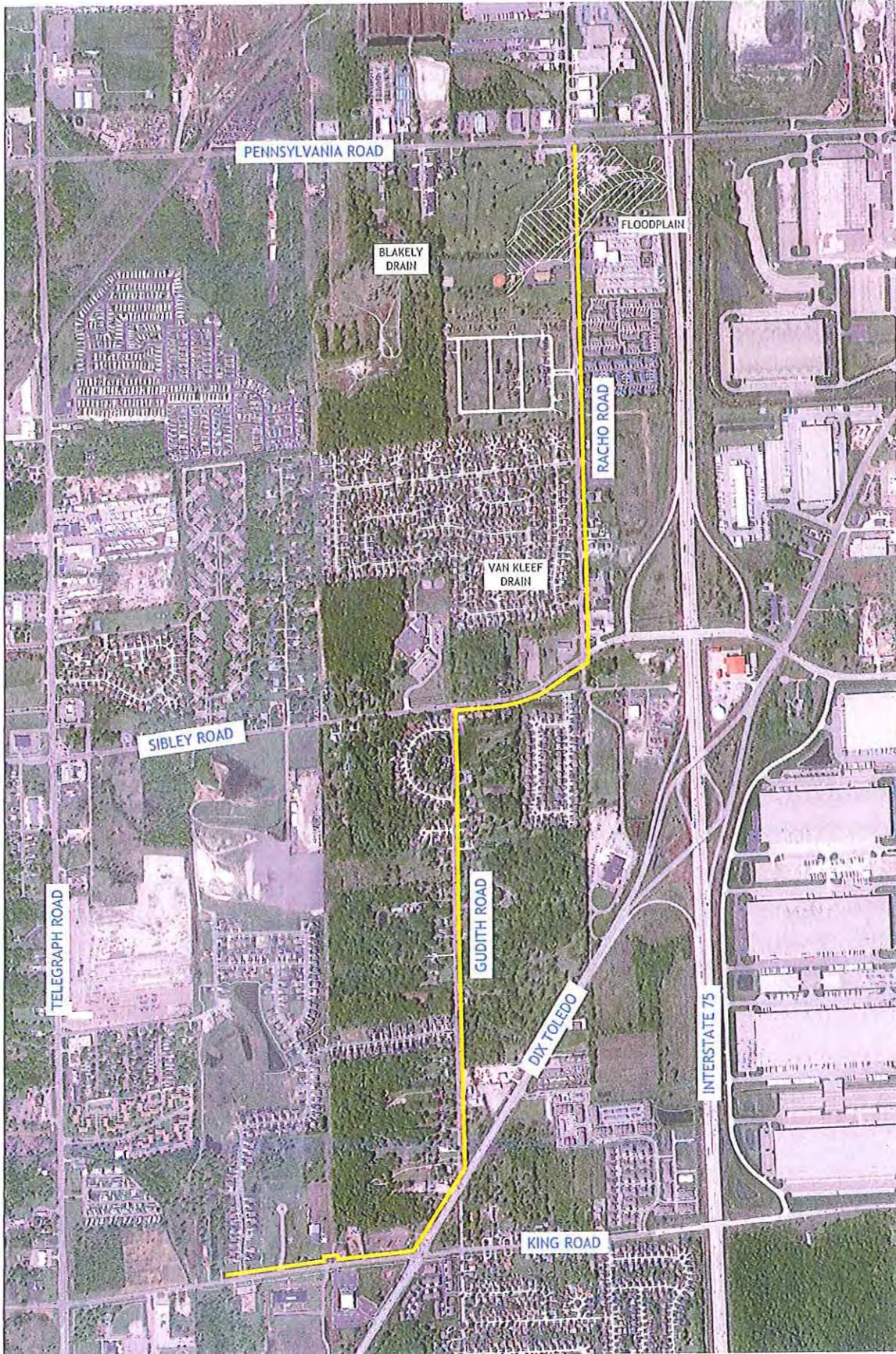
We had an initial meeting with Wayne County Department of Public Services – Permitting Office on Thursday, March 29, 2012 to review the alternatives. Sami Khaldi, Director, noted that all three alternatives have “pros and cons.” We expressed alternative 3 was our preferred option. Mr. Khaldi was receptive and requested a more detailed schematic layout for further review. We are preparing necessary graphics and descriptions that will be sent to Mr. Khaldi next week. At the same time, we are exploring use of the ITC utility corridor for the planned Bikepath connecting King Rd. to Pennsylvania Rd.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Vernon M. Gustafsson', written over a printed name and title.

Vernon M. Gustafsson
DDA Assistant Director

ATTACHMENT "A"



BROWNSTOWN PATHWAYS
PHASE 2



ENGINEERING THE FUTURE.
13500 REECK ROAD
SOUTHGATE, MI 48195
(734) 759-1600
FAX (734) 282-6566
WWW.HENGINEERS.COM

ATTACHMENT "B"

Brownstown Pathways

Phases 1 and 2

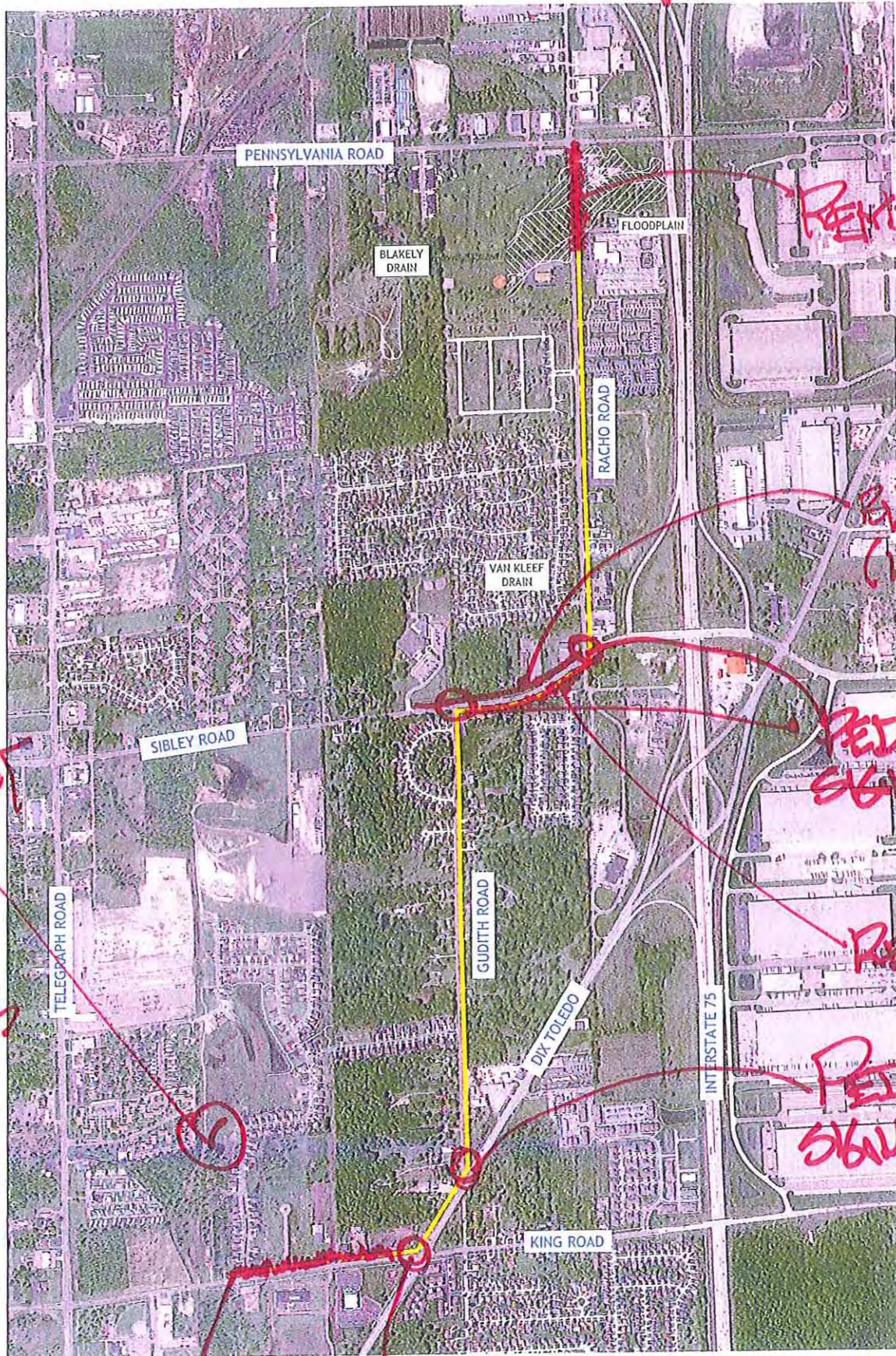
Pathway	\$36.82 LFT	11,000 FT	\$405,000.00
Bridges	\$120,000.00 EA	1 EA	\$120,000.00
<hr/>			
Total Construction			\$525,000.00
Surveying and Design			\$58,200.00
Construction Staking			\$7,940.75
Construction Oversight			\$22,298.75
<hr/>			
Total Soft Costs			\$88,439.50
Construction			\$525,000.00
Soft Costs			\$88,439.50
<hr/>			
Total Project			\$613,439.50

Phase 3

Pathway	\$36.82	14,000 FT	\$515,454.55
Bridges	\$120,000.00	2 EA	\$240,000.00
<hr/>			
Anticipated Construction			\$755,454.55
Surveying and Design			\$83,750.00
Construction Staking			\$11,500.00
Construction Oversight			\$32,100.00
<hr/>			
Anticipated Soft Costs			\$127,350.00
Construction			\$755,454.55
Soft Costs			\$127,350.00
<hr/>			
Total Project			\$882,804.55

ALT 1:

3-10-12



CONNECT SUB TO REC COMPUS

REMOVE

REMOVE PATH (NORTH SIDE)

PED SIGNAL

REMOVE

PED SIGNAL

REMOVE

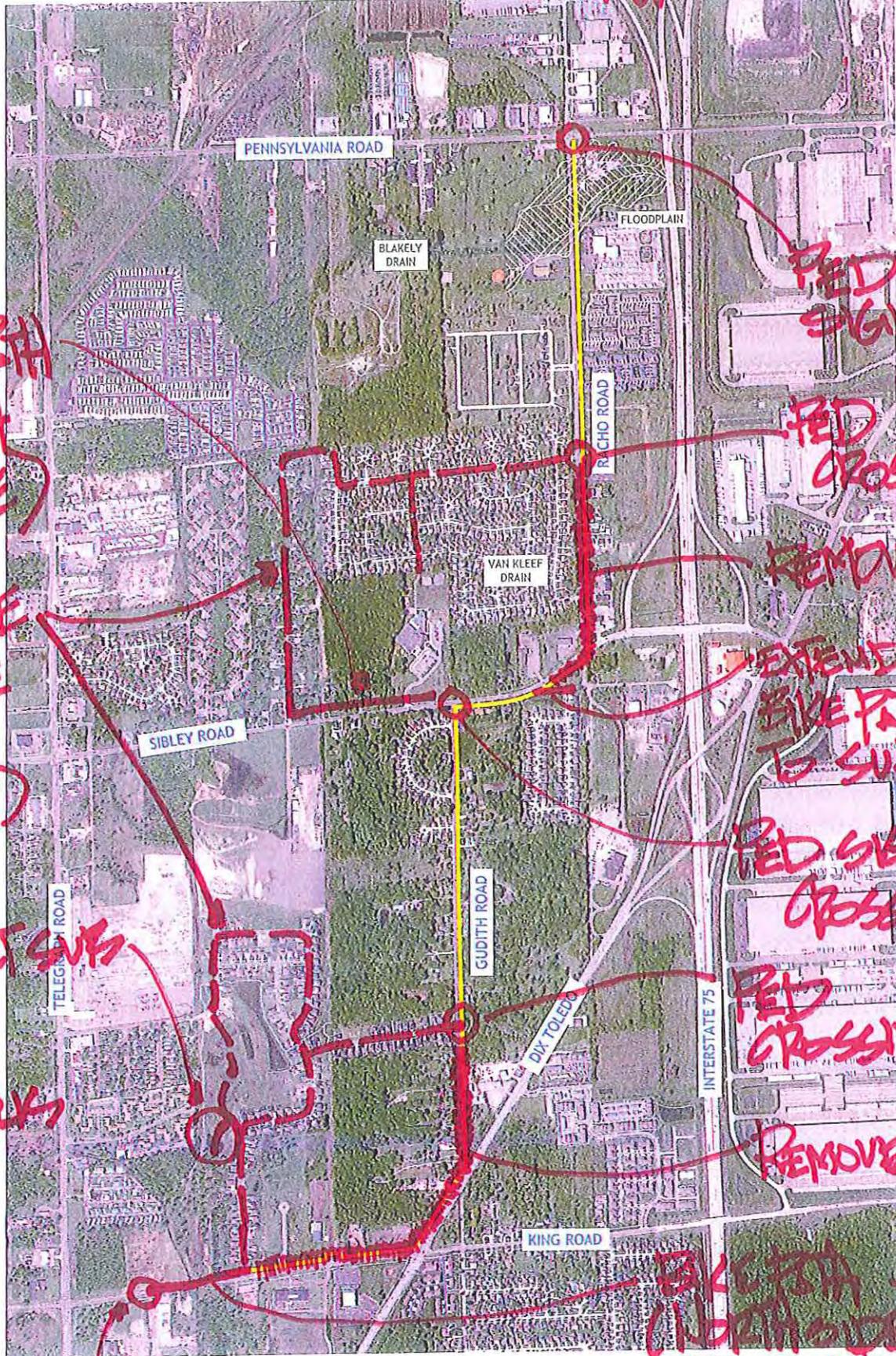
BROWNSTOWN PATHWAYS PHASE 2

PED SIGNAL



ENGINEERING THE FUTURE.
 13500 REECK ROAD
 SOUTHGATE, MI 48195
 (734) 759-1600
 FAX (734) 282-6566
 WWW.HENGINEERS.COM

AT 2: 3.20.12



BIKE PATH
(NORTH
SIDE)

BICYCLE
ROUTE
(SIGN
ONLY)

CONNECT SVCS
TO
REC
COMPLEX

PLANNED SIGNAL AT
REC. COMPLEX ENTRANCE

PED
SIGNAL

PED
CROSSING

REMOVE
EXTEND
BIKE PATH
TO SUB.

PED SIGNAL
CROSSING

PED
CROSSING

REMOVE

BIKE PATH
(NORTH SIDE)

AT 3: 2.20.12



FED SHOULDER

FED SHOULDER

RACHO RD.
Paved SHOULDER S' OR GRATER

SPRAY & GUDITH
Paved SHOULDER S' OR GRATER

FED SHOULDER

FINETATA

REMOVE



Sent via e-mail

March 2, 2012

Mr. Vernon Gustafsson
DDA Assistant Director
BROWNSTOWN DOWNTOWN DEVELOPMENT AUTHORITY
21313 Telegraph Road
Brownstown, MI 48183

E6-12962.00

SUBJECT: Market Study and Implementation Strategy for the Brownstown Township Town Center in Brownstown Township, Michigan.

Dear Mr. Gustafsson:

Based upon our recent conversation, we are pleased to present this proposal-agreement for professional services relative to the above subject.

ASSIGNMENT BACKGROUND AND OBJECTIVES

In 1993, Brownstown Township created a Downtown Development Authority (DDA). In 2004, the concept of a mixed-use "Town Center" in Brownstown Township was outlined in order to create a unique place that offered a quality of life and established an image or landmark for the Township. In 2005, the DDA purchased 77 acres at the intersection of Telegraph and West Roads for the location of the town center. Since that time, a master plan has been adopted, zoning put into place, and a potential site plan has been put forth. While there was a significant amount of interest amongst potential tenants, until 2009, Telegraph Road was under construction making it a north/south road (as opposed to north bound only), hampering the ability to move forward on the project during the top of the last real estate cycle.

In 2010 the DDA commissioned a market study to understand the market potential of the town center within the context of the current economic climate. While RCLCO has not studied the 2010 market study in great detail, we note the following which could impact the outcome of the study:

- The US Census has come out since the time of the study (which utilized 2009 data based upon the 2000 census). The 2009 data estimated 7,491 households in the Primary Market Area (PMA). The 2010 Census has 7,765 households.
- The PMA was relatively small (approximately a one to one and one-half mile radius). Depending on the type of retail, neighborhood centers (e.g. grocery, daily living) typically utilize a three mile radius trade area.
- We have not studied the opportunity for a town center at the site, however, if that is an appropriate type of land use (retail more focused on creating a destination), the trade area would be larger.

- The study only completed a statistical demand for retail, but for none of the other land uses. While Esri projects that households are projected to decrease in the Township and the County, households are still likely to turn over. We would need to examine how likely they would be to choose Brownstown Township.
- There are signs that the economy and real estate is beginning to recover. Therefore, residential uses may be appropriate at the site. If not today, the recommendations would focus on when and what.

It is our understanding that you require a market study and an implementation strategy that will fully outline the market potential for the town center that will make it attractive to national tenants (if that is, in fact, a market for the town center) and potential developers. In addition, the study will provide actionable implementation steps to help the DDA find a development partner.

With the above in mind, the key objectives of this engagement are to:

- Update the market study looking at the future potential of each of the land uses;
- Determine the timing of the different land uses within the town center;
- Recommend the appropriate mix of land uses and total units/square feet;
- Understand the future buyers, renters, tenant types, shoppers, and businesses that would likely locate and visit the town center;
- Create a market study that would be appropriate in the inclusion of an offering package to potential development partners;
- Prepare a financial analysis to use with potential developers to clearly demonstrate the potential of the town center;
- Prepare an implementation strategy to help ensure the town center is more than just a vision;
- Identify the most qualified and appropriate potential development partners for this project who are capable of executing a project of this scale;
- Provide the DDA with the information and support to select the partner(s) and the project concept which presents the highest likelihood of achieving success.

COMPANY BACKGROUND AND QUALIFICATIONS

RCLCO (Robert Charles Lesser & Co.) is the nation's leading independent real estate advisory firm, providing market and financial analysis and strategic planning for a broad spectrum of clients.

We are recognized in the industry as having the ability to address specific project situations as well as our clients' overall long-term strategic needs. Our services are customized to address our clients' particular needs, supported by both quantitative analysis and creative problem solving.

RCLCO has unsurpassed experience in market and feasibility analysis and strategic programming, much of it for town center developments. Our client base includes developers, major investors, lenders, and government agencies.

In each engagement, we strive to add value to our clients' real estate activities and to provide ways for them to gain a competitive advantage in the marketplace. Our advice is market-driven, analytically based, practical, actionable, and financially sound.

Enclosed with this letter are various materials regarding RCLCO, including our brochure and lists of representative relevant engagements.

RCLCO's Orlando office will be responsible for completion of this engagement. Melina Duggal, Senior Principal, will be the firm's Project Director on this engagement and the key representative.

SCOPE OF WORK

The analytical tasks leading to the fulfillment of the above objectives are outlined below.

Phase I

Market Study and Financial Analysis

1. Conduct a kick-off meeting with the client and relevant project team members to visit the subject property, to review and refine the assignment objectives and our approach, and to obtain a complete debriefing from the client about the project and any relevant information from prior work completed relative to the assignment. Review the previous market study in greater detail.
2. Visit the subject property and evaluate its development potential based on an investigation of its location, access, visibility, zoning and planning status, current and/or proposed neighboring uses, topography, views, vegetation, other natural and/or man-made features, on-site improvements (if any), and other pertinent factors.
3. Collect data and descriptive statistics to provide a baseline of information to drive the product program analysis including economy, demography, property, and purchasing power. This should include but not be limited to:
 - a. Employment trends;
 - b. Population and household growth trends;
 - c. Household distribution by age, income, education, and type;
 - d. Retail expenditures;
 - e. Tenure; and
 - f. Geographic distribution of the above within the competitive market area, Brownstown Township, and surrounding areas.
4. Have an interim phone call/session with you to discuss the above three scope items. We will make a judgment call based upon our experience with this type of development, our knowledge of the area, the data pulled above, and the previous report if the outcome of this report is likely to be different than the previous report. Determine with you whether we should conclude the study. If we end the market study at this point, we will write a brief summary memo explaining our conclusions.
5. Investigate the existing, planned and proposed demand and supply characteristics (size of project, class, rental rates, pricing vacancy, etc.) for competitive properties within the office, retail, for-sale housing, for-rent housing, and senior housing markets. As part of this task, RCLCO will complete the following:
 - a. Collect and analyze data on comparable competitive real estate assets that may compete with the town center for market share sourced from potential demand.
 - b. For each land use studied, define and delineate the Primary Market Area (PMA), or geography from which 80% to 90% of demand is likely to emanate, Secondary Market Area (SMA), or geography from which 10% to 20% of demand is likely to emanate, and Competitive Market Area (CMA) the geography which will contain real estate assets that will likely compete for demand with assets planned/proposed for the subject site. The PMA, SMA, and CMA for each land use will be determined by real estate market characteristics (10-mile radii, driving distance, jurisdictional boundaries, census boundaries, natural demarcations, etc.) and will vary in shape and form between land uses.

- c. We will supplement the above information by conducting interviews with key members of the development community and key business segments, planners, and other relevant sources to determine the strength of the local market, trends occurring in a number of uses, attitudes toward the subject area, and other pertinent information.
 - d. Synthesis of this information and analyses will inform RCLCO's recommendations regarding the depth of support for the proposed land uses within the market and the subject site, provide information regarding that informs the physical planning and architecture (size, layout, features, amenities, configurations, etc.), and guide assumptions regarding the economics of these land uses at the subject site.
6. Identify up to three case studies of areas that have been developed, with similar characteristics as the study area. These case studies will have a strong focus on mix of land uses, critical success factors, implementation strategies utilized, and market audiences attracted.
 7. Calculate the demand potential and absorption rates for these product types over the next five to ten years, both within the PMA and SMA and potential capture at the subject site. The demand potential estimates will be grounded in our understanding of the regional and local economic drivers as well as RCLCO's real estate development experience.
 8. Prepare recommendations as to the target market audiences, the appropriate types and mix of development products, price and size ranges, and other critical factors.
 9. Construct a viable development program that has market support over a ten-year period. The development program will include, at a minimum, total amount of development in square feet, optimal phasing strategies, projected prices/rents and absorption over a ten-year period, and specific recommendations (Critical Success Factors) for each land use type and for the project as a whole.
 10. Construct a Development Strategy Matrix, designed to clearly outline the series of development and development-oriented activity both feasible and probable as inputs into the Implementation Strategy process.
 11. Conduct a working session in Brownstown Township, at which time we will present our findings, conclusions, and recommendations. Supporting documentation in the form of exhibits, tables, and charts will be made available at the working session.
 12. Prepare an Executive Report summarizing our key findings, conclusions, and recommendations under this engagement.

RCLCO will construct a dynamic financial model that estimates the project's financial performance taking into account development costs, source and uses of capital, risk assessments, and timing/phasing of development. This financial model would be utilized to attract developers to the project. The financial model will consider up to three development scenarios, which will be informed by the market analysis. Financial modeling will reflect RCLCO's real-time intelligence regarding the national and global capital markets, investor attitudes towards town center projects, as well as revenue inputs from the market analysis.

RCLCO will also identify any gaps that may require closing with public assistance or otherwise that may be present in the project program, and advise the DDA regarding the cost/benefit of filling those gaps and their overall impact on the project's success. RCLCO methodology takes into account a variety of development costs in its financial modeling, and we will pay particular attention to these line items, especially when they may involve some component of public funding

as well. We will conduct sensitivity analyses on these models and will identify the individual components that have the greatest impact upon project returns on investment.

The steps to accomplish the above shall include, but is not limited to, the following:

1. Develop a dynamic financial model designed to evaluate the financial performance of up to three alternative development programs and to refine the positioning assumptions made above. The model will be designed to:
 - a. Measure profit above cost for the above development hypotheses;
 - b. Solve for a residual land value of the property, or the price that a vertical developer would pay for entitled development parcels under this program;
 - c. Model the overall project return vis-à-vis development costs through a 10-year life cycle;
 - d. Reflect current trends in lending and capital markets activities;
 - e. Reflect RCLCO investigation into development and construction costs for the project types envisioned; and
 - f. Analyze potential gaps that may require filling in order for the project to receive financing, as well as provide insight into the ways that a future developer and the DDA might close those gaps internally or externally.
2. Based on the result of the financial model, RCLCO will complete an optimization analysis, to refine the programs and identify a land use strategy that results in a land use program that best meets the criteria of the DDA. We will work with the DDA to arrive at this land use strategy collaboratively, and will conduct a financial strategy session with you to review and analyze the recommendations that come out of the financial modeling.
3. Conduct a working session in Brownstown Township, at which time we will present our findings, conclusions, and recommendations. Supporting documentation in the form of exhibits, tables, and charts will be made available at the working session.
4. Prepare an Executive Report summarizing our key findings, conclusions, and recommendations for the financial analysis portion of the engagement.

Meetings and Deliverables Included Above

1. To complete the above scope of work, we plan to visit Brownstown Township three times. Once to kick-off the project, at the end of the market study, and at the end of the financial analysis.
2. Work products:
 - a. Set of exhibits that includes all the data from market study
 - b. Short, summary power point for market study appropriate to present to Township
 - c. Executive summary of market study
 - d. Set of exhibits for the financial analysis
 - e. Executive summary of financial analysis
 - f. We will provide five (5) hard copies of each of the above documents as well as a pdf version.

Phase II

Implementation Strategy

1. Based on the results from above and our knowledge of the local, regional, and national market, begin to form a list of potential development partners that should be considered. This will include a detailed assessment of the experience and cultural, organizational, and financial qualities of the prospective partner.
2. Prepare a Briefing Book which will cover the following:
 - a. Demographic and employment trends and characteristics;
 - b. Target consumer characteristics;
 - c. Overall levels and timing of development opportunity;
 - d. Development and community concepts;
 - e. Timing and phasing of development;
 - f. Relationships to other public and private investments in the area;
 - g. Land allocation strategies, e.g. mixes of land uses;
 - h. Positioning of land uses in the market;
 - i. Key project amenities;
 - j. Achievable levels of absorption by land use type; and
 - k. Overview of the market driven development program
3. In consultation with the DDA, review the list of prospects to be considered, with a focus on those who have the resources and organizational capacity to execute a project of this scale.
4. Contact senior representatives of each company to begin their exposure to the project.
5. Provide a briefing book and financial model to those developers that have expressed an interest in receiving additional details. Subsequently advance discussions and answer questions about the project.
6. Coordinate site visits for the prospective developers to tour the site. Introduce potential partners to the DDA team, as well as senior leadership in the Township.
7. Evaluate each potential partner based on ongoing discussions, experience with this size of project, organizational capacity, financial resources and reaction to the proposed product program and financial projections. A short-list of preferred partners will evolve from this process.

NEXT STEPS

Assuming the successful execution of the processes outlined above, we would welcome the opportunity to remain involved to help the DDA structure the deal and finalize the joint venture partnership/development management deal.

TIME AND PROFESSIONAL FEE SCHEDULE

The time to complete the scope of work outlined above for Phase I through the working session is 8 to 12 working weeks, as detailed below. The written report will be issued once all follow-up items resulting from the working session are completed. The above time frame may vary depending on when we receive your written authorization and our commitments at that time, as well as on turnaround and response time from client, client consultants and employees and other

team members regarding necessary information requests; review of progress reports and/or drafts; scheduling conflicts; and so on.

The professional fee to complete the scope of work outlined above for Phase I is \$65,000, plus expenses, as detailed below. Please refer to the enclosed appendix for information regarding our reimbursable expense schedule, billing arrangements, additional services, and limiting conditions.

Phase I

Market and Financial Analysis	8 – 12 Weeks	\$65,000
Estimated Expenses	N/A	\$8,200

Contractual

On-site Reference Material	\$500
Report Production	\$3,500
Telecommunication	\$1,250
<u>Subtotal</u>	<u>\$5,250</u>

Estimated Travel Expenses

3 Airfare to Detroit (1 person)	\$1,485
6 Days of Meals	\$330
6 Days of Rental Cars	\$330
8 Days of Parking at Airport	\$150
Gas for Rental Cars	\$132
Hotel (if not Melina Duggal)	\$495
<u>Subtotal</u>	<u>\$2,922</u>

Phase II

Implementation Strategy	3 – 4 Months	TBD
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If the above meets with your approval, we are prepared to commence work on this assignment as soon as practical after receipt of an executed proposal-agreement.

In an ongoing effort to improve our services to our clients, we will be sending you a web-based Client Satisfaction Survey at the completion of this engagement. We hope you will take the time (5 minutes) to respond to this survey so we may incorporate your feedback and implement changes as necessary. Thank you in advance for participating.

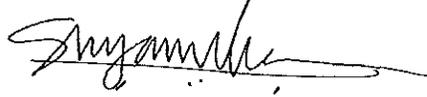
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We are excited about working with you on this interesting project and sincerely appreciate your consideration of our firm. We look forward to hearing from you in the very near future.

Very truly yours,



Melina Duggal
Senior Principal



Shyam Kannan
Principal

AGREED AND ACCEPTED:

BROWNSTOWN DOWNTOWN
DEVELOPMENT AUTHORITY

By: _____
Title: _____
Signature: _____
Date: _____

Unless informed to the contrary in the space provided below, the monthly invoices and reports will be sent via email to the attention of the individual who executed this agreement:

Name: _____
Title: _____
Invoicing Address: _____
Telephone Number: _____
Fax Number: _____
Mail Address: _____
E-mail Address: _____

STANDARD APPENDIX TO PROPOSAL-AGREEMENT

Section 1: Payment Terms

An initial payment of 0% of the authorized fee shall be sent upon execution of this Agreement, which amount will be credited to the outstanding balance on the final invoice(s) submitted to Client. Payment of the retainer should be sent, along with one executed copy of this proposal-agreement, to:

RCLCO
7200 Wisconsin Avenue, Suite 1110
Bethesda, MD 20814

For each monthly billing period ("Billing Period"), RCLCO (Robert Charles Lesser & Co.) will submit invoices to Client for professional services and expenses. Amounts invoiced will be in proportion to the services performed during the preceding billing period. Amounts invoiced for reimbursable expenses, consultants' fees, and additional services will be based on amounts incurred and services performed through the invoice date.

Invoices will be sent via email to the individual that executed this agreement, or otherwise as specified on the signature page.

All payments will be made in the U.S. and in U.S. currency. All taxes and tariffs associated with paying for our services will be paid by Client or, if levied on RCLCO, will be charged back to Client over and above the professional fees and expenses billed in accordance with this Agreement.

Invoices are due and payable upon receipt. Interest, at the highest rate permitted under the applicable law, will accrue on all accounts not paid within thirty (30) days of the invoice receipt date, at which point the account will be deemed overdue. RCLCO retains the right to halt work pending receipt of any overdue payments, and the right to withhold delivery of the final report until payment in full has been received if payment history does not meet the above terms. Client shall pay all costs and expenses, including without limitation, reasonable attorney's fees and expenses incurred by RCLCO in connection with the collection of the overdue accounts of Client.

Section 2: Estimated Expenses

Travel expenses (mileage, airfare, car rental, hotel, meals, etc.); delivery charges (air freight, messenger service, postage, etc.); color printing and copies of special graphics, photos, etc.; and outside secondary data required for the completion of this engagement¹ will be billed at cost plus a 10% handling charge as incurred. We estimate expenses outlined in this paragraph to be \$2,922.

In addition, Client will be billed \$5,250 for report preparation, on-site reference materials, presentation materials,² and telecommunication.³

¹ Such as on-line database charges, other publications, reports, maps and other miscellaneous out-of-pocket charges related to procurement of necessary information and data for this assignment.

² These expenses include all labor and expenses related to word and data processing, preparation and production of reports. Color and special graphics, photos, etc., will be charged separately over and above this fee, at cost plus a 10% handling charge. When applicable, up to five (5) printed copies of the report are included. Additional copies or revised copies once a final report has been issued will be billed at the highest of \$25 per copy or actual cost plus a 10% handling charge.

³ These charges will be billed in proportion to work completed over the life of the project.

Section 3: Acceptance and Expiration

Acceptance of this proposal-agreement is completed upon receipt of one executed copy of the proposal-agreement and the retainer fee specified. If we are not in receipt of a fully executed copy within thirty (30) days from the date thereof, this proposal-agreement shall be of no further force and effect and shall be deemed withdrawn.

Section 4: Additional Services

In addition to the scope of work covered in this Agreement, we will be available for additional work, including team meetings; planning and design review work; litigation support work; presentations to investors, lenders and/or public agencies; periodic updating of reports; financial analysis; marketing plan; consumer opinion research work; and other activities related to this engagement.

Additional team meetings and planning and design review sessions will be billed for professional time and expense based on our normal hourly or per diem rates. Proposals for other services, indicating scope of work and time and fee schedule, will be submitted upon request.

Professional time for court appearances, depositions, and public hearings will be billed at 150% of our normal hourly rates.

Section 5: Client's Responsibilities

Client agrees to provide full and reliable information about its requirements for the engagement and, at its expense, shall furnish the information, surveys and reports, if any. In addition, Client agrees to provide, at its expense and in a timely manner, the cooperation of its personnel and such additional information with respect to the engagement as may be required from time to time, to be provided by Client for the performance of RCLCO's work. Client shall designate a Project Representative authorized to act on behalf of Client with respect to this Agreement and agrees to render any decisions promptly to avoid unreasonable delay to the engagement and the performance of RCLCO's work.

Section 6: Termination

Either Client or RCLCO may terminate this Agreement by giving written notice at least three (3) days prior to the date of termination. In the event of such termination, Client shall pay RCLCO for services and reimbursable expenses performed or incurred to the termination date.

Section 7: Use of Documents

It is understood by RCLCO that the findings from this engagement ("Report") are the proprietary property of the Client and that for a period of one year, unless otherwise instructed by the Client in writing, they will not be made available to any other organization or individual without consent of the Client. It is agreed by the Client that the Report, unless specifically designated by RCLCO as an internal document, will be presented to third parties only in its entirety and that no abstracting of the Report will be made without first obtaining the permission of RCLCO.

Client agrees to indemnify RCLCO against any losses or claims for damage and liabilities under Federal and State laws that may arise as a result of statements or omissions in public or private offering of securities.

Section 8: Confidential Information and Limitation of Liability

Non-Disclosure. Each party agrees not to use, disclose, sell, license, publish, reproduce, or otherwise make available the Confidential Information of the other party except and only to the extent necessary to perform under this Agreement. Each party agrees to secure and protect the other party's Confidential Information in a manner consistent with the maintenance of the other party's confidential and proprietary rights in the information and to take appropriate action by instruction or agreement with its employees, consultants, or other agents who are permitted access to the other party's Confidential Information to satisfy its obligations under this Section. The provisions of this paragraph shall survive the term of the contract.

RCLCO and Client expressly limit their liability to each other for direct damages caused by negligence of one to the other, and for direct damages caused by the breach of any term of this Agreement. RCLCO's total liability to the Client shall not exceed the total fee and expenses actually paid by the Client to RCLCO for the scope of work covered in this Agreement. In no event shall either party be liable to the other for any indirect or consequential damages, including but not limited to lost business profits.

Section 9: General Limiting Conditions

It is understood by the Client that RCLCO can make no guarantees about the recommendations resulting from the proposed engagement because these recommendations must be based upon facts discovered by RCLCO during the course of the study and those conditions existing as of the date of the Report.

To protect the Client, and to assure that RCLCO's research results will continue to be accepted as objective and impartial by the business community, it is understood that RCLCO's fee for the undertaking of this engagement is in no way dependent upon the specific conclusions reached or the nature of the advice given by RCLCO in its Report to the Client.

The final Report furnished by RCLCO will contain a statement of General Limiting Conditions, as follows:

"Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agents and representatives, or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this report does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO."

Section 10: Arbitration

Any disputes, claims or other matters arising out of or relating to this Agreement or the breach hereof shall be settled by arbitration in Maryland in accordance with the Rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrators may be entered into any court having jurisdiction hereof. In the event of any arbitration or other legal proceedings pertaining to this Agreement, including the enforcement of any arbitration award, the prevailing party shall be entitled to recover all legal expenses, including reasonable attorney's fees.

Section 11: Miscellaneous

By executing the proposal-agreement for this engagement, Client and RCLCO each bind themselves and their successors and assigns to this Agreement. Neither Client nor RCLCO shall assign or transfer their interest in this Agreement without the written consent of the other.

This Agreement represents the entire Agreement between Client and RCLCO. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party that are not set forth expressly in the agreement. This Agreement may be amended only in writing, signed by both Client and RCLCO.

Maryland law shall govern this Agreement.



AUSTIN | LOS ANGELES | ORLANDO | WASHINGTON DC

RETAINER INVOICE

Mr. Vernon Gustafsson
DDA Assistant Director
BROWNSTOWN DOWNTOWN DEVELOPMENT AUTHORITY
21313 Telegraph Road
Brownstown, MI 48183

E6-12962.00

SUBJECT: Market Study and Implementation Strategy for the Brownstown Township Town Center in Brownstown Township, Michigan.

RETAINER DUE: Amount
0% of Authorized Fee

Please mail checks and documents to:
RCLCO
7200 Wisconsin Avenue, Suite 1110
Bethesda, MD 20814

Wire information can be provided upon request.

Information for Dog Park fee discussion - 4/4/12 work session

Grand opening of Brownstown Dog Park is scheduled for Saturday, April 28th along with Animal Control conducting their annual rabies vaccination clinic and pet license renewal.

Dog park fees for other communities:

Canton Township

\$25 annual fee - resident

\$50 annual fee - non-resident

Up to 3 dogs per household

Northville

\$25 annual fee - resident

\$50 annual fee - non-resident

\$20 fob security deposit

Royal Oak

\$40 annual fee – resident

\$65 annual fee – non resident

Birmingham

\$50 annual fee – resident

\$200 annual fee - non resident

additional fobs may be purchased for \$10

The majority of the communities:

- Charge an annual fee
- Charge non-resident more
- Require immunization records to be presented at time of purchase of pass
 - Immunizations required are Rabies and DHLPP/some require Bordetella vaccination
- Require dog to have a current license to be presented at the time of purchase

Brownstown Dog License fees (annual):

\$8 before April 30th

\$16 after April 30th

Seniors free

Questions to consider:

- What should be charged for annual dog park fee?
- Should non-residents be charged more?
- Should there be a deposit/charge for the fob?