

# DOWNTOWN DEVELOPMENT AUTHORITY/LOCAL DEVELOPMENT FINANCE AUTHORITY AGENDA



## Regular Meeting

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January 22, 2026 at 4:00 PM

- 1) **CALL TO ORDER**
- 2) **ROLL CALL**
- 3) **APPROVAL OF AGENDA** - Items can be added or deleted from the Agenda by City Council action.
- 4) **PUBLIC COMMENT** Persons addressing the board are required to give their name and address for the record when called upon by the Chair. Members of the public shall be limited to speaking for a maximum of three (3) minutes.
- 5) **PRESENTATIONS AND RECOGNITIONS**
- 6) **CONSENT AGENDA**
  - A. **DDA/LDFA Minutes**  
DDA/LDFA Minutes- December 18, 2025
  - B. **Financial Reports**  
DDA Revenue/Expense Report-December 31, 2025  
LDFA Revenue/Expense Report-December 31, 2025
- 7) **MAEDA UPDATE**
- 8) **PUBLIC HEARINGS & SUBSEQUENT BOARD ACTION**
- 9) **BRA NEW BUSINESS**
  - A. 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN INTERLOCAL AGREEMENT
  - B. 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN BRA REIMBURSEMENT AGREEMENT
- 10) **BRA OLD BUSINESS**
- 11) **DDA NEW BUSINESS**
  - A. SPECIAL EVENT APPLICATION - BLUESFEST
  - B. LIQUOR LICENSE APPLICATION - BLUESFEST
  - C. 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN INTERLOCAL AGREEMENT
- 12) **DDA OLD BUSINESS**
- 13) **LDFA NEW BUSINESS**
  - A. LAND SPLIT APPLICATION

Training Room, 323 W Michigan Ave, Marshall, MI 49068

**B. DG MARSHALL MI SOLAR PROJECT LEASE AGREEMENT**

**14) LDFA OLD BUSINESS**

**15) BOARD REPORTS**

**16) ADJOURNMENT**

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# DOWNTOWN DEVELOPMENT AUTHORITY/LOCAL DEVELOPMENT FINANCE AUTHORITY MINUTES

December 18, 2025  
Regular Meeting - 4:00 PM

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[IGNORE\_INDENT]

**1) CALL TO ORDER**

IN A REGULAR SESSION held on Thursday, December 18, 2025 at 4:00 PM in the Training Room of City Hall, 323 West Michigan Ave, Marshall, MI 49068, the Marshall Downtown Development Authority/Local Development Finance Authority was called to order by Chair Beck.

**2) ROLL CALL**

Roll was called:

Present: Mike Beck, Sue Damron, Matt Davis, Desmond Kirkland, Jason LaForge, Amanda Lanker, Derek Perry, Matt Saxton, Angela Whitsell

Also Present: Director Strange and Clerk Eubank

Absent: Becky Jones and Catherine Yates

**3) APPROVAL OF AGENDA** - Items can be added or deleted from the Agenda by City Council action.

**Moved** by Matt Davis, supported by Amanda Lanker to approve the agenda as presented. On a voice vote: **Motion carried.**

**4) PUBLIC COMMENT** Persons addressing the board are required to give their name and address for the record when called upon by the Chair. Members of the public shall be limited to speaking for a maximum of three (3) minutes.

Chair Beck gave a brief overview of the October 30, 2025 meeting.

Public comment was heard from David Begg of W Green St, Mark Sherman of 15 1/2 Mile Rd, Casey Borris of 18 1/2 Mile Rd, Barry Wayne Adams of W Green St, Gretchen Esser of N Eagle St, Lynn Sleight of Fair St, Rebecca Sebring of Fredonia Twp, Lauren Bruggeman of Marshall, Eric Ebner of N Kalamazoo, Wayne Wright of Marshall Twp, Leigh Rothwell of Marshall Twp, Brian Munger of E Spruce St, Jeff Wilson of Marengo Twp, Debra Oosterhart of Division Dr, Regis Klingler of Butler Ct, Lee Sherman, and Tyler Eagle of Fredonia Twp.

**5) PRESENTATIONS AND RECOGNITIONS**

**6) CONSENT AGENDA**

**Moved** by Jason LaForge, supported by Matthew Saxton to approve the consent agenda as presented. On a voice vote: **Motion carried.**

**A. Financial Reports**

DDA Revenue/Expense Report- November 30, 2025  
LDFA Revenue/Expense Report- November 30, 2025

**B.** DDA Annual Report

**C.** LDFA Annual Report

**D. DDA/LDFA/BRA Minutes**

DDA/LDFA/BRA Meeting Minutes - November 20, 2025

**7) MAEDA UPDATE**

Jim Durian gave a year end MAEDA update on the DDA and LDFA.

**8) BRA NEW BUSINESS**

**A.** 211 & 213 E Michigan Ave Brownfield Plan

**Moved** by Matt Davis, supported by Amanda Lankerd to recommend approval of the Brownfield Plan for 211 and 213 East Michigan Avenue to City Council. On a voice vote: **Motion carried.**

**9) BRA OLD BUSINESS**

**10) DDA NEW BUSINESS**

**11) DDA OLD BUSINESS**

**12) LDFA NEW BUSINESS**

**13) LDFA OLD BUSINESS**

**14) BOARD REPORTS**

Chair Beck stated that Alterra Development had previously stated at the last meeting that they intend to hold a public input session once they are further along in the process. Member Lankerd clarified what a DDA and LDFA actually do and that the taxes collected are only from within the boundaries of the specific boards.

**15) ADJOURNMENT**

User: bcary

DB: Marshall

PERIOD ENDING 12/31/2025

\*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 12/31/2025	ACTIVITY FOR MONTH 12/31/2025	AVAILABLE BALANCE	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Revenues						
Dept 000						
248-000-402.00	Current Property Taxes	215,313.00	0.00	0.00	215,313.00	0.00
248-000-573.00	LOCAL COMM STAB SHARE TAX	35,000.00	48,943.05	0.00	(13,943.05)	139.84
248-000-665.00	Interest	5,000.00	6,678.39	0.00	(1,678.39)	133.57
248-000-679.16	MISC REVENUE - BLUES FEST	65,000.00	0.00	0.00	65,000.00	0.00
Total Dept 000		320,313.00	55,621.44	0.00	264,691.56	17.36
TOTAL REVENUES		320,313.00	55,621.44	0.00	264,691.56	17.36
Expenditures						
Dept 000						
248-000-702.40	Payroll - Rubbish/Garbage	0.00	1,064.17	312.97	(1,064.17)	100.00
248-000-702.42	Payroll - Parking Structure	0.00	351.60	180.32	(351.60)	100.00
248-000-702.43	Payroll - Sidewalk Snow Removal	0.00	412.52	412.52	(412.52)	100.00
248-000-702.44	Payroll - Flowers	0.00	1,903.61	0.00	(1,903.61)	100.00
248-000-703.00	Part-time Salaries	16,520.00	10,193.58	0.00	6,326.42	61.70
248-000-704.42	Overtime - Parking Structure	0.00	1,778.83	1,778.83	(1,778.83)	100.00
248-000-704.43	Overtime - Sidewalk Snow Removal	0.00	897.95	897.95	(897.95)	100.00
248-000-704.44	Overtime - Flowers	0.00	179.22	0.00	(179.22)	100.00
248-000-715.00	Social Security	0.00	1,272.60	268.88	(1,272.60)	100.00
248-000-755.00	Miscellaneous Supplies	5,000.00	1,878.57	1,433.25	3,121.43	37.57
248-000-755.01	MISC SUPPLIES - DOWNTOWN PLANTERS	2,040.00	137.00	0.00	1,903.00	6.72
248-000-757.00	Fuels & Lubricants	200.00	0.00	0.00	200.00	0.00
248-000-777.00	MINOR TOOLS AND EQUIPMENT	300.00	0.00	0.00	300.00	0.00
248-000-801.00	Professional Services	1,000.00	372.12	17.00	627.88	37.21
248-000-805.00	Administrative Costs	26,000.00	16,688.35	13,875.00	9,311.65	64.19
248-000-820.00	Contracted Services	23,834.80	30,245.92	0.00	(6,411.12)	126.90
248-000-850.00	Communications	720.00	420.00	120.00	300.00	58.33
248-000-941.00	MOTOR POOL VEHICLE RENTAL	6,000.00	4,717.55	3,445.05	1,282.45	78.63
248-000-961.00	COMMUNITY PROMOTIONS	65,000.00	0.00	0.00	65,000.00	0.00
248-000-970.00	Capital Outlay	122,000.00	3,400.00	0.00	118,600.00	2.79
248-000-990.00	Debt Service	43,772.00	0.00	0.00	43,772.00	0.00
248-000-994.00	Bond Interest Paid	12,524.00	0.00	0.00	12,524.00	0.00
Total Dept 000		324,910.80	75,913.59	22,741.77	248,997.21	23.36
Dept 719 - DDA Sidewalk						
248-719-941.02	MOTOR POOL REPLACEMENT CHARGE	888.00	559.60	0.00	328.40	63.02
248-719-941.03	MOTOR POOL OPERATING CHARGE	1,753.00	1,347.90	0.00	405.10	76.89
248-719-941.05	VEHICLE RENTAL CREDIT	0.00	(203.04)	0.00	203.04	100.00
Total Dept 719 - DDA Sidewalk		2,641.00	1,704.46	0.00	936.54	64.54
Dept 729 - Community Development						
248-729-740.00	Operating Supplies	0.00	211.68	0.00	(211.68)	100.00
Total Dept 729 - Community Development		0.00	211.68	0.00	(211.68)	100.00

\*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 12/31/2025	ACTIVITY FOR MONTH 12/31/2025	AVAILABLE BALANCE	% BDGT USED
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY						
Expenditures						
TOTAL EXPENDITURES		327,551.80	77,829.73	22,741.77	249,722.07	23.76
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES		320,313.00	55,621.44	0.00	264,691.56	17.36
TOTAL EXPENDITURES		327,551.80	77,829.73	22,741.77	249,722.07	23.76
NET OF REVENUES & EXPENDITURES		(7,238.80)	(22,208.29)	(22,741.77)	14,969.49	306.80

User: bcary

DB: Marshall

PERIOD ENDING 12/31/2025

\*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	2025-26 AMENDED BUDGET	YTD BALANCE 12/31/2025	ACTIVITY FOR MONTH 12/31/2025	AVAILABLE BALANCE	% BDGT USED
Fund 250 - LOCAL DEVELOPMENT FINANCE AUTHORITY FUND						
Revenues						
Dept 000						
250-000-402.00	Current Property Taxes	829,650.00	0.00	0.00	829,650.00	0.00
250-000-573.00	LOCAL COMM STAB SHARE TAX	150,000.00	136,336.24	0.00	13,663.76	90.89
250-000-665.00	Interest	33,000.00	15,518.91	1,439.69	17,481.09	47.03
Total Dept 000		1,012,650.00	151,855.15	1,439.69	860,794.85	15.00
TOTAL REVENUES		1,012,650.00	151,855.15	1,439.69	860,794.85	15.00
Expenditures						
Dept 000						
250-000-740.00	Operating Supplies	0.00	879.99	0.00	(879.99)	100.00
250-000-801.00	Professional Services	90,401.05	4,335.37	328.50	86,065.68	4.80
250-000-803.00	Service Fee	500.00	0.00	0.00	500.00	0.00
250-000-805.00	Administrative Costs	160,537.00	66,666.65	0.00	93,870.35	41.53
250-000-820.00	Contracted Services	240,500.00	119,030.00	0.00	121,470.00	49.49
250-000-990.00	Debt Service	365,000.00	0.00	0.00	365,000.00	0.00
250-000-994.00	Bond Interest Paid	219,000.00	109,500.00	0.00	109,500.00	50.00
Total Dept 000		1,075,938.05	300,412.01	328.50	775,526.04	27.92
TOTAL EXPENDITURES		1,075,938.05	300,412.01	328.50	775,526.04	27.92
Fund 250 - LOCAL DEVELOPMENT FINANCE AUTHORITY FUND:						
TOTAL REVENUES		1,012,650.00	151,855.15	1,439.69	860,794.85	15.00
TOTAL EXPENDITURES		1,075,938.05	300,412.01	328.50	775,526.04	27.92
NET OF REVENUES & EXPENDITURES		(63,288.05)	(148,556.86)	1,111.19	85,268.81	234.73

# ITEM: 9.A

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Marcia Strange, Director of Community Development  
**DATE:** January 22, 2026  
**SUBJECT:** 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN  
INTERLOCAL AGREEMENT

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The Brownfield Plan for 211 and 213 East Michigan has been approved by the BRA at the December 18, 2025 meeting and by City Council at the January 2, 2026 meeting. The plan requires additional agreements related to the passing through of taxes collected by the DDA to the BRA for this Brownfield Plan.

A review of these documents by the City Brownfield Consultant and the City of Marshall Attorney will be completed prior to the meeting and their comments will be presented at the meeting for consideration.

An Interlocal Agreement is requested for the DDA and the MBRA to enter into to provide for the DDA tax increment revenues generated by the redevelopment known as Marshall Apartments property comprised of two parcels located at 211 and 213 E. Michigan Avenue in Marshall, Michigan (Eligible Property) to be captured by the MBRA to reimburse the Act 381 "Eligible Activities" pursuant to the Marshall Apartments Brownfield Plan ("Brownfield Plan"). This is the 'concurrence' by the DDA that is required to complete the local establishment process.

Also on the agenda is a required Reimbursement Agreement between the BRA and Marshall Property Investments, LLC (the applicant) that specifies the terms and conditions associated with the reimbursement of costs associated with the Eligible Activities outlined in the Brownfield Plan. Action can be taken under a separate item for this agreement.

### **RECOMMENDATION:**

Approve the Interlocal Agreement between the Downtown Development Authority and the Brownfield Redevelopment Authority, in substantial form, and authorize the Chair to sign the necessary documents.

# ITEM: 9.B

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Marcia Strange, Director of Community Development  
**DATE:** January 22, 2026  
**SUBJECT:** 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN BRA REIMBURSEMENT AGREEMENT

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The Brownfield Plan for 211 and 213 East Michigan has been approved by the BRA at the December 18, 2025 meeting and by City Council at the January 2, 2026 meeting. The plan requires additional agreements related to the passing through of taxes collected by the DDA to the BRA for this Brownfield Plan.

A review of these documents by the City Brownfield Consultant and the City of Marshall Attorney will be completed prior to the meeting and their comments will be presented at the meeting for consideration.

Under a previous item an Interlocal Agreement was requested for the DDA and the MBRA to enter into. This Interlocal Agreement ensures the tax dollars make their way to the BRA fund. This is the "concurrence" by the DDA that is required to complete the local establishment process.

This second agreement on the agenda is a required Reimbursement Agreement between the BRA and Marshall Property Investments, LLC (the applicant) that specifies the terms and conditions associated with the reimbursement of costs associated with the Eligible Activities outlined in the Brownfield Plan. The DDA tax increment revenues generated by the redevelopment known as Marshall Apartments property comprised of two parcels located at 211 and 213 E. Michigan Avenue in Marshall, Michigan (Eligible Property), captured by the MBRA to reimburse the Act 381 "Eligible Activities" pursuant to the Marshall Apartments Brownfield Plan ("Brownfield Plan").

**RECOMMENDATION:**

Approve the Brownfield Reimbursement Agreement between the Brownfield Redevelopment Authority and Marshall Property Investments, in substantial form, and authorize the Chair to sign the necessary documents.

# ITEM: 11.A

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Michelle Eubank, City Clerk  
Marcia Strange, Director of Community Development

**DATE:** January 22, 2026  
**SUBJECT:** SPECIAL EVENT APPLICATION - BLUESFEST

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The City has received the special event application for BluesFest for 2026. Before recommending this to council for final approval, the DDA needs to decide what they would like to see happen with the social district, whether it stays open as in 2025 or it is closed as in prior years. After that decision has been made, the DDA needs to recommend approval to council.

**RECOMMENDATION:**  
Recommend approval of the 2026 Bluesfest special event application to City Council.



City Of Marshall
323 West Michigan Ave
Marshall, MI 49068
Phone: 269.781.5183
Fax: 269.781.2878

Special Events Application

Important: Please fill out each item as completely so that the application can be processed as quickly as possible, without unnecessary delays. Please return the completed, signed application, with any necessary attachments, to the City Clerk's Office, at the address shown above. Special Events must be approved by the City Council, which typically meets twice per month. We recommend submitting your application at least 90 days before your organization wishes to receive approval, to allow time to work through issues with the staff, and to allow for the possibility that the City Council may still see issues that should be addressed before approval.

Applicant Information

Name of Special Event: Marshall Blue Fest

Is the sponsoring organization: [X] Non-Profit, please provide status letter\* [ ] For Profit

Mailing/Billing Address: 323 W Michigan Avenue

City/State/ZIP Code: Marshall, MI 49068

Business Phone: 269-781-5163 Cell Phone:

Email Address(es): kimber@choosemarshall.com

Event Information

\*A separate event schedule and/or description may be attached in response to questions 1 through 5.

\*\*For any question, if there is not room to include a complete response, please include the response on a separate attachment and note "see attached". When providing information in an attachment, please refer to the appropriate question number(s) to help the City staff review the application.

1. Requested day(s), date(s), and time(s) of the Special Event: Saturday, June 27, 2026

2. Is there a requested alternative date(s)? [X] Yes [ ] No

If yes, please provide the alternative date(s):

3. Please describe the event(s): Music festival

4. What is the requested location(s) of the event(s): Downtown Marshall on Michigan Ave between Eagle and Madison Streets, and on N. Eagle between Mansion Street and Michigan Avenue

5. Does this event require a street closure? [X] Yes [ ] No Street Name: Michigan Ave and Eagle St

Start and End Locations: See #4 above

Please complete the following check list regarding your event and special needs: More detailed instructions are included on the following pages. Please use additional sheets where appropriate for more detailed responses.

**General**

- 6. Is this event expected to occur again in a future calendar year? Yes X No \_\_\_\_\_  
Normal Annual Date? Last Sat in June
- 7. Have you included a map indicating the location of your event?\* Yes X No \_\_\_\_\_
- 8. Is your event located within the Downtown Development Authority? Yes X No \_\_\_\_\_
- 9. Does the applicant wish to prohibit vending within the event area? Yes X No \_\_\_\_\_
- 10. Does the applicant plan to include vending as part of this event?\* Yes X No \_\_\_\_\_
- 11. Will this event include the use of signs? Yes \_\_\_\_\_ No X
- 12. Will the event require the hanging of a banner? Yes X No \_\_\_\_\_
- 13. Is the applicant requesting special parking arrangements, such as reserved parking? Yes \_\_\_\_\_ No X

**Public Services**

- 14. Is the applicant requiring utility connections, such as electric or water services? Yes X No \_\_\_\_\_
- 15. Does the applicant require other public services?
  - a. Barricades Yes X No \_\_\_\_\_
  - b. Fencing Yes X No \_\_\_\_\_
  - c. Street Sweeping Yes X No \_\_\_\_\_
  - d. Mowing Yes \_\_\_\_\_ No X
  - e. Rubbish Containers Quantity: All of them Yes X No \_\_\_\_\_
  - f. Picnic Tables Yes \_\_\_\_\_ No X
  - g. Cessation of Lawn Sprinklings Yes \_\_\_\_\_ No X
  - h. Other \_\_\_\_\_ Yes \_\_\_\_\_ No X
  - i. Map including indicating location of these services?\* Yes X No \_\_\_\_\_
- 16. Do you plan to utilize volunteers to help run the event? Yes X No \_\_\_\_\_
- 17. Do you plan to rent a park facility for the event? Yes \_\_\_\_\_ No X

**Public Safety**

- 18. Does the applicant have any special security or safety concerns? Yes X No \_\_\_\_\_
- 19. Are you requesting assistance from the Police/Fire Departments? Yes X No \_\_\_\_\_
- 20. Will the event include loud or unusual sounds?
  - a. Musicians Yes X No \_\_\_\_\_
  - b. Singers Yes X No \_\_\_\_\_
  - c. Amplified Announcers Yes X No \_\_\_\_\_
  - d. Carnival Rides Yes \_\_\_\_\_ No X
  - e. Motor Vehicle Noises Yes \_\_\_\_\_ No X
  - f. Other \_\_\_\_\_ Yes \_\_\_\_\_ No X
- 21. What are the planned hours for loud or unusual sounds? 1pm to 11 pm
- 22. Will the event include unusual lighting beyond what is normal at that location? Yes \_\_\_\_\_ No X

**Alcohol Consumption**

- 23. Are alcoholic beverages proposed to be served as part of the event? Yes X No \_\_\_\_\_
- 24. Will you be utilizing a LLC regulated boundary? Yes X No \_\_\_\_\_
- 25. Are you using the Social District for outdoor alcohol consumption? Yes X No \_\_\_\_\_
- 26. Have all necessary liquor licenses been obtain at the time of this application? Yes \_\_\_\_\_ No X
- 27. Does the applicant have any other requests that are not listed in this form? Yes \_\_\_\_\_ No X
- 28. The applicant is require to provide \$1,000,000 of liability insurance coverage with respect to the event; have you attached a Certificate of Insurance listing the City of Marshall as an additionally insured? Yes \_\_\_\_\_ No X

**Applicant Signature**

I hereby affirm that the information is true to the best of my knowledge and belief, and agree that the applicant will be responsible for making certain that the event follows the ordinances, rules, and regulations of the City of Marshall and that the event takes place in accordance with the application as approved by the Marshall City Council, including any conditions placed thereon.

Applicant Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Michael Beck / CHAIR DOWNTOWN DEVELOPMENT AUTHORITY

Date: \_\_\_\_\_

06/15/2025

The APPLICANT does hereby agree to indemnify, hold harmless and defend the CITY and each of its officers, officials, employees, agents and authorized volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CITY, OWNER, PERMITTEE (Renter) or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fee and litigation expenses), arising or alleged to have arisen directly or indirectly out of the operation and use of CITY property and public right of way. APPLICANT'S obligations under the preceding sentence shall apply regardless of whether City or any of its officers, officials, employees, agents or authorized volunteers are negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or caused by the willful misconduct, of CITY or any of its officers, officials, employees, agents or authorized volunteers.



# ITEM: 11.B

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Michelle Eubank, City Clerk  
Marcia Strange, Director of Community Development

**DATE:** January 22, 2026  
**SUBJECT:** LIQUOR LICENSE APPLICATION - BLUESFEST

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At the November 20, 2025 DDA meeting, the board decided to move forward with a beer tent for the 2026 Bluesfest. As part of that decision a formal motion to apply for the liquor license must be made.

**RECOMMENDATION:**

Approve the application for a Special Liquor License to be made to serve alcohol on Saturday, June 27, 2026 for Marshall Blues Fest, which will be located in Downtown Marshall on North Eagle Street between West Michigan Avenue and West Mansion Street; for a total expenditure of \$50

# ITEM: 11.C

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Marcia Strange, Director of Community Development  
**DATE:** January 22, 2026  
**SUBJECT:** 211 AND 213 EAST MICHIGAN BROWNFIELD PLAN  
INTERLOCAL AGREEMENT

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The Brownfield Plan for 211 and 213 East Michigan has been approved by the BRA at the December 18, 2025 meeting and by City Council at the January 2, 2026 meeting. The plan requires additional agreements related to the passing through of taxes collected by the DDA to the BRA for this Brownfield Plan.

A review of these documents by the City Brownfield Consultant and the City of Marshall Attorney will be completed prior to the meeting and their comments will be presented at the meeting for consideration.

An Interlocal Agreement is requested for the DDA and the MBRA to enter into to provide for the DDA tax increment revenues generated by the redevelopment known as Marshall Apartments property comprised of two parcels located at 211 and 213 E. Michigan Avenue in Marshall, Michigan (Eligible Property) to be captured by the MBRA to reimburse the Act 381 "Eligible Activities" pursuant to the Marshall Apartments Brownfield Plan ("Brownfield Plan"). This is the 'concurrence' by the DDA that is required to complete the local establishment process.

Also on the agenda is a required Reimbursement Agreement between the BRA and Marshall Property Investments, LLC (the applicant) that specifies the terms and conditions associated with the reimbursement of costs associated with the Eligible Activities outlined in the Brownfield Plan. There is no action needed from the DDA on this item.

**RECOMMENDATION:**

Approve the Interlocal Agreement between the Downtown Development Authority and the Brownfield Redevelopment Authority, in substantial form, and authorize the Chair to sign the necessary documents.

# ITEM: 13.A

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Marcia Strange, Director of Community Development  
Kevin Maynard, Director of Electric Utilities

**DATE:** January 22, 2026  
**SUBJECT:** LAND SPLIT APPLICATION

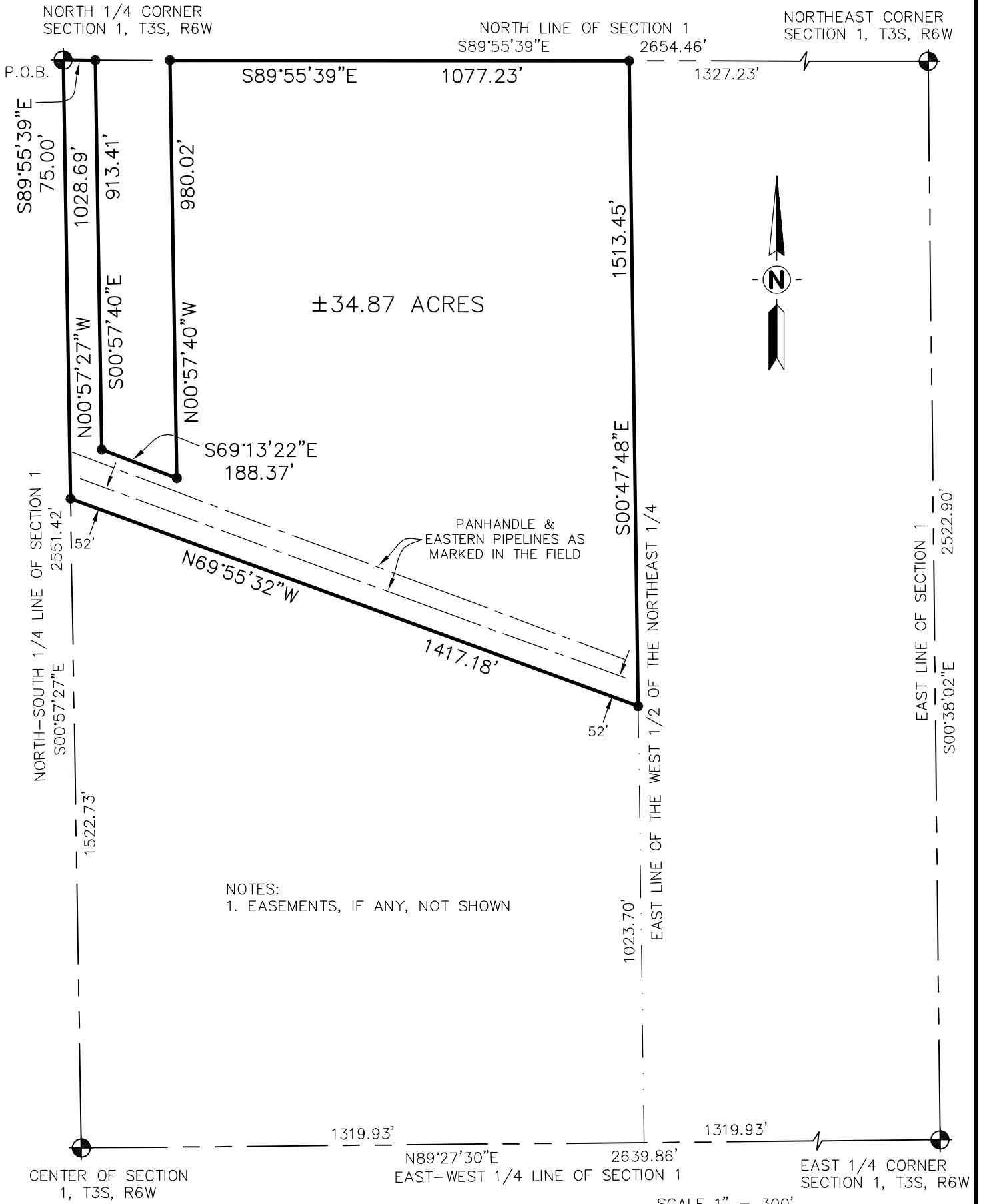
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Parcel 53-003-003-01 is requested to be split to allow for the Solar Project to maintain the easements but allow the southernmost portion of the parcel to be sold for future development. The Electrical Department has coordinated the land split requirements and provided the necessary documentation to proceed with the application.

**RECOMMENDATION:**  
Approve the submittal of the Land Division Application to the Community Development Department.

# CERTIFIED BOUNDARY SURVEY

FOR: **CITY OF MARSHALL**



## LEGEND

- = Set 1/2" Bar with Cap
- = Found Iron as Noted
- = Survey Boundary Line
- = Distance Not to Scale
- x—x— = Fence
- ← 0.0'± = Denotes Distance to the Survey Line

All Dimensions are in Feet and Decimals Thereof.

All Improvements Not Shown.



**KEBS, INC.** KYES ENGINEERING  
BRYAN LAND SURVEYS

2116 HASLETT ROAD, HASLETT, MI 48840  
PH. 517-339-1014 FAX. 517-339-8047

13432 PRESTON DRIVE, MARSHALL, MI 49068  
PH. 269-781-9800 FAX. 269-781-9805

DRAWN BY <b>KDB</b>	SECTION <b>1, T3S, R6W</b>
FIELD WORK BY <b>MJG</b>	JOB NUMBER:
SHEET <b>1</b> OF <b>2</b>	<b>104949.BND</b>

# CERTIFIED BOUNDARY SURVEY

## CERTIFICATE OF SURVEY:

I hereby certify only to the parties named hereon that we have surveyed a parcel of land within:

The West 78 acres of the West 1/2 of the Northeast 1/4 of Section 1, T3S, R6W, City of Marshall, Calhoun County, Michigan.

and that we have found or set, as noted hereon, permanent markers to all corners and angle points of the boundary of said parcel and that the more particular legal description of said parcel is as follows:

A parcel of land in the Northeast 1/4 of Section 1, T3S, R6W, City of Marshall, Calhoun County, Michigan, the surveyed boundary of said parcel described as: Beginning at the North 1/4 corner of said Section 1; thence S89°55'39"E along the North line of said Section 1 a distance of 75.00 feet; thence S00°57'40"E 913.41 feet; thence S69°13'22"E parallel with and 30 feet Northeasterly of the Panhandle and Eastern Pipeline 188.37 feet; thence N00°57'40"W 980.02 feet to said North line; thence S89°55'39"E along said North line 1077.23 feet to the East line of the West 1/2 of said Northeast 1/4; thence S00°47'48"E along said East line 1513.45 feet; thence N69°55'32"W parallel with and 52 feet Southwest of the southernmost Panhandle & Eastern pipeline 1417.18 feet to the North-South 1/4 line of said Section 1; thence N00°57'27"W along said North-South 1/4 line 1028.69 feet to the point of beginning; said parcel containing 34.87 acres, more or less; said parcel subject to all easements and restrictions, if any.

## WITNESSES TO SECTION CORNERS:

North 1/4 corner Section 1, T3S, R6W, Liber 1763, Page 751  
Found Remon Berntsen monument  
Found fire hydrant, N50°W, 47.43'  
Found nail & tag in 12" Cherry, South, 12.51'  
Centerline of manhole, N15°W, 35.81'  
Found nail & tag South side power pole, N36°W, 56.59'


Northeast corner Section 1, T3S, R6W, Liber 1763, Page 749  
Found Remon Berntsen monument  
Set nail & tag South side 10" Oak, S57°W, 11.10'  
Set nail & tag West side 12" Cherry, S12°E, 28.42'  
Found nail & tag East side 12" Hickory, South, 23.78'  
Found fence corner post, East, 2.5'

Center of Section 1, T3S, R6W, Liber 4882, Page 1  
Found Remon bar & cap in concrete sidewalk  
Found nail & tag South side 14" Oak, N50°E, 32.88'  
Found nail & tag East side 8" Oak, N11°E, 31.62'  
Found nail & tag South side 4"x4" wood post, S65°W, 72.44'  
Centerline of sanitary manhole, N70°W, 53.80'  
Centerline of sanitary manhole, S12°E, 152.35'

East 1/4 corner Section 1, T3S, R6W, Liber 3923, Page 358  
Found Remon bar & cap  
Found nail & tag in 35" Elm, N85°W, 6.82'  
Found nail & tag in 26" Oak, N15°W, 49.40'  
Found nail & tag in 14" Willow, N20°E, 43.40'  
Found Remon bar & cap (A-02, T3S, R5W), South, 10.03'

I certify that the requirements for 1970 PA 132, MCL 54.213 have been met. The relative positional precision of the corners identified for this survey and shown on the map are within the limits accepted by the professional practice of surveying.

All bearings are Michigan State Plane South Zone grid bearings obtained from GPS observations using corrections obtained from the Lansing C.O.R.S.

	<b>KEBS, INC.</b> KYES ENGINEERING BRYAN LAND SURVEYS
	2116 HASLETT ROAD, HASLETT, MI 48840 PH. 517-339-1014 FAX. 517-339-8047 13432 PRESTON DRIVE, MARSHALL, MI 49068 PH. 269-781-9800 FAX. 269-781-9805
DRAWN BY <b>KDB</b>	SECTION <b>1, T3S, R6W</b>
FIELD WORK BY <b>MJG</b>	JOB NUMBER: <b>104949.BND</b>
SHEET <b>2</b> OF <b>2</b>	

Michael A. Groat Date:  
Professional Surveyor No. 39079



**CITY OF MARSHALL**  
 323 W Michigan Ave. Marshall MI 49068  
**LAND DIVISION/LOT ADJUSTMENT/COMBINATION REQUEST**  
**APPLICATION**

*This form is designed to comply with applicable local zoning, land division ordinances and Sec 109 of the Michigan Land Division Act.*

Property Owner: City of Marshall LDFA Address: 323 W Michigan Ave  
 City, State, Zip Code: Marshall, MI 49068 Phone No. 269.781.5183  
 Email Address: \_\_\_\_\_

Parent Parcel Property Identification Number (If a parent tract, please include all numbers)  
53-003-003-01

Please provide legal description of parent parcel/tract (attach extra sheet if needed)  
See Attached

**Please state number of parcels proposed with this application:**   2  

**Fees: (Payable to City of Marshall)**

First Split/combination from unplatted parent parcel	\$75.00
Each additional split/combination from parent parcel	\$25.00
Splits/combination from platted lots or parcels	\$50.00

**Fee:** \$   75.00  

**If this is a parcel combination request – Check here** \_\_\_\_\_

**Please attach the following to application:** (All attachments & payment must be included with application and sent to the Director of Community Services. A decision will be made within 45 days of receipt of complete application)

**A. Survey or drawing showing proposed division(s) and including the following:**

1. The Boundaries of the parcel as they existed as of March 31, 1997.
2. Any previous divisions made from the parent parcel after March 31, 1997
3. Location & Dimensions of the proposed divisions
4. Location of Existing and proposed road/easement rights of way
5. Existing buildings and their distance from proposed division lines.
6. Size of each proposed division (indicated in square feet or acreage)
7. Tax Certification from the County Treasurer to show no delinquent taxes.

Check here when survey or map is attached \_\_\_

**B. Legal descriptions for each proposed division and any applicable easements.**

**AFFIDAVIT** and permission for municipal, county and state officials to enter the property for inspections. I agree the statements and information contained within this application are true and if found to be false, understand that any approval will be void. **Further**, I agree to comply with the conditions and regulations provided with this parent parcel division. **Further**, I agree to give permission of officials for the municipality, county, and the State of Michigan to enter the property where this parcel division is proposed for purposes of inspection to verify that the information on the application is correct. **Further**, I understand this is only a parcel division which conveys only certain rights under the applicable local land division ordinance, the local zoning ordinance, and the State Land Division Act and does not include any representation or conveyance of rights in any other statute, building code, zoning ordinance, deed restriction or other property rights. **Further**, even if this division is approved, I understand zoning, local ordinances and State Acts change from time to time and if changed the divisions made here must comply with the new requirements unless the divisions are built upon or conveyed by deed, land contract, or lease and recorded with the Register of Deeds before said changes would occur. **Finally**, it is understood that upon approval, and a recorded deed within 90 days of approval, those parcel divisions will be carried on the ensuing year's tax roll as individual parcels and that separate tax bills will be issued for each. Failure to record deeds for all approved land divisions within 90 days will require a new land division application and filing fee.

Property Owner's (Agent w/Owners Authorized Letter)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**DO NOT WRITE BELOW THIS LINE**

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Total # of Parcels to be created: \_\_\_\_\_

**Verification of Parent Parcel/Tract and Number of Allowable Divisions (Section 108)**

Total number of acres in Parent Parcel/Tract: \_\_\_\_\_

A. Maximum number of divisions allowed by statute: \_\_\_\_\_

B. Number previously used or assigned: \_\_\_\_\_

Applicable Bonus Divisions: \_\_\_\_\_ Number of regular divisions remaining (A minus B) \_\_\_\_\_

Zoning Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Assessor Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

**TAX PARCEL #53-003-003-01 LEGAL DESCRIPTION**

MARSHALL CITY, THE W 78 AC OF W 1/2 OF NE 1/4 SEC 1, T3S, R6W.

EXCEPT COM N 1/4 CORNER OF SEC 1; TH S 89 DEGREES 55' 19" E 75.00 FT ALONG SEC N LINE TO THE POB THIS DESCRIPTION; TH S 89 DEGREES 55' 19" E 175.00 FT; TH S 00 DEGREES 57' 20" E 980.02 FT; TH N 69 DEGREES 13' 02" W 188.37 FT ALONG A LINE BEING 30 FT NELY (PERPENDICULAR MEASURE) & PARALLEL WITH AN EXISTING PANHANDLE EASTERN PIPELINE; TH N 00 DEGREES 57' 20" W 913.41 FT TO POB.

TOGETHER WITH RIGHTS OF INGRESS AND EGRESS. 74.2 ACRES.

ANNEXED FROM FREDONIA TWP IN 2015 (11-101-006-00) NOT PA 425.

SPLIT ON 11/12/2018 INTO 53-003-003-01 & 53-003-003-20.

# ITEM: 13.B

## ADMINISTRATIVE REPORT

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**TO:** HONORABLE BOARD MEMBERS  
**FROM:** Derek N. Perry, City Manager  
Kevin Maynard, Director of Electric Utilities

**DATE:** January 22, 2026  
**SUBJECT:** **DG MARSHALL MI SOLAR PROJECT LEASE AGREEMENT**

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In November 2023, Michigan Senate Bill (SB) 271 was approved by Gov. Gretchen Whitmer, establishing Public Act (PA) 235. PA 235 requires all Michigan electric providers—investor owned, cooperative and municipal electric utilities (including the City of Marshall Electric Department)—to meet annual renewable energy targets. Michigan renewable energy requirements under PA 235 increase over time as follows:

- 15% renewable energy through 2029
- 50% renewable energy from 2030 through 2034
- 60% renewable energy beginning in 2035
- 100% renewable and “clean” energy beginning in 2040

Currently, the City power supply portfolio includes approximately 20% renewable energy. There are currently no solar energy resources in the City’s power supply portfolio.

The additional 30% renewable energy resources required by 2030 to meet State of Michigan mandates can be provided by constructing additional renewable energy resources such as solar; purchasing power from renewable energy facilities that include energy and Renewable Energy Credits (RECs); purchasing Michigan-certified RECs from third parties; or a combination of these options. Marshall’s goal is to increase its renewable power supply portfolio percentage while avoiding negative impacts to electric rates.

### **DG Marshall MI Solar Project**

American Municipal Power (AMP), on behalf of Michigan South Central Power Agency (MSCPA) communities Marshall, Clinton, Coldwater and Hillsdale, has negotiated with solar developer Madison Energy Infrastructure (MEI)—formerly NextEra—to construct a 10.5 MW solar facility in Marshall. The solar facility would be installed, owned, operated and maintained by MEI through its subsidiary DG Marshall MI, LLC. AMP will purchase all energy, capacity and RECs generated by the project, which will in turn be sold to the four MSCPA communities. The City of Marshall will receive a 5.75 MW allocation of project output through a Power Purchase Agreement (PPA) with AMP.

Key terms of the DG Marshall MI/AMP PPA include:

- Marshall receives a 5.75 MW project allocation including needed capacity
- 25-year Power Purchase Agreement (PPA) helps stabilize electric rates
- Take and pay contract—only pay for energy delivered by DG Marshall MI to the Marshall electric distribution system
- 25-year fixed rate of \$70.31/MWh (\$0.07031/kWh) helps stabilize electric rates
- Fixed rate includes capacity and Renewable Energy Credits/Certificates (RECs)

On December 15, 2025, Marshall City Council authorized City Manager Derek Perry to execute the DG Marshall MI Solar Schedule (PPA) with AMP. City Council also authorized the City Manager to execute an Interconnection Agreement with DG Marshall MI. This agreement contains the terms and conditions under which the DG Marshall MI Solar Project will be interconnected with the City of Marshall electric distribution system.

### **DG Marshall MI-LDFA Site Lease Agreement**

DG Marshall MI proposes to lease a 70-acre site from the Local Development Finance Authority (LDFA) to construct, operate and maintain a 10.5-MW solar energy installation. The proposed solar site is at the east end of Oliver Drive, south of Brooks Field airport.

This site appears to be well adapted for solar energy purposes including the following:

- The parcel is owned by the LDFA
- The parcel is zoned Industrial and located in an industrial area
- The site is screened by buildings along the north and south sides of Oliver Drive
- Brooks Field airport is north of the site
- Wooded area/no structures adjacent east and south of the site
- Multiple pipeline easements cross the parcel. These easements limit the potential for building construction and other land use options
- The site is in close proximity to the City's Brooks Substation and can also be readily connected to Marshall's Pearl Street Substation
- A solar energy production facility may be the highest and best use of the site

### **Key DG Marshall MI-LDFA Lease Agreement Terms**

- The Agreement includes an initial one-year option period that may be extended one additional year. The option period is designed to allow DG Marshall MI to access the proposed solar site for surveying and due diligence work (regulatory assessments, geotechnical and soil tests, etc.). The LDFA receives a one-time \$10 payment for the option period.
- DG Marshall MI can execute the Lease Agreement any time during the option period. If DG Marshall fails to execute the Lease Agreement during the option period, the Lease Agreement automatically terminates.
- The Construction Commencement Date begins on the date specified in DG Marshall MI's notice to the LDFA, and continues until the solar facility's Commercial Operation Date. DG Marshall MI agrees to provide a lump sum payment of \$4,300 to the LDFA within 60 days of the Construction Commencement Date.

- Initial lease term is 25 years from the Commercial Operations Date, with two optional five-year extensions. The LDFA receives a one-time \$1 lease payment for the term of the lease.
- Upon expiration of the lease, DG Marshall MI must promptly surrender the site and deliver the premises to the LDFA in good order, condition and repair. Within 365 days from the expiration date, DG Marshall MI must remove all its property from the site.
- DG Marshall MI must provide a draft Decommissioning Plan to the LDFA no later than 180 days prior to commercial operation of the solar facility. The Decommissioning Plan must describe the process, schedule and cost estimate for decommissioning, removal, recycling and site restoration of the solar energy facility.
- If DG Marshall MI fails to complete decommissioning or site reclamation in accordance with the Decommissioning Plan, DG Marshall MI agrees to pay the LDFA liquidated damages equal to the greater of the actual costs of restoration and remediation or \$10,000 per MW of installed capacity (\$105,000 for 10.5 MW).
- Although not a part of the lease agreement, the Michigan Solar Energy Facilities Taxation Act (SEFTA) of 2023 provides for a solar energy facilities tax each year after a facility is placed in service in an Opportunity Zone equal to \$2,000 per megawatt of nameplate capacity. Solar energy facilities taxes captured by the LDFA from the 10.5-MW solar installation will be \$21,000 annually, or \$525,000 over the initial 25-year lease term.

**BUDGET IMPACT**

If the lease agreement is approved, the LDFA will receive a one-time \$4,300 payment from DG Marshall MI within 60 days of the Construction Commencement date. Upon commercial operation of the solar energy facility, the LDFA will capture \$21,000 in SEFTA taxes annually, or \$525,000 over the initial 25-year term of the agreement.

**RECOMMENDATION:**

Approve Resolution 2026-1, a resolution to execute the Option Agreement including its Appendices, in substantial form, with DG Marshall, LLC and to take any other action necessary to lease the subject property to DG Marshall, LLC, subject to review and approval by the LDFA's legal counsel, and authorize the LDFA chair to execute the necessary documents.

**MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY  
CITY OF MARSHALL, MICHIGAN  
RESOLUTION No. 2026-1**

**A RESOLUTION TO ENTER INTO A PROPERTY LEASE AGREEMENT FOR THE  
PRODUCTION OF SOLAR POWERED ENERGY PRODUCTION LOCATED IN L.ALTA  
BROOKS INDUSTRIAL PARK, IN THE CITY OF MARSHALL, COUNTY OF CALHOUN,  
STATE OF MICHIGAN, TO DG MARSHALL MI LLC**

Minutes of a regular meeting of the LDFA Board, held on January 22, 2026 at 4:00 PM.

PRESENT:

ABSENT:

The following preamble and resolution were offered by \_\_\_\_\_, and supported by \_\_\_\_\_.

**WHEREAS**, the City of Marshall, Michigan (“City”) owns and operates an electric utility system for the sale of electric capacity and associated energy for the benefit of its customers; and

**WHEREAS**, Public Act 235 of 2023, requires all Michigan electric providers—investor owned, cooperative and municipal electric utilities (including the City of Marshall Electric Department)—to meet annual renewable energy targets. In order to satisfy energy mandates it is necessary and desirable for the City to provide for an additional source of capacity, energy and environmental attributes; and

**WHEREAS**, The Marshall City Council, on December 15, 2025, authorized an Interconnection Agreement, MSCPA Supplemental Agreement, and the DG Marshall MI Solar Schedule, between the City and AMP, including Exhibits, pertaining to AMP Contract No. 2024-009980 – SCHED; and

**WHEREAS**, the LDFA has received an offer from DG Marshall MI, LLC to lease the subject property, identified within and subject of Attachment A, for an initial term of 25 years to construct, own, operate and maintain a 10.5-megawatt (MW) solar energy facility; and

**WHEREAS**, the LDFA has the authority to enter into the lease agreement for the use of the property and has determined that would be in the best interests of the LDFA for to lease the property to DG Solar and to enter into a Lease Agreement, a copy of which is attached hereto and made a part hereof as Attachment “1” (the Solar Project Option Agreement, Lease Option and Lease Agreement, Collectively, the “Option Agreement”); and**WHEREAS**, the LDFA desires to authorize and direct its Chairperson, or its Vice Chairperson to execute a Lease Agreement, in substantial form, and to take any other action necessary to lease the subject property to DG Marshall, LLC, subject to review and approval by the LDFA’s legal counsel.

**NOW, THEREFORE LET IT BE RESOLVED THAT:**

1. The Marshall LDFA does hereby authorize Attachment 1 – Option Agreement including its Appendices, of the subject property, in substantial form identified herein, as approved by the LDFA Chairperson or Vice Chairperson.
2. The Marshall LDFA authorizes and directs its Chairperson, or its Vice Chairperson, to execute Attachment 1 – Option Agreement including its Appendices, in substantial form, and to take any other action necessary to lease the subject property to DG Marshall, LLC, subject to review and approval by the LDFA’s legal counsel.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Resolution declared adopted this 22nd day of January, 2026.

Dated: January 22, 2026 \_\_\_\_\_

Michelle Eubank, City Clerk

I, Michelle Eubank, being duly sworn as the City Clerk for the City of Marshall, hereby certify that the foregoing is a true and complete copy of Resolution No. 20026-01 adopted by the LDFA, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on January 22, 2026 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

\_\_\_\_\_  
Michelle Eubank, City Clerk

**Attachment A to Resolution No. 2026-01**

**SOLAR PROJECT OPTION AGREEMENT**

This Option Agreement (“Agreement”) is made and entered into as of \_\_\_\_\_, 2026 (the “Effective Date”) by and between **THE CITY OF MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY**, an instrumentality of the City of Marshall, Michigan (the “City”) formed pursuant to Act 281 of 1986, with an office at 323 West Michigan Avenue, Marshall, Michigan 49068 (“Lessor” or “L DFA”), and **DG MARSHALL MI, LLC**, with an office at 8484 Westpark Drive, Suite 720, McLean, VA 22102 (“Lessee”).

**WITNESSETH:**

WHEREAS, Lessor owns property in Marshall, Michigan, more particularly described on Exhibit A (the “Property”) to the Lease set forth in Appendix B to this Agreement, and Lessee desires to lease a portion of the Property (the “Premises”) for the purpose of placing on it a solar photovoltaic electric generating facility and ancillary or related services and facilities thereto (the “Solar Electric Facility”) used in the provision of reliable, environmentally sound and reasonably priced electric power to the City and certain other members of American Municipal Power, Inc. (hereinafter “AMP”).

NOW, THEREFORE, in consideration of the mutual obligations, representations and promises contained in this Option, the parties hereto agree as follows:

1.01 Option. Lessor grants to Lessee an exclusive option (“Option”) to acquire the lease and easements rights referenced in the Lease attached as Appendix B in accordance with the following terms and conditions. Terms used in this Agreement with initial capitalization but not defined in this Agreement have the meaning set forth in the form of Lease attached hereto as Appendix B. Lessee shall be entitled to acquire the lease and easements rights contained in the form of Lease appearing in Appendix B in their entirety or in part, as Lessee deems appropriate.

1.02 Option Term. The initial period during which Lessee may exercise the Option shall be for a term of one (1) year, commencing on the Effective Date (“Initial Option Term”). Lessee shall have a single election to extend the Initial Option Term for an additional one (1) year term (“Extended Option Term”) by written notice to Lessor and AMP; no later than thirty (30) days prior to the expiration of the

Initial Option Term. References herein to the “Option Term” shall mean the Initial Option Term and, to the extent exercised by Lessee, the Extended Option Term, unless the context otherwise expressly requires.

1.03 Option Payment. As consideration for the granting of the Option, Lessee agrees to pay Lessor Ten (\$10.00) and 00/100 Dollars.

1.04 Access to the Property. During the Option Term, Lessee and its employees, agents and contractors shall have a non-exclusive right to enter upon the Property and the right of ingress and egress over and across the Property for the purposes of (i) surveying the Property; (ii) performing such other tests and studies as Lessee may desire in connection with the Option, including, without limitation, environmental, avian and cultural resource assessments, and geotechnical, foundation and soil tests; provided that such activities do not unreasonably interfere with Lessor’s use of the Property; and (iii) installing, maintaining, operating, inspecting and removing one or more weather related instruments (“Weather Instrument”) and fencing of said Weather Instrument and including the performance of all tests and studies associated therewith. Lessor shall not permit any other individual or entity except Lessee or its affiliates to install a Weather Instrument on the Property.

1.05 Right to Grant Option. Lessor warrants and represents to Lessee that (i) Lessor is the holder of fee simple title and is the sole owner of the Property and that the Property is free of any liens, encumbrances or restrictions of any kind that may interfere with Lessee’s anticipated use of the Premises, and that, to the best of Lessor’s actual knowledge, there are no outstanding written or oral leases, purchase or sale agreements, or other agreements or restrictions encumbering, or in any way affecting the Premises, and no person or entity has any right with respect to the Premises, whether by option to purchase, contract or otherwise, that would prevent or interfere with any of Lessee’s rights under the attached proposed Lease; (ii) Lessor has the authority to grant this Option to Lessee without the consent or approval of any other party; and (iii) there are no other existing options, rights of first refusal, contracts to purchase, leases or mortgages that would prevent Lessee from exercising its rights with respect to the Option.

1.06 Exercise of Option. Lessee may exercise the Option by giving written notice to Lessor (“Option Notice”) at any time during the Option Term. Lessee shall specify in the Option Notice the Construction Commencement Date referenced in Section 3.01(a) of the Lease, and a proposed plan of development for the Premises as more particularly described in Section 2 of the Lease. Upon the exercise of the Option by Lessee, the lease rights and easements referenced in the Lease shall automatically become

effective, and the parties shall be subject to all of the terms and conditions of the Lease with respect to such lease and easement rights and all other rights and obligations relating thereto.

1.07 Termination of Option. If Lessee fails to exercise the Option within the Option Term, the Option and the rights of Lessee as the optionee shall automatically terminate.

1.08 Memorandum of Lease Option. A Memorandum of Lease Option shall be recorded by Lessee at Lessee's cost in the appropriate land records (i.e., town or county) in which the Property is located in the form attached hereto as Appendix A. If during the Option Term Lessor desires to subdivide and convey a portion of Parcel 1 of the Property to a third party, Lessee agrees to cooperate with Lessor to deliver an amendment to this Agreement or other instrument releasing said subdivided portion of Parcel 1 from the Option, if necessary, provided that said subdivision and conveyance does not interfere with the boundary of the Premises, does not prevent access to the Premises by way of Oliver Drive, and does not conflict or interfere with the Permitted Use of the Premises or related easements, as described in Sections 4.01 and 4.02 of the Lease Agreement, as shown in Appendix B.

1.09 Incorporated Terms. Lessor and Lessee Agree the following sections as noted in the Lease Agreement as shown in Appendix B shall also be applicable to the Option:

- a. Section 7.03 (Indemnification)
- b. Section 12.04 (Notices)
- c. Section 12.08 (Authority)
- d. Section 12.14 (Transfer, Assign or Sublet)
- e. Section 12.17 (Counterparts)
- f. Section 12.18 (Applicable Law)
- g. Exhibit A (Property Description).

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Option to be effective as of \_\_\_\_\_, 2026 (“Effective Date”).

**THE CITY OF MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY      DG MARSHALL MI, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF MICHIGAN                    )  
  ) SS:  
COUNTY OF CALHOUN                )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, the \_\_\_\_\_ of The City of Marshall Local Development Finance Authority.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF \_\_\_\_\_                    )  
  ) SS:  
COUNTY OF \_\_\_\_\_                )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, as the \_\_\_\_\_ of DG Marshall MI, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**APPENDIX A**

**FORM OF MEMORANDUM OF LEASE OPTION**

This Memorandum of Lease Option (this “Memorandum”) is made this \_\_\_\_ day of \_\_\_\_\_, 2026 (the “Effective Date”), by and between Lessor (defined below) and Lessee (defined below) (collectively the “Parties” and each a “Party”), and is intended to memorialize the essential terms of a Solar Project Option Agreement (the “Agreement”) entered into by and between the parties dated \_\_\_\_\_, 2026:

Lessor:           The City of Marshall Local Development Finance Authority  
323 West Michigan Avenue  
Marshall, Michigan 49068  
Attn: City Manager

Lessee:           DG Marshall MI, LLC  
c/o Madison Energy Infrastructure LLC  
8484 Westpark Drive, Suite 720  
McLean, VA 22102  
Attn: Legal Department

Property:        Address: 1681 Pratt Avenue & Oliver Drive, Marshall, MI 49068  
Tax ID: 53-003-003-01 & 53-360-003-00  
See Exhibit A for legal description

**INITIAL OPTION TERM:**   Commences \_\_\_\_\_, 2026 and expires \_\_\_\_\_, 202\_.

**EXTENSIONS:**           One (1) additional term of one (1) year exercisable by Lessee.

**PROPERTY/PREMISES:**   A portion of the Property, as more particularly described on Exhibit A, consisting of approximately 70 acres of the Property, together with all rights of egress, ingress and access, including without limitation easements (the “Easements”) more particularly described in the Agreement (the Easements together with such portion of the Property being collectively called the “Premises”).

**OPTION TO LEASE:**       The Agreement grants Lessee an exclusive option to lease the Premises exercisable in writing on or before the expiration of the Option Term (as may be extended).

This Memorandum is executed pursuant to the provisions contained in the aforesaid Agreement, and is not intended to vary the terms and conditions of said Agreement. To the extent there is a conflict between the terms of this Memorandum and the Lease Option Agreement, the Agreement shall control.

[SIGNATURE PAGES FOLLOW]





**EXHIBIT A TO MEMORANDUM OF LEASE OPTION**

**The Property**

Land Situated in the State of Michigan, County of Calhoun.

**Parcel 1:**

A parcel of land in the Northeast 1 / 4 of Section 1, T3S, R6W, City of Marshall, Calhoun County, Michigan, the surveyed boundary of said parcel described as: Beginning at the North 1 / 4 corner of said Section 1; thence S 89° 55' 39" E along the North line of said Section 1 a distance of 75.00 feet; thence S 00° 57' 40" E 913.41 feet; thence S 69° 13' 22" E parallel with and 30 feet Northeasterly of the Panhandle and Eastern Pipeline 188.37 feet thence N 00° 57' 40" W 980.02 feet to said North line; thence S 89° 55' 39" E along said North line 1077.23 feet to the East line of the West 1/2 of said Northeast 1/4; thence S 00° 47' 48" E along said East line 1513.45 feet; thence N 69° 55' 32" W parallel with and 52 feet Southwest of the southernmost Panhandle & Eastern pipeline 1417.18 feet to the North-South 1/4 line of said Section 1; thence N 0° 57' 27" W along said North-South 1/4 line 1028.69 feet to the point of beginning; said parcel containing 34.87 acres, more or less; said parcel subject to all easements and restrictions, if any.

Tax Parcel No. 53-003-003-01 (Portion of)

BEING a portion of the property acquired by The City of Marshall Local Development Finance Authority by deed from The City of Marshall dated 01/19/2018 and recorded with Calhoun County Register of Deeds on 01/19/2018 in [Book 4203, Page 54](#).

**Parcel 2:**

The West 1/2 of the Southeast 1/4 of Section 36, Township 2 South, Range 6 West, Marshall Township, Calhoun County, Michigan. EXCEPT premises conveyed to the City of Marshall by deed recorded in Liber 818 of Deeds, Page 553, more particularly described as: Beginning on the North-South quarter line of Section Thirty-six (36), Town Two (2) South, Range Six (6) West, Marshall Township, Calhoun County, Michigan, at a point fourteen hundred (1400) feet South of the center of said section; thence North fourteen-hundred (1400) feet; thence Easterly along the East-West quarter line thirteen-hundred twenty (1320) feet to the East one-eighth line; thence South sixteen-hundred (1600) feet; thence Northwesterly to the point of beginning containing forty-five (45) acres more or less and located in the West one-half ( 1/2) of the Southeast one-quarter (SE 1/4) of Section 36, Town 2 South, Range 6 West, Marshall Township, Calhoun County, Michigan.

ALSO BEING KNOWN AND DESCRIBED AS FOLLOWS:

SW 1/4 OF SE 1/4 OF SEC 36, TOWNSHIP 2 SOUTH, RANGE 6 WEST, MARSHALL TOWNSHIP, EXCEPT BEGINNING AT THE NORTHWEST CORNER THEREOF; THENCE EAST 1,320 FEET; THENCE SOUTH 280 FEET; THE NORTHWESTERLY TO A POINT 80 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH 80 FEET TO POINT OF BEGINNING.

Tax Parcel No. 53-360-003-00

BEING a portion of the property acquired by City of Marshall Local Development Finance Authority by deed from The City of Marshall dated 04/10/2013 and recorded with Calhoun County Register of Deeds on 04/16/2013 in [Book 3794, Page 91](#).

**APPENDIX B**

**FORM OF SOLAR PROJECT  
LEASE AGREEMENT**

This Lease Agreement (this "Lease") is made and entered into as of Effective Date (as defined herein effective as of the last date signed by all parties to this Lease) by and between **THE CITY OF MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY**, an instrumentality of the City of Marshall, Michigan (the "City") formed pursuant to Act 281 of 1986, with an office at 323 West Michigan Avenue, Marshall, Michigan ("Lessor" or "LDFA"), and **DG MARSHALL MI, LLC**, with an office at 8484 Westpark Drive, Suite 720, McLean, VA 22102 ("Lessee").

**WITNESSETH:**

WHEREAS, Lessor owns property in Marshall, Michigan, and more particularly described on Exhibit A (the "Property") and desires to lease to Lessee a portion of the Property (the "Premises"); and

WHEREAS, Lessee desires to lease the Premises for the purpose of placing on it a solar photovoltaic electric generating facility and ancillary or related services and facilities thereto (the "Solar Electric Facility") used in the provision of reliable, environmentally sound and reasonably priced electric power to the City and certain other members of American Municipal Power, Inc. (hereinafter "AMP"); and

WHEREAS, Lessee entered into that certain Solar Power Purchase Agreement dated \_\_\_\_\_, 202\_\_ (the "PPA") with AMP in connection with the Solar Electric Facility; and

WHEREAS, a portion of the electric energy and certain related products produced by the Solar Electric Facility, among other such facilities, will be sold to the City; and

WHEREAS, once the Lessee places the Solar Electric Facility into commercial operation, the City expects to realize the benefit of economical and carbon-free energy as a result of the operation of the Solar Electric Facility in the City under Lessee's PPA with AMP; and

WHEREAS, the Lessee has agreed to cause the Solar Electric Facility, as hereinafter defined, to be constructed, improved, repaired, replaced and operated on the Premises; and

WHEREAS, Lessor and Lessee desire to set forth in writing the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the mutual obligations, representations and promises contained in this Lease, the parties hereto agree as follows:

## 1. RESERVED

## 2. DESCRIPTION OF LEASE

2.01 For valuable consideration and upon the exercise of the Option as set forth in the Option Agreement dated \_\_\_\_\_, 2026, Lessor hereby leases to Lessee and Lessee leases from Lessor the Premises. This Lease and the Premises are subject to all liens, encumbrances, conditions, rights, easements, restrictions, rights-of-way, covenants, other matters of record and zoning and building laws, ordinances, regulations and codes governing the Premises. Along with the Option Notice, Lessee has delivered to Lessor a plan of development showing the contemplated locations of the Solar Electric Facility and a preliminary calculation of the acreage as determined by the area bounded by a perimeter fence required for the Solar Electric Facility, which are attached as Exhibit A-1 to this Lease. During the final development and construction of the Solar Electric Facility, the locations shown on Exhibit A-1 may be amended by mutual consent of the Lessor and Lessee. Following construction of the Solar Electric Facility, Lessee shall provide Lessor an “as-built” survey of all improvements on the Property and the final calculation of the acreage as determined by the area bounded by a perimeter fence and all other locations on the Property required for the Solar Electric Facility to determine the Premises, which shall be annexed as Exhibit A-2 to this Lease. Further, following construction, the Solar Electric Facility may need to be relocated or rerouted by Lessee on the Premises, which Lessee may perform, at any time during the Term of this Agreement, so long as the nature and extent of any such relocated or rerouted improvements are not materially different and impose no materially greater burden on the Lessor’s Property than the original locations or routes, and so long as Lessee takes commercially reasonable efforts to minimize disruption or inconvenience to Lessor.

## 3. TERM AND RENT

3.01 Term. The term of this Lease ("Term") includes the Construction Lease Term referenced in Section 3.01(a) and the Initial Lease Term as described in Section 3.01(b), together with any Extended Lease Term described in Section 3.01(c), if applicable.

a. Construction Lease Term. This Construction Lease Term and all rights granted hereunder shall be in effect from the date specified in the Option Notice (the "Construction Commencement Date"),

which Construction Commencement Date shall be not later than ninety (90) days from the date of the Option Notice and run until the Commercial Operation Date as that term is defined in the PPA (the "Construction Lease Term"). As additional consideration for the Construction Lease Term, Lessee agrees to pay Lessor a lump sum payment in the amount of Four Thousand Three Hundred and 00/100 Dollars (\$4,300.00) (the "Construction Lease Term Payment"). The Construction Lease Term Payment shall be paid to Lessor within sixty (60) days after the beginning of the Construction Lease Term.

b. Initial Lease Term. The initial term of the Lease shall commence upon the expiration of the Construction Lease Term and commence on the Commercial Operations Date and shall continue to apply for a period ending on the first December 31 following the twenty-fifth (25<sup>th</sup>) anniversary of the Commercial Operation Date, unless terminated earlier as described in Article 7 of the PPA (the "Initial Lease Term").

c. Extended Lease Term. Lessee shall have the right to extend the Term of this Lease for two (2) consecutive terms of five (5) years each in accordance with the terms and provisions of this Lease (collectively "Extended Lease Term") by providing written notice to Lessor of Lessee's intent to extend the Term within one hundred eighty (180) days of the end of the existing Term. Each Extended Lease Term shall begin on the expiration date of the Initial Lease Term or previous Extended Lease Term, as the case may be.

3.02 Rent. During the Term, Lessee shall pay rent to Lessor, without notice or demand and without abatement, reductions, or set-off for any reason, at Lessor's office at 323 West Michigan Avenue, Marshall, Michigan. Rent shall be payable as follows: One Dollar (\$1.00) on the date the Term begins covering from such date to the end of the Term ("Rent"), the receipt and sufficiency of which is hereby acknowledged by the parties. Notwithstanding the foregoing, in the event that the Solar Power Schedule between AMP and the City of Marshall, Michigan, designated as AMP Contract No. 2024-009980-SCHED \_\_\_\_\_ (the "Solar Power Schedule") terminates, beginning on the date six (6) months after such termination date and continuing for the remainder of the Term, Lessee shall pay monthly Rent to Lessor in an amount that Lessor and Lessee determine to equal fair market value rental for the Premises. If Lessor and Lessee are unable to agree on a fair market value, they shall, unless otherwise agreed by Lessor and Lessee, determine fair market value through use of the process set forth in Article 7 of the PPA between Lessee and AMP.

3.03 Taxes.

a. Lessee's Taxes. Lessee shall pay prior to delinquency, and is fully responsible for, and agrees to pay, any personal property tax and/or any other tax (other than real property taxes), and special assessments ("Taxes") that are directly attributable to any improvements installed on the Premises in connection with the Solar Electric Facility. Lessor and Lessee acknowledge that Lessor is a public entity, and at the time of execution of this Lease, is exempt from any real property taxes. If required by law during the term of this Lease, any real property taxes shall be paid for by Lessor. Lessee may elect to have the statement for Taxes sent directly to Lessee. If the Taxes are not individually assessed to Lessee, Lessor shall submit the annual statement for Taxes to Lessee within thirty (30) days after the date Lessor receives the statement from the taxing authority. In such event, Lessee shall pay all Taxes to the appropriate taxing authority prior to delinquency. If Lessee receives such statement directly, Lessee shall submit a copy of the statement for Taxes to Lessor within thirty (30) days after the date Lessee receives the statement from the taxing authority. Further, Lessee shall provide Lessor with confirmation of the timely payment of any Taxes within thirty (30) days of Lessee's payment thereof. In the avoidance of doubt, Lessee shall not be responsible for Taxes attributable to any improvements installed by Lessor or others on the Premises or the Property unrelated to the Solar Electric Facility.

b. Failure to Pay. In the event of the failure of Lessee to pay the Taxes prior to delinquency, the Lessor shall have the right to cure such default by payment of those Taxes and any penalties or interest on such Taxes which are due, and to set off or surcharge, as the case may be, such amounts to the Rent or other payments due under this Lease.

c. Lessee's Right to Contest. Lessee may contest the legal validity or amount of any such Taxes for which it is responsible under this Lease, and may institute such proceedings as it considers necessary, provided that Lessee shall bear all expenses in pursuing such contest or proceeding. With respect to any Taxes which may constitute a lien on the Premises, Lessee shall promptly pay such Taxes unless the proceeding in which it contests such Taxes shall operate to prevent or stay the collection of the Taxes so contested or unless Lessee removes any such lien by bonding or otherwise. Lessor agrees to render to Lessee all reasonable assistance in contesting the validity or amount of any such Taxes, including joining in the signing of any reasonable protests or pleading which Lessee may deem advisable to file; provided, however, that Lessee shall reimburse

Lessor for its reasonable out-of-pocket expenses, including reasonable attorneys' fees incurred in connection with providing such assistance.

#### 4. USE AND ACCEPTANCE OF PREMISES

4.01 Permitted Use. Lessee shall have the right to use the Premises for the construction, operation and maintenance of the following items: Solar Electric Facility and facilities connecting the Solar Electric Facility and all necessary and reasonable purposes associated therewith, except that any use shall be subject to Sec. 12.23 of this Lease and the terms and conditions of that certain Interconnection Agreement by and between Lessee, Lessor and AMP relating to the Solar Electric Facility (the "Interconnection Agreement"). Lessee shall make no alterations to the Premises other than those contemplated herein without prior written permission of Lessor (and the issuance of such authorization, if any, as necessary to comply with Legal Requirements, as defined herein, to approve the alteration), except as may be provided herein. Lessor has no right and shall not claim a right in any fixture placed on the Premises, except as may be claimed as a result of abandonment, default or termination of this Lease as herein provided.

4.02 Grant of Easements. In addition to the Lease and the right of use and possession given to Lessee thereby, Lessor grants to Lessee, its agents, employees, contractors, subcontractors and invitees, all necessary easements over the Property to the Premises (to the extent that the Premises do not include the entire Property) that may be reasonably necessary to allow for the installation and unencumbered maintenance, alteration and/or operation of a Solar Electric Facility, including but not limited to (i) a non-exclusive easement for audio, visual, view, light, reflection, electromagnetic, electrical and radio frequency interference and any other effects attributable to the Solar Electric Facility, (ii) an exclusive easement to use, convert, maintain and capture the free and unobstructed view of the sun and solar resources over and across the Property, (iii) an easement over, on or under the Property to install, operate, maintain, improve and replace, from time to time, wires and conduits for interconnection between the Solar Electric Facility and the electrical grid, and (iv) a non-exclusive easement for vehicular and pedestrian ingress and egress over the Property by means of any existing roads or lanes thereon, or otherwise by such route or routes as Lessor or Lessee may construct from time to time as clearly identified and agreed to; (v) the right to remove trees and other vegetation and to grade, level, fill, clear and replant ground; and to use on-site sand, gravel, or other materials suitable for road cover solely to construct the Solar Electric Facility and related facilities on the Premises, all to the extent permitted by law and in accordance with any applicable permits (collectively the "Easements"). As reasonably requested by Lessee, Lessor shall grant such other easements,

rights of way, and other rights or encumbrances necessary for the completion, maintenance and operation of Lessee's Solar Electric Facility, across, over, under or through the Property. Lessor shall cooperate with Lessee in connection with obtaining any crossing agreements or other required permissions to cross any existing easements or right of ways located on the Property or Premises that may have priority to Lessee.

4.03. Care of Property. Except as provided herein, Lessee shall not undertake, permit, allow, or cause any act or deed to be performed or any practice to be adopted or followed in or about the Property that causes or is likely to cause injury or damage to any person or the Property. Lessee agrees to maintain the Property in reasonable condition (normal wear and tear excepted) and, upon termination of this Lease Agreement, to surrender possession to substantially the same physical condition as existed prior to construction (normal wear and tear excepted). Further, Lessee shall not engage nor interfere with existing underground infrastructure.

4.04 Acceptance of Premises. Lessee's execution of this Lease shall constitute an acknowledgment by Lessee of its acceptance of the Premises in its "as is" condition.

THE PREMISES ARE LEASED TO LESSEE IN ITS PRESENT "AS IS" CONDITION WITHOUT REPRESENTATION, WARRANTY, OR COVENANT (EXPRESSED OR IMPLIED) BY LESSOR AND SUBJECT TO THE PRESENCE OR ABSENCE OF ANY ENVIRONMENTAL CONDITION ON THE PREMISES OR ANY PROPERTY IN THE VICINITY OF THE PREMISES. LESSEE HAS EXAMINED THE PREMISES AND ALL IMPROVEMENTS TO IT AND HAS FOUND THEM SATISFACTORY FOR ALL PURPOSES. OTHER THAN THOSE MADE IN THIS LEASE, LESSOR HAS NOT MADE, NOR SHALL BE DEEMED TO HAVE MADE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OF HABITABILITY WITH RESPECT TO THE PREMISES, OR ANY FIXTURE OR OTHER ITEM CONSTITUTING A PORTION OF THEM.

## 5. LAWS AND REGULATIONS

5.01 Compliance with Legal Requirements. Lessee shall promptly comply with all laws and ordinances, and all orders, rules, regulations, and requirements of federal, state, and municipal governments and appropriate departments, commissions, boards, and offices of these governments ("Legal Requirements") throughout the term of this Lease, and without cost to Lessor. Lessee shall promptly comply with these Legal Requirements whether they are foreseen or unforeseen, or ordinary or extraordinary, except that any compliance with Legal Requirements associated with Lessor's use of the Property shall be the sole responsibility of the Lessor.

5.02 Contest of Legal Requirements. Lessee shall have the right, after prior written notice to Lessor, to contest the validity of any Legal Requirements by appropriate legal proceedings, provided Lessor shall not be subject to any administrative, criminal or civil liability as a result of any such legal contest. Lessee shall indemnify and hold Lessor harmless from all loss, claims, and expenses, including reasonable attorneys' fees, as a result of Lessee's failure to comply with Legal Requirements or any contest relating to Legal Requirements, except any contest of any Legal Requirement restricting Lessee's use of the Premises and enacted by Lessor subsequent to the Effective Date. **Lessor and Lessee waive all right to trial by jury and specifically agree that trial of suits or causes of action arising out of this Lease shall be to the court of competent jurisdiction located in Calhoun County, Michigan.**

## 6. LIENS AND ENCUMBRANCES

6.01 Collateral Assignment of Leasehold Interest in Premises. Lessee may, upon notice to Lessor, but without requiring Lessor's consent or approval, collaterally assign, or otherwise encumber and grant security interests in all or any part of its leasehold interest in the Premises. These various security interests in all or a part of the Premises are collectively referred to as a "Lessee Security Interest" and the holder of such security interest, a "Lessee Secured Party." In the event of any foreclosure of a Lessee Security Interest, the foreclosing Lessee Secured Party shall use the Premises only for the uses permitted under this Lease. Whenever Lessee has granted a security interest under this Section, it will give Lessor notice of the Lessee Security Interest (including the name and address of the Lessee Secured Party for notice purposes) to Lessor; provided that failure to give this notice shall not constitute a default under this Lease.

a. Notice of Default and Opportunity to Cure. As a precondition to exercising any rights or remedies related to any alleged default by Lessee under this Lease, Lessor shall give written notice of the default to each Lessee Secured Party at the same time it delivers notice of default to Lessee, specifying in detail the alleged event of default and the required remedy. Each Lessee Secured Party shall have the same right to cure any default as Lessee, and/or the right to remove any Lessee's Assets or other property owned by Lessee or such Lessee Secured Party located on the Lessor's Premises to the same extent as Lessee. The cure period for any Lessee Secured Party shall be the later of (i) the end of the Lessee cure period; (ii) thirty (30) days after such Lessee Secured Party's receipt of the default notice; or (iii) if applicable, the extended cure period provided below. Failure by Lessor to give a Lessee Secured Party notice of default shall not diminish Lessor's rights against Lessee but shall preserve all rights of the Lessee Secured Party to cure any default and to

remove any of Lessee's Assets or other property of Lessee or the Lessee Secured Party located on the Lessor's Premises.

b. Extended Cure Period. If any default by Lessee under this Lease cannot be cured without the Lessee Secured Party obtaining possession of all or part of the Premises, then any such default shall be deemed remedied if a Lessee Secured Party: (i) within sixty (60) days after receiving notice from Lessor, acquires possession of all or part of the Premises, or begins appropriate judicial or nonjudicial proceedings to obtain the same; (ii) diligently prosecutes any such proceedings to completion; and (iii) after gaining possession of all or part of the Premises performs all obligations as and when the same are due in accordance with the terms of this Lease. If a Lessee Secured Party is prohibited by any court or by operation of any bankruptcy or insolvency laws from commencing or prosecuting the proceedings described above, the sixty (60) day period specified above for commencing proceedings shall be extended for the period of such prohibition.

c. Lessee Secured Party Liability. Notwithstanding any Lessee Security Interest or encumbrance made with Lessor's consent as set forth in Section 6.01, Lessee shall remain fully liable for all obligations and liabilities under this Lease. Any Lessee Secured Party whose interest in the Premises is held solely for security purposes shall have no obligation or liability under this Lease unless and until the Lessee Secured Party succeeds to possession and control of the Premises and the rights of Lessee under this Lease. A Lessee Secured Party shall be liable to perform obligations under this Lease only for and during the period it maintains possession and control of the Premises.

d. Certificates & Other Documents. Subject to Lessor's reasonable review and approval, Lessor shall execute estoppel certificates (certifying as to truthful matters, including without limitation that no default then exists under this Lease, if such be the case) and consents to assignment and non-disturbance agreements as Lessee or any Lessee Secured Party may reasonably request from time to time; provided, however, that the foregoing undertaking shall not obligate Lessor to materially change any rights or benefits, or materially increase any burdens, liabilities or obligations of Lessor, under this Lease.

e. Lessee Secured Party's Right to Enforce Lessee Security Interest & Assign. Each Lessee Secured Party shall have the right, in its sole discretion: (i) to assign its Lessee Security Interest; (ii) to enforce its Lessee Security Interest or lien and acquire Lessee's leasehold title to all

or any portion of the Premises by any lawful means; (iii) to take possession of and operate all or any portion of the Premises and to perform all obligations to be performed by Lessee under this Lease; and (iv) to acquire all or any portion of the Lessee's leasehold interest to the Premises by foreclosure or by an assignment in lieu of foreclosure and thereafter, without Lessor's consent, to assign or transfer all or any portion of Lessee's leasehold interest to the Premises to a third party. Any Lessee Secured Party or a successor to Lessee's leasehold interest in the Premises pursuant to foreclosure or assignment in lieu of foreclosure shall not be obligated by this Lease as to matters incurred or accruing after termination of its ownership of Lessee's leasehold interest or possession of the Premises.

f. Novation. If Lessee's interest in the Premises is foreclosed upon or there is an assignment in lieu of foreclosure, or if this Lease is rejected or disaffirmed pursuant to bankruptcy law or other law affecting creditor's rights and, within ninety (90) days after such event, Lessee or any Lessee Secured Party or other purchaser at a foreclosure sale shall have arranged to the reasonable satisfaction of Lessor for the remediation of any default by Lessee, including without limitation the payment of all Rent or other charges due and payable by Lessee as of the date of such event, then Lessor shall execute and deliver to Lessee or such Lessee Secured Party or other purchaser at a foreclosure sale, or to a designee of one of these parties, as the case may be, a novation, which (i) shall be for a term equal to the remainder of the Term of this Lease before giving effect to such rejection or termination; (ii) shall contain the same covenants, agreements, terms, provisions and limitations as this Lease (except for such requirements as have been fulfilled by Lessee or any Lessee Secured Party or other purchaser at a foreclosure sale prior to rejection or termination of this Lease); and (iii) shall include a leasehold as to that portion of the Premises in which Lessee or such other Lessee Secured Party or other purchaser at a foreclosure sale held a leasehold interest on the date of rejection or termination. In the event that more than one entity described in the foregoing sentence requests a novation of this Lease, Lessor shall provide a novation to the entity establishing lien priority by final judgment of a court of competent jurisdiction from which there is no further opportunity for appeal. The provisions of this Section shall survive the termination, rejection or disaffirmation of this Lease and effective upon the execution and delivery of such novation of this Lease, such Lessee Secured Party or other purchaser at a foreclosure sale may use and enjoy the Premises without hindrance by Lessor or any person claiming by, through or under Lessor; provided that all of the conditions for the novation of this Lease as set

forth above are complied with.

g. Lessee Secured Party's Consent to Amendment, Termination or Surrender. Notwithstanding any provision of this Lease to the contrary, so long as any Lessee Security Interest remains outstanding, Lessor shall not accept a modification, surrender, cancellation or release of all or any part of the Premises from Lessee, prior to expiration of the Term of this Lease, without the prior written consent of the Lessee Secured Party holding such Lessee Security Interest.

6.02 Lessor Not Liable For Labor, Services, or Materials Furnished to Lessee. Lessee shall fully indemnify and hold harmless Lessor with respect to any and all claims made, and Lessor shall have no liability, for any labor, services, equipment or materials furnished to or to be furnished to Lessee or any Lessee Secured Party in connection with any work performed on or at the Premises after the execution of this Lease and no mechanics' liens or other lien or encumbrance for any labor, services, or materials shall attach to or affect Lessor's fee estate. Lessee shall promptly pay all costs of labor, services, equipment or materials in connection with any work performed on or at the Premises after the execution of this Lease. If a lien claim is asserted against the Premises in connection with any work performed on or at the Premises, Lessee shall immediately (not to exceed ninety (90) calendar days) obtain a release or a discharge of that lien claim.

## 7. INSURANCE AND INDEMNITY

7.01 Fire and Extended Coverage Insurance. At all times during the term of this Lease, Lessee shall maintain, at its sole cost, insurance or self-insurance covering its property and assets located on the Premises.

7.02 Property and Personal Injury Liability Insurance. At all times during the Term, Lessee shall maintain, at its sole cost, the amounts of insurance coverage set forth below in this Section 7.02, which may be reasonably adjusted by Lessor from time to time to reflect changes to industry standards. The insurance shall be carried by insurance companies authorized to transact business in Michigan and having an A.M. Best rating of not less than A-VIII. The insurance shall be maintained for the mutual benefit of Lessor and Lessee, and any succeeding owners of the fee title in the Premises.

- a. Workers' Compensation Insurance for statutory obligations imposed by applicable laws, including, where applicable, an Alternate Employer Endorsement naming Lessor;
- b. Employers' Liability Insurance, including Occupational Disease, shall be provided with a

limit of (i) One Million Dollars (\$1,000,000) for bodily injury per accident, (ii) One Million Dollars (\$1,000,000) for bodily injury by disease per policy, and (iii) One Million Dollars (\$1,000,000) for bodily injury by disease per employee;

- c. Business Automobile Liability Insurance which shall apply to all owned, non-owned, leased, and hired automobiles with a limit of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage;
- d. Commercial General Liability Insurance which shall apply to liability arising out of premises, operations, bodily injury, property damage, products and completed operations and liability insured under and insured contract (contractual liability), with a limit of One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate. Lessee's products and completed operations coverage insurance shall be provided for the duration of any applicable warranty period;
- e. Excess or Umbrella Liability Insurance which shall apply to Employers Liability, Commercial General Liability and Business Automobile Liability Insurance, required in (b), (c), and (d) above, with a limit of Five Million Dollars (\$5,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate;
- f. Upon commissioning of the Solar Electric Facility, Lessee shall procure and maintain Property Insurance for property damage arising from the use, occupancy, disuse, or condition of Lessee's property located on the Premises and Lessee's activities thereon with limits of insurance written for the replacement value of the property. Coverage shall be written on an "all risks" or "fire and extended coverage" basis. Effective no later than the commencement of construction and continuing until commissioning of the Solar Electric Facility, Lessee shall procure and maintain Builder's Risk Insurance covering Lessee's property and assets.
- g. If the construction on the Premises includes environmentally sensitive, hazardous types of activities (such as soil remediation, storage tank removal or similar activities), or involves Hazardous Materials (defined below), with respect to such Premises the Lessee must maintain a Pollution Liability policy with (1) a per-claim limit of not less than \$1,000,000 and (2) an annual-aggregate limit of not less than \$1,000,000, covering the acts, errors and/or omissions of the Lessee for damages sustained by Lessor by reason of the Lessee's performance. The Pollution Liability policy must have an effective date which is on or before the date on which the Lessee first started construction or pre-construction activities on the

Premises.

Except for Workers' Compensation Insurance, Employers' Liability Insurance and Property Insurance, Lessor and the City shall be included as an additional insured on Lessee's insurance policies required to be maintained hereunder, as its interests may appear, and all policies shall provide for a waiver of subrogation in favor of Lessor and Lessee. Additional Insured status on the Commercial General Liability policy shall be provided on an ISO form CG 2011 01 96, Additional Insured – Managers or Lessors of Premises, or the equivalent. Except for Workers' Compensation Insurance, Employer's Liability Insurance and Business Automobile Liability Insurance, all policies of insurance required to be maintained by Lessee hereunder shall provide for a severability of interests clause and include a provision that Lessee's insurance policies are to be primary (for those policies required to be maintained by Lessee pursuant to this Section and upon which Lessee is found liable) and non-contributory to any insurance that may be maintained by or on behalf of Lessor or the City.

In the event that any policy furnished by Lessee provides for coverage on a "claims made" basis, the retroactive date of the policy shall be the same as the Effective Date, or such other date, as to protect the interest of the other party. Furthermore, for all policies furnished on a "claims made" basis, a party's providing of such coverage shall survive the termination of the Lease Agreement and the expiration of any applicable warranty period, until the expiration of the maximum statutory period of limitations in the State of Michigan for actions based in contract or in tort.

Lessee shall provide, promptly following the Effective Date and upon Lessor's request annually thereafter, Lessor with copies of certificates of insurance, evidencing such respective coverage referenced above, which shall specify that Lessor shall be given prior written notice by the applicable insurer in the event of any cancellation or termination of coverage in accordance with the terms of the insurance policy. If any of the required insurance is cancelled or non-renewed or materially reduced in terms or limits, Lessee shall, within the designated time frame but in no circumstance less than thirty (30) days, provide written notice to Lessor and file a new certificate of insurance with Lessor, demonstrating that the required insurance coverage to be maintained hereunder has been extended or replaced. Neither a party's failure to provide evidence of minimum coverage of insurance following the other party's request, nor such other party's decision to not make such request, shall release a party from its obligation to maintain the minimum coverage provided for in this Section.

7.03 Indemnification. Neither Lessor nor Lessor's agents, representatives, employees or council

shall be liable for any loss, damage, or injury of any kind or character to any person or property arising from Lessee's Solar Electric Facility or Lessee's use of the Premises or any property on the Premises, or caused by or arising from any act or omission of Lessee, or any of its agents, employees, licensees, or invitees, or by or from any accident, fire, or other casualty on the Premises, or occasioned by the failure of Lessee to maintain the Premises in a safe and operating condition. Lessee waives all claims and demands on its behalf against Lessor for any loss, damage or injury not caused by Lessor's grossly negligent or intentional misconduct, and agrees to indemnify and hold Lessor entirely free and harmless from all liability for any loss, damage, costs, or injury of other persons, and from all costs and expenses arising from any claims or demands of other persons concerning any loss, damage, or injury, relating to the Solar Electric Facility and Lessee's use of the Premises.

## 8. CONDEMNATION

8.01 Although the parties agree that the Premises are and will continue to be dedicated to public use, nonetheless it is possible that local, state or federal governments may attempt to acquire all or any part of the Premises for other public or quasi-public purposes by condemnation in an action or proceeding in eminent domain. Upon such taking, should such taking destroy the current use, this Lease shall terminate and Lessor shall be entitled to receive the entire award or compensation for the taking of the Premises or any part of the Premises, except Lessee shall be entitled to any damages specifically awarded to it.

## 9. LESSOR REPRESENTATIONS AND WARRANTIES

9.01 Lessor's Representations. Lessor hereby represents and warrants to Lessee that:

a. Lessor has no actual knowledge of any existing physical conditions of the Premises which would prevent or significantly restrict Lessee's development of the Premises for the purposes specified in this Lease, or which could, with the passage of time, or the giving of notice, constitute a violation of any currently applicable governmental law, ordinance, order, rule or regulation.

b. Lessor has not received notice, oral or written, of and does not have any actual knowledge that there are any mining, mineral or water extraction or development projects in progress or planned to commence on or under the Premises or any portion thereof.

c. The execution of this Lease will not constitute a violation of nor be in conflict with nor constitute a default under any term or provision of any agreement or instrument to which Lessor has actual knowledge and is a party or by which the Premises or any part thereof is bound.

d. Lessor has no actual knowledge of any pending or threatened proceedings in eminent domain, or for a sale in lieu thereof, affecting the Premises or any portion thereof, or of any plans for a possible widening of the streets abutting the Premises. If Lessor learns of any litigation or administrative action proposed, threatened or instituted with respect to the Premises, Lessor shall give Lessee prompt notice thereof.

e. Without having made any specific investigation thereof, and without undertaking to do so, Lessor has no actual knowledge of any law, regulation, ordinance or order of any local, state or federal governmental authority which would prohibit or significantly restrict Lessee's development of the Premises pursuant to this Lease. To the best of Lessor's actual knowledge, the Premises is currently in material compliance with all governmental laws, ordinances, orders, rules and regulations applicable to the Premises.

f. To the best of Lessor's actual knowledge, neither the Premises nor any part thereof violates any Environmental Law which would prohibit Lessee's use of the Premises or a Solar Electric Facility thereon. Without limiting the foregoing, except as disclosed in writing to Lessee, to the best of Lessor's actual knowledge no Hazardous Materials have been released on the Premises in reportable quantities, or have been disposed of, stored, accumulated, or burned on the Premises; no part of the Premises or any improvements thereon contain asbestos or asbestos-containing materials (including, without limitation, acoustical plaster, fireproofing, pipe and boiler insulation or similar materials); and no underground storage tanks are located on or under the Premises. "Environmental Law" means all laws of any governmental authority having jurisdiction over the Premises addressing pollution or protection of the environment and all amendments to such laws and all regulations implementing any of the foregoing. "Hazardous Material" shall mean any pollutant, contaminant, hazardous substance, hazardous waste, medical waste, special waste, toxic substance, petroleum-derived substance, waste or additive, asbestos, polychlorinated biphenyl (PCB), radioactive material, or other compound, element or substance in any form (including products) regulated or restricted by or under any Environmental Law. Notwithstanding, Lessee takes the Lease as is and with all faults, known or unknown.

g. The term "actual knowledge" means the actual knowledge (as opposed to imputed or constructive knowledge) of Marguerite Davenport, P.E., as of the date of the representation without the duty of inquiry or investigation of such fact or condition pertaining to such applicable

representation. Lessor's designated individual is the individual in Lessor's organization who has the most applicable knowledge about the Premises and, to the best of Lessor's knowledge, there is no other person who has material knowledge about the Premises of which Lessor's designated individual is not aware. If Lessor's designated individual ceases to be affiliated with or employed by Lessor, then the individual who assumes the position held by Lessor's designated representative will be designated to replace such representative under the terms of this Section 9.01(g) for the period arising after the change of position. The representations and warranties contained in this Section 9.01(g) are representations and warranties of Lessor and Marguerite Davenport, P.E. shall not be individually liable for a breach of the representations and warranties.

9.02 Lessor Covenants.

a. Lessor covenants and agrees to give Lessee exclusive possession of the Premises during the Term, free and clear of all structures, lessees and occupants. Notwithstanding the foregoing, the parties agree that Lessor may enter onto the Premises during the Term with reasonable advance notice to Lessee and in such event Lessor shall at all times be accompanied by a representative of Lessee, except (1) upon bona fide emergency to protect life and property and/or (2) in order to maintain, repair or replace Lessor's existing improvements or construct, install, maintain, repair and/or replace future improvements located on or adjacent to the Premises (nothing in this paragraph shall alter the rights between Lessor and Lessee with respect to the maintenance of, possession of, or improvement to the Premises). Except for entry by Lessee under the terms of this Lease, Lessor agrees, for itself and for parties under its control, not to allow entry upon the Premises and shall not interfere with or handle any of Lessee's equipment or the Solar Electric Facility without written authorization from Lessee.

b. Lessor does not and shall not have a lien on, or any interest in, any of Lessee's personal property, including, but not limited to, the Solar Electric Facility, Lessee's inventory, trade fixtures, removable equipment, fixtures and all improvements ("Lessee's Assets"), and all of Lessee's Assets shall be deemed the personal property of Lessee in accordance with applicable state law and the Uniform Commercial Code of Michigan (M.C.L. §§ 440.1 through 440.11102).

c. Except for Lessor Mortgages existing on the Effective Date (for which Lessor shall have delivered a Subordination, Non-Disturbance and Attornment Agreement (SNDA)) and Taxes not yet due and payable, Lessor shall not permit any monetary liens to encumber the Premises which

have priority over the Lease. In the event Lessor encumbers the Premises subsequent to the date of this Lease, (i) the Lease shall retain its priority position, and (ii) the holder of each Lessor Mortgage or security interest shall execute and deliver to Lessee a fully executed and acknowledged non-disturbance agreement in a commercially reasonable form, and reasonably acceptable to Lessee and any Lessee Secured Party whereby the holder agrees, among other things, to recognize Lessee's rights under this Lease and not to disturb Lessee's possession and use of the Premises and such other appurtenant rights and easements in the Premises. With respect to other monetary encumbrances (i.e., mechanics' liens, judgment liens, tax liens, etc.), Lessor shall take any such actions as are required to prevent any material adverse effect to Lessee's use hereunder as a result of such encumbrances.

d. Lessor agrees that whenever it is provided in this Lease that the prior consent or approval of Lessor is required unless otherwise stated herein, Lessor will not unreasonably withhold, condition or delay the giving of such consent or approval.

## 10. DEFAULT

10.01 Events of Default. Any one or more of the events listed in Sub-paragraphs (a) through (e) of this Section 10.01 shall constitute a default under this Lease (each, an "Event of Default").

a. Lessee's failure to pay Rent within forty-five (45) days after the Rent becomes due and payable in accordance with the terms, covenants and agreements of this Lease.

b. Lessee's failure to observe or perform or cause to be observed or performed any other term, covenant, or agreement under this Lease, and continuation of this failure for a period of thirty (30) days after Lessor's written notice to Lessee specifying the nature of Lessee's failure; however, a failure as described in this Subparagraph (b) shall not constitute a default if it is curable but cannot with reasonable diligence be cured by Lessee within a period of thirty (30) days, and if Lessee proceeds to cure the failure with reasonable diligence and in good faith.

c. Lessee's Abandonment of the Premises and Improvements. For the purposes of this Lease, "abandonment" shall be defined as vacating the Premises as objectively indicated by Lessee's absence from the Premises. The term "absence," as used in this subsection, shall mean that Lessee has voluntarily, and not as a result of (i) any fault of Lessor or anyone

acting by or through Lessor, (ii) any change in law or the requirements of any governmental entity or court of competent jurisdiction, (iii) safety and security concerns of Lessee, (iv) any maintenance or repair work being performed, or (v) any third party (including, without limitation, a forced utility outage), ceased producing electricity for a period exceeding 180 consecutive calendar days following the Commercial Operation Date. Further, absence will be deemed to exist only if Lessor has requested Lessee provide a remediation plan to restore electricity production to Lessor and Lessee fails to provide such plan within the later of (x) the last day of such 180-day period, or (y) sixty (60) days following Lessee's receipt of such request from Lessor.

d. The occurrence of both the following events at the date of the commencement of this Lease or during the Term:

i. Filing of a petition in bankruptcy or insolvency, for reorganization or the appointment of a receiver or trustee of all or a portion of Lessee's property, by or against Lessee in any court pursuant to any statute either of the United States or of any state.

ii. Lessee's failure to secure a dismissal of the petition within sixty (60) days after its filing.

e. Lessee's assignment of the leasehold interest under this Lease for the benefit of creditors, except as permitted by Section 6.01 of this Lease.

10.02 Notice of Election to Terminate Lessee's Possession. If any Event of Default occurs, Lessor may, after the expiration of any and all applicable cure periods, elect to terminate the Lease, and any Lessee's right of possession under this Lease after thirty (30) days from the date of service of notice of the election. If this notice is given, then at the expiration of the thirty (30) days all Lessee's rights, title and interest in the Premises shall expire completely, and Lessee shall quit and surrender the Premises to Lessor without penalty or recourse whatsoever. Lessor's failure to terminate shall not constitute a waiver of Lessor's right to terminate and shall not give rise to an estoppel.

10.03 Lessor's Entry After Termination of Lessee's Possession. At any time after the termination of Lessee's right of possession under this Lease, Lessor may enter and possess the Premises by summary proceedings, ejectment, or otherwise, and Lessor may remove Lessee and all other persons and property

from the Premises. If Lessor takes the actions described in this Section 10.03, Lessor may then possess the Premises.

10.04 Rent on Expiration or Termination. The expiration or termination of this Lease shall not relieve Lessee of its liability and obligation to pay the Rent and any other charges accrued prior to these events or relieve Lessee of liability for damages for breach. These liabilities and obligations of Lessee shall survive any expiration or termination of the Lease. Upon expiration or termination, Lessor shall be entitled to keep all prepaid Rent and Lessee waives any claim therefore.

10.05 Costs Incurred Due to Breach. Lessee expressly agrees to pay all expenses that Lessor may incur for reasonable attorney's fees or brokerage commissions, and all other costs paid or incurred by Lessor for enforcing the terms and provisions of this Lease, restoring the Premises to good order and condition, or otherwise repairing the same and for maintaining the Premises and any of Lessee's property left on the Premises, or for disposing of any of Lessee's property left on the Premises.

10.06 Limitation of Liability. Except for the indemnification pursuant to Section 7.03 and Section 11.01 of this Lease, and except as set forth in Section 10.07 below, neither party shall be liable to the other, or any of their respective agents, representatives or employees for any lost revenue, lost profits, incidental, punitive, special or consequential damages, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

10.07. Lessor Default. Lessor shall be in default of this Lease if it shall fail to meet any of its obligations under the terms of this Lease and shall not cure such default within thirty (30) days after receiving notice thereof from Lessee (or if such default cannot be cured through the exercise of reasonable diligence within such thirty (30) day period, if Lessor fails to commence corrective action within such thirty (30) day period and thereafter diligently prosecutes same to completion) ("Lessor Default"). Upon the occurrence of a Lessor Default, Lessee shall have the option to pursue any one or more of the following remedies without any further notice or demand whatsoever: (i) terminate this Lease without being liable for prosecution or any claim of damages therefor; and (ii) pursue any and all other action or remedies that may be available to Lessee at law or in equity, including but not limited to all loss or damage which Lessee may suffer by reason of a termination of this Lease and the loss of the value of the leasehold interest and Solar Electric Facility. In the event of a Lessor Default, Lessee shall provide written notice of such default to AMP as well as Lessor. AMP's address for such notice shall be as follows:

American Municipal Power, Inc.  
1111 Schrock Road, Suite 100  
Columbus, Ohio 43229  
Attn: General Counsel

## 11. EXPIRATION OF TERM

11.01 Lessee's Delivery of Possession after Termination or Expiration. On the expiration date of this Lease, or the termination of Lessee's possession under this Lease, or any entry or possession of the Premises by Lessor after a default (collectively referred to as the "Expiration Date"), Lessee shall promptly quit and surrender the Premises, and deliver to Lessor actual possession and ownership of the Premises in good order, condition and repair. Except to the extent expressly agreed in writing by the Lessee and Lessor, promptly following the Expiration Date, but in no event later than 365 days after the Expiration Date, Lessee shall remove its property from the Premises and dispose of it in accordance with generally recognized engineering principles at the time the property is removed and in accordance with all applicable laws, rules and regulations. Lessee shall be responsible for any cleaning of waste, hazardous waste, or other substance placed on the Premises by Lessee during the Term and repair any surface damage; further, if clean-up of the Premises is recommended or ordered by EPA or other governmental officials, including local, state or federal, as a result of Lessee's action or omission during the Term, Lessee will indemnify Lessor for and defend Lessor against all claims made and fines assessed in regard thereto, including reasonable attorney fees associated therewith. Finally, in the event decommissioning is required, Lessee shall cause the decommissioning at its expense and post any required bond or security associated therewith.

11.02 Decommissioning Plan. Lessee shall prepare and submit to Lessor for approval a draft Decommissioning Plan no later than one hundred eighty (180) days prior to commencement of operation of the Solar Electric Facility. The draft Decommissioning Plan shall describe in detail the process, schedule, and cost estimate for the decommissioning, removal, recycling, and site restoration of the Solar Electric Facility located on the Premises. Once approved, Lessee shall review, update, and resubmit the Decommissioning Plan five (5) years after the Commercial Operations Date, and every five (5) years thereafter, for the duration of the Lease Term. If at such time Lessee determines, in its reasonable discretion, that no updates to the Decommissioning Plan are required, Lessee may provide written notice to Lessor that no changes to the Decommissioning Plan are necessary and resubmit the existing Decommissioning Plan for Lessor's review under Section 11.02(a), below. Failure to provide an update to the Decommissioning Plan shall not be deemed an event of default by Lessee under Article 10 of this Lease.

a. Upon receipt of the draft Decommissioning Plan, Lessor shall have sixty (60) days to review the draft and provide reasonable written comments, revisions, or objections. Lessee shall, in good faith, address Lessor's comments and resubmit a revised Decommissioning Plan within thirty (30) days following receipt of Lessor's feedback. The draft Decommissioning Plan shall not be deemed approved until Lessor has provided written approval, which shall not be unreasonably withheld, conditioned, or delayed. If Lessor fails to provide written comments or approval within the sixty (60) day review period, the draft Decommissioning Plan shall be deemed approved. Once approved, the Decommissioning Plan shall become part of this Lease by reference and binding upon Lessee. The review and approval process described in this subpart shall apply equally to each updated or revised Decommissioning Plan submitted by Lessee during the Lease Term.

b. The Decommissioning Plan shall include, at a minimum, the following elements:

i. A detailed schedule outlining all decommissioning phases and milestones, including deadlines for removal of solar panels, inverters, transformers, and associated equipment; transportation, recycling, or repurposing of such components; and grading, soil remediation, and re-vegetation of disturbed areas.

ii. A commitment that all decommissioned components will be recycled or repurposed to the greatest extent practicable, and that disposal in landfills will occur only where recycling or repurposing is not feasible. Lessee shall ensure that all disposal and recycling activities comply with applicable federal, state, and local laws and regulations.

iii. A clear statement that all decommissioning, removal, recycling, and restoration activities shall be performed at Lessee's sole cost and expense, including without limitation all labor, materials, transportation, recycling, and remediation costs.

iv. Upon the expiration or earlier termination of the Lease, Lessee shall commence decommissioning activities within one hundred eighty (180) days and shall complete all removal and restoration activities within one hundred eighty (180) days thereafter, unless otherwise agreed to in writing by Lessor. In the event the Lease is terminated or expires prior to completion of the Decommissioning Plan, Lessee shall nevertheless be obligated, at its sole cost and expense, to decommission and remove the Solar Electric Facility and restore the Premises to a condition reasonably similar to that existing prior to installation of the Facility, consistent with decommissioning standards and best practices in effect for solar energy projects of comparable size and technology. Such decommissioning and restoration shall be

completed within three hundred sixty (360) days following termination of the Lease, unless otherwise agreed to in writing by Lessor. If Lessee fails to perform such decommissioning or restoration, Lessor may do so and recover from Lessee all associated costs. The liquidated damages provision in subsection (c) shall apply to any such failure by Lessee.

c. If Lessee fails to complete decommissioning or site reclamation in accordance with the Decommissioning Plan, Lessee shall pay Lessor liquidated damages equal to the greater of (i) the actual costs of restoration and remediation incurred or imposed upon Lessor, or (ii) Ten Thousand Dollars (\$10,000) per megawatt (MW) of installed capacity of the Solar Electric Facility.

d. The obligations with respect to decommissioning and site reclamation set forth in this Section 11.02 shall be binding upon Lessee and its successors and assigns until fully implemented. Lessee shall ensure, in connection with any transfer of this Lease or Lessee's rights hereunder that its transferee acknowledges and fully assumes the obligations set forth in this Section 11.02.

## 12. GENERAL PROVISIONS

12.01 No Waiver of Breach. The failure of either party to seek redress for violation of, or to insist on the strict performance of any covenant, agreement, term, provision, or condition of this Lease shall not constitute a waiver of the covenant, agreement, term, provision, or condition. The receipt or payment of Rent with knowledge of the breach of any covenant, agreement, term, provision, or condition of this Lease shall not be deemed a waiver of that breach.

12.02 Waiver of Any Provision Must Be Written. No provision of this Lease shall be deemed to have been waived, unless the waiver is in writing and signed by the party against whom enforcement is sought. Each right and remedy of Lessor provided for in this Lease shall be cumulative and in addition to every other right or remedy provided for in this Lease, or now or later existing at law, in equity, by statute or otherwise.

12.03 Governing Agreements. This Lease contains the entire agreement between Lessor and Lessee with respect to the lease of the Premises, and any agreement made after the execution of this Lease between Lessor and Lessee shall be ineffective to change, modify, waive, release, discharge, terminate, or effect a surrender or abandonment of this Lease, in whole or in part, unless that agreement is in writing and signed by the party against whom enforcement is sought. Notwithstanding the foregoing, Lessor and Lessee acknowledge that other agreements, including but not limited to the Solar Power Schedule and the

Interconnection Agreement (collectively, the “Other Agreements”), may govern certain aspects of the relationship between Lessor and Lessee in connection with the Solar Electric Facility. Lessor and Lessee further acknowledge that certain costs and expenses allocated to Lessee pursuant to this Lease, may be wholly or partially re-allocated to Lessor or AMP by the terms of the Other Agreements.

12.04 Unless otherwise provided in this Lease, all notices and communications concerning this Lease shall be in writing and addressed to the other party as follows:

If to Lessee:

DG Marshall MI, LLC  
8484 Westpark Drive, Suite 720  
McLean, VA 22102  
Attn: Legal Department  
Email: legalnotices@madisonei.com

With a copy to:

Madison Energy Infrastructure LLC  
8484 Westpark Drive, Suite 720  
McLean, VA 22102  
Attn: Legal Department  
Email: legalnotices@madisonei.com

If to Lessor:

The City of Marshall Local Development Finance Authority  
323 West Michigan Avenue  
Marshall, Michigan 49068  
Attn: City Manager

or at such other address as may be designated in writing to the other Party.

Unless otherwise provided herein, any notice provided for in this Lease shall be hand delivered, electronic mail, sent by registered or certified U.S. Mail, postage prepaid, or by commercial overnight delivery service, or transmitted by facsimile or email attachment and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand delivered, upon confirmation of sending when sent by facsimile or email (if sent during normal business hours or the next Business Day if sent at any other time), on the business day after being sent when sent by overnight delivery service (Saturdays, Sundays and legal holidays excluded), or five (5) business days after deposit in the mail when sent by U.S. Mail. Lessor shall deliver to any Lessee Secured Party, concurrently with delivery thereof to Lessee, a copy of each notice of default given by Lessor under this Lease, inclusive of a reasonable description of Lessee default, and no such notice shall be effective absent delivery to the Lessee Secured

Party. Lessor shall not mutually agree with Lessee to terminate this Lease without the written consent of the Lender.

12.05 Lessor's Entry and Inspection of Premises. Lessor, or its agents or designee, shall have the right to enter the Premises during reasonable business hours for inspection, or to complete any work that may be necessary because of Lessee's default under any of the terms, covenants, and conditions of this Lease continuing beyond the applicable periods of grace. Any entry by Lessor shall be made pursuant to Lessee's safety and security procedures.

12.06 Partial Invalidity or Unenforceability. If any term, covenant, or condition of this Lease shall be invalid or unenforceable to any extent, the remainder of the terms, covenants, and conditions of this Lease shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

12.07 Individuals Benefited by Lease. This Lease shall inure to the benefit of and be binding on Lessor and Lessee and their respective successors and assigns except as otherwise provided in this Lease. This Lease shall inure exclusively to the benefit of and be binding on Lessor and Lessee. There is no third-party beneficiary.

12.08 Authority. The undersigned specifically represent that they are authorized to execute this Lease and that the parties have the right and capacity, respectively, to perform the acts contemplated by this Lease.

12.09 Engineering Standards and Laws. Lessee shall conduct its activities on the Premises in a good and workmanlike manner and in accordance with acceptable construction and engineering standards and in compliance with all applicable federal, state and local laws, rules and regulations.

12.10 No Warranty. Lessor does not warrant that the Premises are safe, healthful or suitable for the purposes for which it is permitted to be used under the terms of this Lease, except as set forth herein.

12.11 City Officials Not Liable. Subject to the terms of Section 7.03 of this Lease, no City official, employee, or agent shall be personally liable for any matter arising from or in any way connected to this Lease.

12.12 Memorandum of Lease. Lessee may record a Memorandum of Lease in the public records of the county in which the Premises is located. Lessee shall pay for its preparation and recordation. Lessor and Lessee shall execute, and Lessor shall deliver to Lessee, a Memorandum of Lease that is substantially similar to that form attached hereto as Exhibit B within ten (10) business days of the Option Notice as noted

in Section 1.06 of the Option Agreement executed between the Parties simultaneously with this Lease. The Parties further agree to amend the Memorandum of Lease following construction of the Solar Electric Facility to incorporate the “as-built” survey locations showing the Premises as contemplated by A-2 of this Lease. Lessee shall pay for its preparation and recordation of any such amendment to the Memorandum of Lease.

12.13 Utilities. Lessee shall pay all utility charges, if any, including, but not limited to water, gas, electricity and sewer, used in and about the Premises, all such charges to be paid by Lessee to the utility company or municipality furnishing the same before the same shall become delinquent.

12.14 Transfer, Assign or Sublet.

a. Assignment by Lessor. It is hereby expressly acknowledged by Lessor that this Lease runs with Lessor’s leasehold interest in the Premises and is not otherwise assignable by Lessor.

b. Assignment by Lessee. Lessee shall have the right, without Lessor’s consent, to sell, convey, lease, or assign all or any portion of its interest in the Premises, on either an exclusive or a non-exclusive basis, or to grant subleases, co-leases, leases, licenses or similar rights with respect to the Premises (collectively, “Assignment”), to AMP or to any Affiliate of Lessee (collectively “Assignee”). Lessee’s assignment with respect to a Lessee Secured Party shall be subject to Section 6.01 hereof. “Affiliate” shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first Person. Each Assignee shall use the Premises only for the uses permitted under this Lease. “Person” shall be any legal entity, including but not limited to any corporation, limited liability company, partnership, limited partnership, limited liability limited partnership, or any other legal entity established under the laws of any jurisdiction. When Lessee makes any Assignment under this Section, Lessee shall give notice to Lessor of such Assignment (including the interest conveyed by the Assignment and address of the Assignee for notice purposes). Any Assignment by Lessee to (i) AMP, (ii) an Affiliate, or (iii) a Person who directly or indirectly controls Lessee shall release DG Marshall MI, LLC from obligations assigned thereby which accrue after the date that liability for such obligations is assumed by the Assignee.

12.15 Mutual Waiver of Subrogation. Each party hereby waives any and all claims which arise or which may arise in its favor and against the other party hereto during the Term or any extension or renewal thereof for any and all loss of, or damage to, any of its property located within or upon or constituting a part

of the Solar Electric Facility, to the extent that such loss or damage is recovered under an insurance policy or policies and to the extent such policy or policies contain provision(s) permitting such waiver of claims. Each party agrees to request its insurers to issue policies containing such provisions.

12.16 Estoppel Certificate. Lessor and Lessee shall execute and deliver to each other, within fifteen (15) business days after request therefor by the other party, a certificate addressed as indicated by the requesting party and stating:

- (a) whether or not this Lease is in full force and effect;
- (b) whether or not this Lease has been modified or amended in any respect, and submitting copies of such modifications or amendments;
- (c) whether or not there are any existing defaults or Events of Default hereunder known to the party executing the certificate, and specifying the nature thereof;
- (d) whether or not any particular Article, Section, or provision of this Lease has been complied with; and
- (e) such other matters as may be reasonably requested by the requesting party.

12.17 Counterparts. This Lease may be executed in counterparts, each of which shall constitute original documents, but all of which together shall constitute one and the same instrument.

12.18 Applicable Law. This Lease shall be interpreted and enforced in accordance with the laws of the State of Michigan.

12.19 Headings. The headings of the several sections hereof are inserted for convenience only and shall not control or affect the interpretation of the provisions hereof.

12.20 Force Majeure. If Lessor or Lessee shall be delayed, hindered in or prevented from the performance of any acts required hereunder, other than the payment of Rent, by reason of an event of Force Majeure, then performance of such acts shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equal to the period of such delay. "Force Majeure" shall mean causes beyond the reasonable control of and without the fault or negligence of the party claiming Force Majeure, including but not limited to acts of God, labor unrest (including, but not limited to, slowdowns, picketing, boycotts or strikes), flood, earthquake, storm, fire, lightning, explosion, power failure or power surge, vandalism, theft, the cutting of power, transmission or other lines, wires or cables to the Solar Electric Facility by persons other than Lessee's employees or contractors, epidemic, war, revolution, riot, civil disturbance, sabotage, change in law or applicable regulation subsequent to the Effective Date which makes it illegal or impossible to perform hereunder and the Term and action or inaction by any federal, state

or local legislative, executive, administrative judicial agency or body which in any of the foregoing cases, by exercise of due foresight such party could not reasonably have expected to avoid, and which, by the exercise of due diligence, it is unable to overcome.

12.21 No Joint Venture. Nothing contained in this Lease shall be interpreted as creating a joint venture, partnership, or any other relationship between the parties, other than the relationship described in this Lease.

12.22 Confidentiality. If either party provides confidential information, including the terms of this Lease, business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the design, operation and maintenance of the Solar Electric Facility or of Lessor's business, and so designates such information clearly as confidential to the other ("**Confidential Information**"), the receiving party shall protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and refrain from using such Confidential Information except in the negotiation and performance of this Lease. Notwithstanding any other provision herein, neither party shall be required to hold confidential any information that: (i) becomes publicly available other than through the receiving party; (ii) is required to be disclosed by a governmental authority, under applicable law or pursuant to a validly issued subpoena, but a receiving party subject to any such requirement shall promptly notify the disclosing party of such requirement; (iii) is independently developed by the receiving party; or (iv) becomes available to the receiving party without restriction from a third party under no obligation of confidentiality. Notwithstanding anything to the contrary contained in this Section 12.22, a party may disclose Confidential Information to its partners, employees, consultants, attorneys, accountants, current or potential mortgagees, lenders, purchasers or tenants of the Property to the extent reasonably necessary to (i) comply with the provisions of this Lease, (ii) comply with applicable law and accounting standards, (iii) to properly operate or manage the Property (including, without limitation, in connection with any disposition or financing of the Property by Lessor). Nothing contained in this Agreement shall be deemed or construed to require Lessor or the City of Marshall, Michigan, to act or to refuse to act in contravention of the requirements of the Michigan Freedom of Information Act (M.C.L. §§ 15.231 through 15.236) or of the Michigan Open Meeting Act (M.C.L. §§ 15.261 through 115.275).

12.23 Quiet Enjoyment and Warranty of Title. Lessor covenants that Lessee, upon payment

of the rentals reserved herein and the performance of each and every one of the covenants, agreements and conditions on the part of Lessee to be observed and performed, shall and may, peaceably and quietly, have, hold and enjoy the Premises for the term aforesaid, free from molestation, eviction or disturbance (except as allowed or permitted by this Lease). Lessor warrants that Lessor is the holder of fee simple title and is the sole owner of the Property and that the Property and Premises are free of any liens, encumbrances or restrictions of any kind that may interfere with Lessee's anticipated use of the Premises. During the Term of this Lease, Lessor covenants and agrees that neither Lessor nor its agents, lessees, invitees, guests, licensees, successors or assigns will (i) interfere with, impair or prohibit the free and complete use and enjoyment by Lessee of its rights granted by this Lease; or (ii) take any action which will interfere with or impair Lessee's access to the Premises for the purposes specified in this Lease. Lessor further covenants that, to the best of Lessor's actual knowledge, there are no outstanding written or oral leases purchase or sale agreements or other agreements or restrictions encumbering, or in any way affecting the Premises, and no person or entity has any right with respect to the Premises, whether by option to purchase, contract or otherwise, that would prevent or interfere with any of Lessee's rights under this Lease.

12.24 Insolation. Lessor acknowledges that access to sunlight is essential to the value of the rights granted hereunder to Lessee. For purposes herein, "Insolation" means the amount of kWhs per square meter falling on a particular location, as published by the National Renewable Energy Laboratory. Accordingly, except to the extent permitted by this Lease, Lessor shall not (i) voluntarily permit any interference with Insolation on and at the Premises, and (ii) Lessor will not construct or permit to be constructed any structure on the Premises that would adversely affect Insolation levels, or permit the growth of foliage that could adversely affect Insolation levels.

12.25 Other Activities. Lessor shall not initiate, permit or conduct activities on, in or about the Premises that have a reasonable likelihood of causing damage, impairment or otherwise materially adversely affecting the Solar Electric Facility. If Lessor determines to undertake activities on the Premises that require temporary displacement of any portion of the Solar Electric Facility, then it shall provide reasonable prior notice (not less than six (6) months) to Lessee, and at Lessor's expense, Lessee shall disassemble, store and re-assemble the affected portions of such Solar Electric Facility at a time and in a manner reasonably calculated to accommodate such work. Storage of the Solar Electric Facility in accordance with the previous sentence shall be on the Premises in a location to be designated by Lessor, but in the estimation of Lessee reasonably suitable for storage of the component pieces of

the Solar Electric Facility.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be effective as of the last date signed by all parties to this Lease (“Effective Date”).

**THE CITY OF MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY** **DG MARSHALL MI, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF MICHIGAN) ) SS:  
COUNTY OF CALHOUN)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, the \_\_\_\_\_ of The City of Marshall Local Development Finance Authority.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ ) ) SS:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, as the \_\_\_\_\_ of DG Marshall MI, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**PROPERTY DESCRIPTION**

Land Situated in the State of Michigan, County of Calhoun.

**Parcel 1:**

A parcel of land in the Northeast 1 / 4 of Section 1, T3S, R6W, City of Marshall, Calhoun County, Michigan, the surveyed boundary of said parcel described as: Beginning at the North 1 / 4 corner of said Section 1; thence S 89° 55' 39" E along the North line of said Section 1 a distance of 75.00 feet; thence S 00° 57' 40" E 913.41 feet; thence S 69° 13' 22" E parallel with and 30 feet Northeasterly of the Panhandle and Eastern Pipeline 188.37 feet thence N 00° 57' 40" W 980.02 feet to said North line; thence S 89° 55' 39" E along said North line 1077.23 feet to the East line of the West 1/2 of said Northeast 1/4; thence S 00° 47' 48" E along said East line 1513.45 feet; thence N 69° 55' 32" W parallel with and 52 feet Southwest of the southernmost Panhandle & Eastern pipeline 1417.18 feet to the North-South 1/4 line of said Section 1; thence N 0° 57' 27" W along said North-South 1/4 line 1028.69 feet to the point of beginning; said parcel containing 34.87 acres, more or less; said parcel subject to all easements and restrictions, if any.

Tax Parcel No. 53-003-003-01

BEING a portion of the property acquired by The City of Marshall Local Development Finance Authority by deed from The City of Marshall dated 01/19/2018 and recorded with Calhoun County Register of Deeds on 01/19/2018 in [Book 4203, Page 54](#).

**Parcel 2:**

The West 1/2 of the Southeast 1/4 of Section 36, Township 2 South, Range 6 West, Marshall Township, Calhoun County, Michigan. EXCEPT premises conveyed to the City of Marshall by deed recorded in Liber 818 of Deeds, Page 553, more particularly described as: Beginning on the North-South quarter line of Section Thirty-six (36), Town Two (2) South, Range Six (6) West, Marshall Township, Calhoun County, Michigan, at a point fourteen hundred (1400) feet South of the center of said section; thence North fourteen-hundred (1400) feet; thence Easterly along the East-West quarter line thirteen-hundred twenty (1320) feet to the East one-eighth line; thence South sixteen-hundred (1600) feet; thence Northwesterly to the point of beginning containing forty-five (45) acres more or less and located in the West one-half ( 1/2) of the Southeast one-quarter (SE 1/4) of Section 36, Town 2 South, Range 6 West, Marshall Township, Calhoun County, Michigan.

ALSO BEING KNOWN AND DESCRIBED AS FOLLOWS:

SW 1/4 OF SE 1/4 OF SEC 36, TOWNSHIP 2 SOUTH, RANGE 6 WEST, MARSHALL TOWNSHIP, EXCEPT BEGINNING AT THE NORTHWEST CORNER THEREOF; THENCE EAST 1,320 FEET; THENCE SOUTH 280 FEET; THE NORTHWESTERLY TO A POINT 80 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH 80 FEET TO POINT OF BEGINNING.

Tax Parcel No. 53-360-003-00

BEING a portion of the property acquired by City of Marshall Local Development Finance Authority by deed from The City of Marshall dated 04/10/2013 and recorded with Calhoun County Register of Deeds on 04/16/2013 in [Book 3794, Page 91](#).

**HOLDING PAGE FOR EXHIBIT A-1**

**Preliminary Lease and Easement Improvement Plan and Acreage Calculation**  
**To be Delivered with Option Notice**

**HOLDING PAGE FOR EXHIBIT A-2**

**As Built Lease and Easement Plan and Final Acreage Calculation**

**EXHIBIT B**  
**MEMORANDUM OF LEASE**

This instrument was prepared  
by and after recording return to:

DG Marshall MI, LLC  
C/o Madison Energy Infrastructure LLC  
8484 Westpark Drive, Suite 720  
McLean, VA 22102  
Attn: Legal Department

(This space reserved for recording information)

**MEMORANDUM OF SOLAR PROJECT LEASE AGREEMENT**

This Memorandum of Solar Project Lease Agreement (“Memorandum”) is executed and effective this \_\_\_\_\_ day of \_\_\_\_\_, 2026 by and between **THE CITY OF MARSHALL LOCAL DEVELOPMENT FINANCE AUTHORITY**, formed pursuant to Act 281 of 1986, (“Lessor” or “LDFA”), with an address with an office at is 323 West Michigan Avenue, Marshall, Michigan, and **DG MARSHALL MI, LLC**, (“Lessee”) with an address of 8484 Westpark Drive, Suite 720, McLean, VA 22102.

Witnesseth

1. **Lease.** Pursuant to that certain Solar Project Lease Agreement between Lessor and Lessee with an Effective date of \_\_\_\_\_, 2026, Lessee has certain lease and easement rights from Lessor in accordance with the provisions specified in the Lease, over certain portions of the real property situated in Calhoun County, Michigan, and more particularly described in **Exhibit A** attached hereto and incorporated by reference (the “**Property**”), for the purpose of constructing, installing, operating, inspecting, maintaining, repairing, testing, enlarging, modifying, removing, and replacing the solar equipment (as defined in the Lease) and any additional equipment required to generate, measure, and transmit solar power. The portion of the Property required for the lease and easements rights as referred herein are known as the “Premises” in the Lease.
  
2. **Lease Term.** This Construction Lease Term shall be in effect from the Construction Commencement Date and run until the Commercial Operation Date. The initial term of the Lease shall commence upon the expiration of the Construction Lease Term and commence on the Commercial Operations Date and shall continue to apply for a period ending

on the first December 31 following the twenty-fifth (25<sup>th</sup>) anniversary of the Commercial Operation Date, unless terminated earlier (the "Initial Lease Term").

Lessee shall have the right to extend the Term of this Lease for two (2) consecutive terms of five (5) years each in accordance with the terms and provisions of this Lease (collectively "Extended Lease Term"). Each Extended Lease Term shall begin on the expiration date of the Initial Lease Term or previous Extended Lease Term, as the case may be.

3. **Notice**. This Memorandum is prepared for the purpose of recordation in order to give notice of the existence of and Term of the Lease.
4. **Counterparts**. This Memorandum may be executed in one or more counterparts, each of which is an original, but all of which together shall constitute one and the same instrument.



WITNESSES:

LESSEE:

**DG Marshall MI, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Print  
name: \_\_\_\_\_

\_\_\_\_\_  
Print  
name: \_\_\_\_\_

STATE OF \_\_\_\_\_ )

)

COUNTY OF \_\_\_\_\_ )

On this, the \_\_\_ day of \_\_\_\_\_, 2026, before me, the undersigned notary public, personally appeared \_\_\_\_\_, as \_\_\_\_\_, of \_\_\_\_\_, personally known to me, to be the person who subscribed the foregoing instrument and acknowledged that she executed the same on behalf of said corporation and that she was duly authorized to do so.

In Witness Whereof, I hereunto set my hand and official seal.

*(seal)*

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Notary Public, State of \_\_\_\_\_

Notary Commission No.: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
**Property**

Land Situated in the State of Michigan, County of Calhoun.

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