

Term Sheet
Waterfront Property Redevelopment

This Term Sheet is made by and among the **City of Holland**, a Michigan municipal corporation (the “City”), of 270 S. River, Holland, Michigan 49423, **Geenen DeKock Properties, LLC**, a Michigan limited liability company (“GDK”), of 12 W. 8th St., Suite 250, Holland, Michigan 49423, and **Verplank Dock Co.**, a Michigan corporation (“Verplank”), of 705 W. 2nd St., Box 8, Ferrysburg, Michigan 49409 (each a “Party” and collectively the “Parties”).

1. Background.

- a. **Waterfront Vision.** The City has developed a waterfront vision for certain waterfront property east of Kollen Park based on community input and advice from professional consultants.
- b. **Implementing the Vision.** The Parties have discussed certain transactions to implement part of the waterfront vision. They desire to sign this Term Sheet to outline the basic terms for a Redevelopment Agreement (an “RDA”) with respect to the JDY Property, the Verplank Property, and the City Property (which includes the “tool works property”, two triangle parcels, and the adjacent to-be-vacated rights-of-way of Dock Street, Graham Street, and portion(s) of 8th Street/Kollen Park Drive) (each a “Property” and collectively the “Properties”). A map identifying these properties is attached.

2. Real Property Transfer. The RDA shall provide for conveyance of good and marketable fee simple title of:

- a. The JDY Property to Verplank,
- b. The Verplank Property to GDK, and
- c. The City Property to GDK.

3. Consideration.

- a. The consideration to the City for the JDY Property and the City Property shall be (i) GDK’s payment of the fair market value of these Properties in an amount to be agreed upon by the City and GDK plus (ii) the benefits of the redevelopment of the Properties to be set forth in the RDA, and including improvements to Kollen Park.
- b. The consideration to Verplank for the Verplank Property shall be the JDY Property remediated and redeveloped in the manner to be set forth in the RDA.

4. **Contingencies.** The RDA will provide that each Property is conveyed “as is” (except for certain post-closing obligations of the City and its Board of Public Works (“BPW”) relating to the environmental condition of the JDY Property) but will include various contingencies and pre-closing obligations each one to be satisfied in each Party’s sole discretion before such Party is obligated to close, including, but not limited, to:

a. **Contingencies Applicable to All the Properties:**

- i. Approval of the RDA by City Council, Verplank, and GDK;
- ii. Review and approval of all title and site due diligence either GDK or Verplank wishes to complete on the Property it is to receive, including, but not limited to: a physical inspection; a title commitment/search; a survey; a wetlands and inland lakes and streams assessment; a geotechnical inspection; a seawall inspection; a Phase I Environmental Site Assessment and, if appropriate, a Phase II Environmental Site Assessment, Baseline Environmental Assessment, and Due Care Plan;
- iii. Approval by the City Council of the redevelopment plans for the Verplank Property and the City Property;
- iv. Receipt by GDK and Verplank of all zoning approvals or amendments and all other governmental permits and approvals for the proposed redevelopment of each Property;
- v. Receipt of the consideration identified above;
- vi. Other matters as may be determined by each Party.

b. **Additional Contingencies Applicable to the JDY Property:**

- i. Terms and locations of easements to benefit the City and its BPW;
- ii. Review and approval of financing plans, construction plans and construction contracts for improvements to the JDY Property and adjacent streets, including a new seawall for the JDY Property, a service drive, and new street configuration for Pine Avenue, 3rd Street, or 4th Street, and completion of such improvements as may be required by Verplank before closing on the conveyance of the Verplank Property;
- iii. Review and approval of plans for adequate funding and management for dredging the “turning basin” and bottomlands adjacent to the JDY Property and the inner harbor (i) for so long as dredging is not prohibited by state or federal law or regulation and (ii) for so long as the JDY Property is used for dock or shipping purposes; and implementation of such funding and management mechanisms pre-closing;
- iv. Review and approval of plans for adequate funding for, and approved management terms of, the maintenance of the dredging spoils site (i) for so long as dredging is not prohibited by state or federal law or regulation and (ii) for so long as the JDY Property is used for dock or shipping purposes; and implementation of such funding and management mechanisms pre-closing;

- v. The JDY Property being free of wetlands (unless an approved wetlands permit and approved wetlands mitigation plan is in place or is provided);
- vi. The power plant and all other improvements on the JDY Property razed to grade and properly recycled or disposed off-site;
- vii. The JDY Property covered in asphalt and crushed limestone to the general limits already present on the Verplank Property;
- viii. Agreement between the parties on the extent of appropriate remediation by the City or BPW or responsible parties of existing environmental contamination based on intended industrial use of the Property and satisfactory resolution for any post-closing remediation, response activities, or long term maintenance that may be necessary, unless exacerbated or caused by Verplank;
- ix. Property tax, TIFs, special assessment, truck route, and zoning terms agreed to; and
- x. GDK having complied with all obligations of GDK under a Memorandum of Understanding between GDK and Verplank.

c. **Additional Contingencies Applicable to the Verplank Property.** GDK having complied with all its obligations under a Memorandum of Understanding between GDK and Verplank.

d. **Additional Contingencies Applicable to the City Property.** A new street configuration for 7th Street and/or 8th Street and vacation of the street portions of the City Property.

5. **Economic Incentives.**

a. **Tax Increment Financing.** The parties intend that the City will create a Water Resource Improvement Authority and agree to a Brownfield Plan amendment and/or other tax increment financing authority to pay for certain eligible costs. The RDA will describe the categories of eligible costs. All costs applicable to the JDY Property will be paid first.

b. **Other Funding Resources.** The City will use its commercially reasonable best efforts to seek other funding resources for the proposed redevelopments.

6. **Non-Binding Term Sheet.** This Term Sheet represents an outline of terms the Parties intend to include in the RDA. However, it is non-binding upon the parties. In addition, it does not include all of the terms and conditions each of the Parties may, in its sole discretion, want to include in the RDA. The RDA, once negotiated in each Party's sole discretion and executed, will be the Parties' binding agreement.

7. **Charter Contingency Relating to this Term Sheet.** If the City is not authorized under its Charter on or before June 1, 2023, to convey the JDY Property and the City Property with such authorization being sufficient for the City to negotiate, execute, undertake and close on the RDA, this Term Sheet shall automatically expire as of that date.

City of Holland

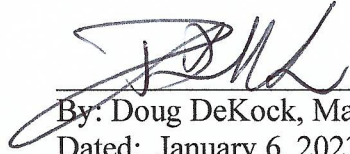
By: Keith Van Beek, City Manager
Dated: January __, 2023

By: David Koster,
BPW General Manager
Dated: January __, 2023

Approved as to Form

Ronald J. VanderVeen
City Attorney's Office

Geenen DeKock Properties, LLC



By: Doug DeKock, Manager
Dated: January 6, 2023

Verplank Dock Co.

By: _____
Dated: January __, 2023

City of Holland

By: Keith Van Beek, City Manager
Dated: January __, 2023

By: David Koster,
BPW General Manager
Dated: January __, 2023

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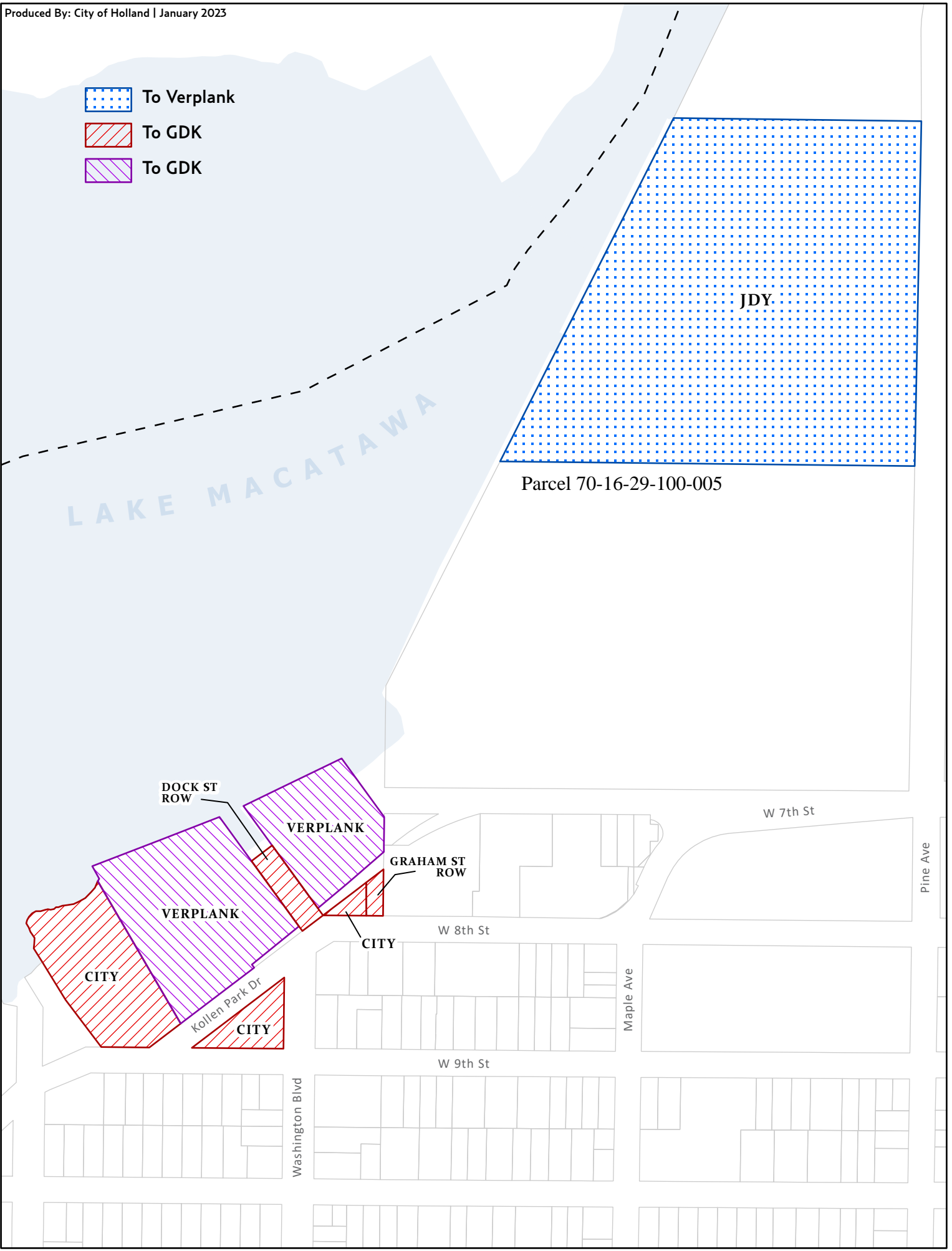


By: Ron Matthews, C.E.O.
Dated: January 6, 2023

 To Verplank

 To GDK

 To GDK



LAKE MACATAWA

JDY

Parcel 70-16-29-100-005

DOCK ST ROW

VERPLANK

GRAHAM ST ROW

VERPLANK

CITY

CITY

CITY

Kollen Park Dr

W 8th St

W 9th St

W 7th St

Washington Blvd

Maple Ave

Pine Ave