

**OTSEGO COUNTY  
PLANNING COMMISSION**

November 17, 2014  
6:00 PM

**MEETING WILL BE IN THE PLANNING AND ZONING MEETING ROOM LOCATED AT 1322 HAYES ROAD**

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF MINUTES: From October 20, 2014 meeting
5. CONSENT AGENDA: None
6. OTHER:
7. PUBLIC PARTICIPATION FOR ITEMS NOT ON THE AGENDA:  
(Please identify yourself for the record. All comments will be limited to two (2) minutes)
8. PUBLIC HEARING:
  1. *Wolverine Power Company, in cooperation with the optioned property owners of the listed parcels, is requesting a rezoning of these same parcels:  
060-020-300-010-00/7603 M-32 West Elmira, MI 49730  
060-020-300-005-01/M-32 West Elmira, MI 49730  
060-020-400-010-00/M-32 West Elmira, MI 49730  
060-020-400-005-02/M-32 West Elmira, MI 49730  
The rezoning is proposed as a Conditional Rezoning per Section 405 of the Michigan Zoning & Enabling Act.  
Currently zoned AR/Agricultural Resource and B2/General Business  
PREZ14-001-proposed rezone to B3/Business, Light Manufacturing and the proposed use of the property is the operation of a power plant.*
9. ADVERTISED CASE:
  1. *Wolverine Power Company, in cooperation with the optioned property owners of the listed parcels, is requesting a rezoning of these same parcels:  
060-020-300-010-00/7603 M-32 West Elmira, MI 49730  
060-020-300-005-01/M-32 West Elmira, MI 49730  
060-020-400-010-00/M-32 West Elmira, MI 49730  
060-020-400-005-02/M-32 West Elmira, MI 49730  
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10. UNFINISHED COMMISSION BUSINESS
11. NEW BUSINESS
12. REPORTS AND COMMISSION MEMBER'S COMMENTS
  1. Otsego County Parks & Recreation report/Judy Jarecki
  2. Guidelines for PC, ZBA, Elected Officials /Zoning Training
13. ADJOURNMENT

# REQUEST TO REZONE APPLICATION

OTSEGO COUNTY LAND USE SERVICES  
1322 HAYES ROAD  
GAYLORD, MI 49735  
PHONE: 989.731.7400 \* FAX: 989.731.7419

## APPLICANT INFORMATION:

Name:	Wolverine Power Cooperative	Owner/Agent/Other (Circle one)
Address:	10125 W. Watergate Road, PO Box 229, Cadillac, MI 49601	
Phone:	231-775-5700	Fax: 231-775-2077

## PROPERTY OWNER INFORMATION: (IF DIFFERENT FROM APPLICANT)

Name:		
Address:		
Phone:		Fax:

## PROPERTY INFORMATION:

Address:		
Parcel Number:	See Attachment No. 1 - -	
Acres: 168	Current Zoning District: AR	Current Use: Vacant
Requested Zoning: B3	Future Land Use Designation: AR	

## ATTACHMENTS: Please submit the following items with the application.

- A Site Plan drawn to scale showing the following: the entire parcel to be rezoned, adjacent roads and/or easements, existing and proposed curb cuts, existing improvements, existing and proposed utilities, adjacent uses and zoning districts, any unique natural features such as lakes, rivers, streams, wetlands, steep slopes...
- A copy of the deed(s) and an accurate legal description(s) of the parcel(s) to be rezoned.
- A statement of the consistency of the proposed rezone with the existing and future surrounding land uses and the anticipated impacts to the surrounding area with specific regard to traffic, infrastructure, environment, noise, public safety and visual considerations.

Signature of Applicant	Date
Signature of Owner (If different from applicant)	Date

*[Handwritten signature]* *10/20/14*

\*\*\*Optional: I hereby grant permission for members of the Township Planning Commission, Township Board, Otsego County Planning Commission and Zoning Administrator to enter the above described property for the purposes of gathering information related to the application.

\*\*\*Note to Applicant: This permission is optional and failure to grant permission will not affect any decision on the applicant.

Signature of Property Owner	Date
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## OFFICE USE ONLY

Fee: \$700.00	File No:	Date Application Received:
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Attachment No. 1 –

Parcels being requested to be rezoned from the current Agriculture Resource (AG) to Business, Light Manufacturing (B3) –

Parcel 1 – Parcel No. 060-020-300-005-01

Parcel 2 – Parcel No. 060-020-400-010-00

Parcel 3 – Parcel No. 060-020-400-005-02

Parcel 4 – Parcel No. 060-020-300-010-00

governor at the last preceding general election at which a governor was elected, with the clerk of the legislative body requesting the submission of a zoning ordinance or part of a zoning ordinance to the electors residing in the zoning jurisdiction for their approval.

(3) Upon the filing of a notice of intent under subsection (1), the zoning ordinance or part of the zoning ordinance adopted by the legislative body shall not take effect until 1 of the following occurs:

(a) The expiration of 30 days after publication of the ordinance, if a petition is not filed within that time.

(b) If a petition is filed within 30 days after publication of the ordinance, the clerk of the legislative body determines that the petition is inadequate.

(c) If a petition is filed within 30 days after publication of the ordinance, the clerk of the legislative body determines that the petition is adequate and the ordinance or part of the ordinance is approved by a majority of the registered electors residing in the zoning jurisdiction voting on the petition at the next regular election or at any special election called for that purpose. The legislative body shall provide the manner of submitting the zoning ordinance or part of the zoning ordinance to the electors for their approval or rejection and determining the result of the election.

(4) A petition and an election under this section are subject to the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

History: 2006, Act 110, Eff. July 1, 2006.

#### **125.3403 Amendment to zoning ordinance; filing of protest petition; vote.**

Sec. 403. (1) An amendment to a zoning ordinance by a city or village is subject to a protest petition as required by this subsection. If a protest petition is filed, approval of the amendment to the zoning ordinance shall require a 2/3 vote of the legislative body, unless a larger vote, not to exceed a 3/4 vote, is required by ordinance or charter. The protest petition shall be presented to the legislative body of the city or village before final legislative action on the amendment and shall be signed by 1 or more of the following:

(a) The owners of at least 20% of the area of land included in the proposed change.

(b) The owners of at least 20% of the area of land included within an area extending outward 100 feet from any point on the boundary of the land included in the proposed change.

(2) Publicly owned land shall be excluded in calculating the 20% land area requirement under subsection (1).

History: 2006, Act 110, Eff. July 1, 2006.

#### **125.3404 Interim zoning ordinance.**

Sec. 404. (1) To protect the public health, safety, and general welfare of the inhabitants and the lands and resources of a local unit of government during the period required for the preparation and enactment of an initial zoning ordinance under this act, the legislative body of a local unit of government may direct the zoning commission to submit, within a specified period of time, recommendations as to the provisions of an interim zoning ordinance.

(2) Before presenting its recommendations to the legislative body, the zoning commission of a township shall submit the interim zoning ordinance, or an amendment to the ordinance, to the county zoning commission or the coordinating zoning committee, for the purpose of coordinating the zoning ordinance with the zoning ordinances of a township, city, or village having a common boundary with the township. The ordinance shall be considered approved 15 days from the date the zoning ordinance is submitted to the legislative body.

(3) After approval, the legislative body, by majority vote of its members, may give the interim ordinance or amendments to the interim ordinance immediate effect. An interim ordinance and subsequent amendments shall be filed and published as required under section 401.

(4) The interim ordinance, including any amendments, shall be limited to 1 year from the effective date and to not more than 2 years of renewal thereafter by resolution of the local unit of government.

History: 2006, Act 110, Eff. July 1, 2006.

#### **125.3405 Use and development of land as condition to rezoning.**

Sec. 405. (1) An owner of land may voluntarily offer in writing, and the local unit of government may approve, certain use and development of the land as a condition to a rezoning of the land or an amendment to a zoning map.

(2) In approving the conditions under subsection (1), the local unit of government may establish a time period during which the conditions apply to the land. Except for an extension under subsection (4), if the conditions are not satisfied within the time specified under this subsection, the land shall revert to its former zoning classification.

(3) The local government shall not add to or alter the conditions approved under subsection (1) during the time period specified under subsection (2) of this section.

(4) The time period specified under subsection (2) may be extended upon the application of the landowner and approval of the local unit of government.

(5) A local unit of government shall not require a landowner to offer conditions as a requirement for rezoning. The lack of an offer under subsection (1) shall not otherwise affect a landowner's rights under this act, the ordinances of the local unit of government, or any other laws of this state.

History: 2006, Act 110, Eff. July 1, 2006.

#### **125.3406 Zoning permits; fees; effect of delinquent payment of fine, costs, or assessment.**

Sec. 406. (1) The legislative body may charge reasonable fees for zoning permits as a condition of granting authority to use, erect, alter, or locate dwellings, buildings, and structures, including tents and recreational vehicles, within a zoning district established under this act.

(2) A zoning ordinance adopted by a city may provide that a person is not eligible to apply for a rezoning, site plan approval, special land use approval, planned unit development approval, variance, or other zoning authorization if the person is delinquent in paying a civil fine, costs, or a justice system assessment imposed by an administrative hearings bureau established in that city pursuant to section 4q of the home rule city act, 1909 PA 279, MCL 117.4q.

(3) A zoning ordinance provision adopted under subsection (2) does not apply to an applicant for a zoning authorization if the applicant became the owner of the property by foreclosure or by taking a deed in lieu of foreclosure and is 1 of the following:

(a) A government-sponsored enterprise. As used in this subdivision, "government-sponsored enterprise" means that term as defined in 2 USC 622(8), or the Michigan state housing development authority created under the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(b) A financial institution. As used in this subdivision, "financial institution" means that term as defined in section 4(c) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004.

(c) A mortgage servicer, as that term is defined in section 1a of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651a, that is subject to the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651 to 445.1684.

(d) A credit union service organization that is organized under the laws of this state or the United States.

(4) Subsection (2) does not apply to a zoning authorization if the authorization will correct, in whole or in part, the blight violation that was the subject of the delinquent payment referred to in subsection (2).

History: 2006, Act 110, Eff. July 1, 2006;—Am. 2013, Act 189, Eff. Mar. 14, 2014.

#### **125.3407 Certain violations as nuisance per se.**

Sec. 407. Except as otherwise provided by law, a use of land or a dwelling, building, or structure, including a tent or recreational vehicle, used, erected, altered, razed, or converted in violation of a zoning ordinance or regulation adopted under this act is a nuisance per se. The court shall order the nuisance abated, and the owner or agent in charge of the dwelling, building, structure, tent, recreational vehicle, or land is liable for maintaining a nuisance per se. The legislative body shall in the zoning ordinance enacted under this act designate the proper official or officials who shall administer and enforce the zoning ordinance and do 1 of the following for each violation of the zoning ordinance:

(a) Impose a penalty for the violation.

(b) Designate the violation as a municipal civil infraction and impose a civil fine for the violation.

(c) Designate the violation as a blight violation and impose a civil fine or other sanction authorized by law. This subdivision applies only to a city that establishes an administrative hearings bureau pursuant to section 4q of the home rule city act, 1909 PA 279, MCL 117.4q.

History: 2006, Act 110, Eff. July 1, 2006;—Am. 2008, Act 12, Imd. Eff. Feb. 29, 2008.

### ARTICLE V

#### SPECIAL ZONING PROVISIONS

#### **125.3501 Submission and approval of site plan; procedures and requirements.**

Sec. 501. (1) The local unit of government may require the submission and approval of a site plan before authorization of a land use or activity regulated by a zoning ordinance. The zoning ordinance shall specify the body or official responsible for reviewing site plans and granting approval.

(2) If a zoning ordinance requires site plan approval, the site plan, as approved, shall become part of the record of approval, and subsequent actions relating to the activity authorized shall be consistent with the

## Offer to Make Land Use a Condition for Rezoning

This rezoning is proposed as a Conditional Rezoning per Section 405 of the Michigan Zoning Enabling Act. The following conditions are offered for consideration.

The proposed land use is for the construction and operation of a facility which includes a natural gas fired power generation plant, ancillary equipment and buildings and accessory uses which include, but are not limited to; electric power substations, electric transmission and distribution facilities, natural gas metering and regulation stations, air compression equipment, backup electric generation, water storage tanks and the maintenance of these facilities. The proposed land use is to be subject to the normal process for a Permitted Use Subject To Special Conditions per the Otsego County Zoning Ordinance. If construction of the proposed facility has not commenced within 3 years of the rezoning, the property shall revert back to its existing zoning, AR-Agricultural Resource District.

## Statement of Consistency

The size and location of the property proposed for rezoning is required to accommodate an improvement to public utilities which requires access to the existing natural gas transmission line and the existing electrical transmission corridor.

The proposed rezoning is an extension of the adjacent node of commercially zoned properties at the intersection of M-32 and Camp Ten Road. The property is not currently used for agricultural production and is vacant, with the exception of those portions used for the production of natural gas which includes a natural gas Central Production Facility.

The proposed facility will have minimal impact on existing and future uses of the surrounding properties. Buffer areas and perimeter landscaping will ensure isolation from adjacent properties. The low intensity use will maintain considerable open space. Development near the perimeter will be limited to that required for driveways, access to the existing natural gas transmission lines and electrical transmission corridors.

Traffic generated by this project is anticipated to be minimal. As of 2012, MDOT lists the Average Daily Traffic Volume for this section of M-32 at approximately 5500 vehicles per day. When operating, this facility is anticipated to generate approximately 20 trips per day and will have a full time staff of approximately 4 people.

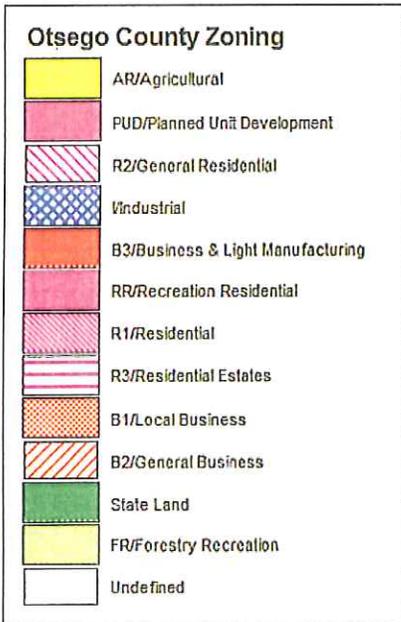
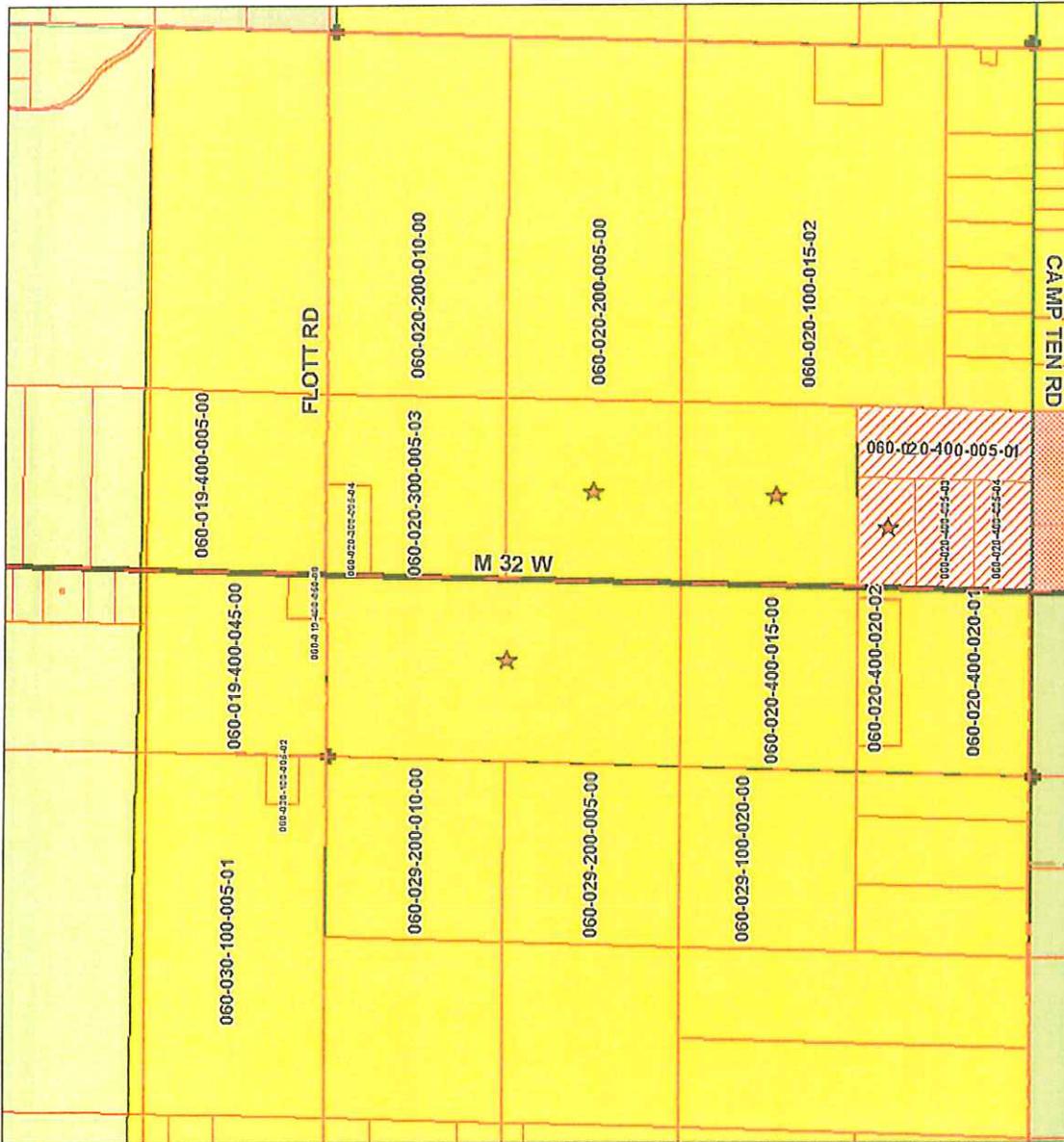
Compatibility with existing infrastructure is a primary factor in locating this facility. This project will significantly improve the long term reliability of the electric power grid serving Otsego County and all of Northern Michigan.

Environmental Impacts from this proposed project will be minimal. Wolverine intends to submit a minor air quality permit application to the MDEQ in support of this project.

Noise from this facility is projected to be minimal. When, operating, sound levels are anticipated to be approximately 60 decibels at 500 feet. This is significantly less than the noise caused by moderate traffic on the adjacent section of M-32. The forested buffer zones surrounding the turbines will further minimize sounds that will be detectable off the site.

Overall public safety will be enhanced by this project in that it will provide a reliable source for electrical power. Site access will be controlled by security fencing. Full cut off site lighting will further enhance site security.

Visual impacts will be minimized by the undisturbed perimeter of existing vegetation. Those areas of the perimeter that must be utilized for vehicular and utility access will be screened with landscaped vegetation. With the exception of clearing required for utility corridors, the existing forested perimeter will remain.



## Parcel 1

## Real Estate Option Agreement

This Real Estate Option Agreement (the "Agreement") is executed by and between Peter A. Dobrzelewski and Zarin S. Dobrzelewski, husband and wife, whose address is 3474 North Sherman Road, Ludington, MI 49431 ("Seller") and V3 Energy Group, Inc., a Michigan corporation, whose address is 5030 Village Lane Court, Traverse City, MI 49685 ("Buyer"), on the terms and conditions set forth below. Seller and Buyer are also referred to herein individually as a "Party", and collectively as the "Parties".

1. **Grant of the Option.** In consideration of [REDACTED] Dollars (\$ [REDACTED].00) (the "Option Money") paid by Buyer to Seller, receipt of which Seller acknowledges, Seller grants Buyer an exclusive option (the "Option") to purchase the real property described on the attached Exhibit A, incorporated herein by reference, with all easements, rights, and appurtenances (the "Premises"). The Option shall remain in effect for [REDACTED] months from the Effective Date of this Agreement, as defined below, and shall expire at 5:00 p.m. local time (the "Option Term"). The Option Term may be extended for an additional [REDACTED] months at Buyer's sole discretion upon written notice from Buyer to Seller, sent via certified mail, and received by Seller prior to the expiration of the first Option Term. The compensation amount shall be the same as the first Option Term specified above for the Option Money and included with the notice from Buyer to extend the Option Term.

2. **Purchase Price.** For the Option Term(s) the purchase price for the Premises under this Option is [REDACTED] Dollars (\$ [REDACTED].00) (the "Purchase Price"). The Purchase Price shall be paid in full at the Closing with certified funds by ACH, wire transfer, or certified check, at Buyer's option.

3. **Exercise of the Option and Notice to Exercise.** Buyer may exercise the Option by giving written Notice to Exercise to Seller at Seller's address stated above. The Notice to Exercise must be sent by certified mail and received by Seller before the Option Term expires. The Notice to Exercise shall set forth the time and date of Closing, which shall be not less than ten (10) days, or more than sixty (60) days subsequent to the date of the Notice to Exercise ("Notice to Exercise"). Notice to Exercise sent by facsimile or electronic mail is not effective unless it is accepted in writing by the Seller and the date and time of the Notice to Exercise shall be the date and time of the Seller's written acceptance. If this Option is properly exercised, this Agreement shall be the purchase and sale agreement of the Parties.

3.1 **Exercise of the Option Contingency.** Buyer may not exercise the Option to purchase the Premises without concurrently exercising an option to purchase real property as set forth in the Real Estate Option Agreement, dated [REDACTED] 2014, between the Dobrzelewski Self-Trusteed Living Revocable Trust (Seller) and V3 Energy Group, Inc. (Buyer), which is attached as Exhibit B and incorporated herein by reference.

4. **Failure to Exercise the Option.** If Buyer fails to exercise the Option prior to the expiration of Option Term, all rights herein provided shall terminate without further action by either Party and the Option Money together with any improvements to the Premises shall be the Seller's and Buyer agrees to execute a written termination of Option if requested by the Seller.

**5. Seller's Representations and Warranties.** The Seller represents and warrants to the Buyer that the following are true and correct on the date of the Agreement and will continue to be true and correct on each day until and including the day of Closing as though made on and as of each such day:

- (a) Seller has all necessary power and authority to enter into and perform this Agreement;
- (b) Seller has taken all necessary action to approve, sign, deliver, and perform this Agreement, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;
- (c) That to Seller's knowledge, Seller has good title to the Premises subject to no lease, mortgage, pledge, lien, charge or encumbrance, except for existing above and below ground utility facilities, or except as disclosed in writing on or before the date the Seller signs this Agreement;
- (d) That no improvements, excavations, physical changes, or storage of hazardous substances or vehicles on the Premises have been made or allowed and that no such matters will be made or allowed on the Premises other than those made with Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed; and
- (e) Except as to these representations, there are no warranties express or implied or any other representations.

**6. Inspections, Testing and Permitting:** Buyer may visit the Premises to make inspections of the site and take soil borings on prior notice to Seller. Buyer shall restore the Premises to the condition it was in before any inspection by Buyer.

Buyer, at its sole expense and during the Option Term and before Closing, may, at its discretion, order a Phase I Environmental Site Assessment ("**Phase I ESA**") for the Premises within seven (7) days of Notice to Exercise by a qualified professional environmental consultant selected by Buyer. As part of the Phase I ESA, the consultant shall conduct any and all investigations and research customarily performed in the professional environmental consulting business as part of a Phase I ESA including, without limitation, an on-site examination of the Premises. Buyer shall provide Seller with a copy of the report regarding the results of the Phase I ESA. If the Phase I ESA discloses a matter that materially and adversely affects the value of the Premises or Buyer's intended use of the Premises, Buyer may either order a Phase II Environmental Site Assessment ("**Phase II ESA**") (with Seller's prior written permission) or terminate this Agreement within thirty (30) days of Notice to Exercise as set forth in Section 3 and receive a full refund of the Option Payment.

The environmental consultant and its agents and subcontractors selected to perform the Phase I/Phase II ESA shall have the right and authority to enter the Premises for the purpose of performing their activities at any reasonable time subsequent to the execution of this Agreement upon notice to the Seller and after receiving written permission from Seller. The Seller shall fully cooperate by

providing the consultant with access to the Premises. Buyer agrees to indemnify and hold the Seller free and harmless from any cost, expense, damage, liability, or claim arising out of or in connection with the exercise by Buyer of the rights conferred by this paragraph or access to Premises by Buyer or its environmental consultant and its agents prior to Closing, except that Buyer shall not indemnify or hold the Seller harmless from the cost, expense, damage, liability, or claim resulting from the sole negligence or willful acts or omissions of the Seller.

Buyer may, without any further approval, seek necessary permits and applications to improve the Premises after the Closing.

**7. The Closing and Preparations for the Closing.** If Buyer exercises the Option, the following obligations shall be performed before or at the Closing:

(a) **Warranty Deed.** The Premises shall be transferred to Buyer at Closing by Warranty Deed, subject only to the encumbrances set forth in the title commitment that are satisfactory to Buyer.

(b) **Closing.** The Closing shall be at the office of (to be determined), or at an alternate location agreed upon by the Parties, at a time and date set forth in the Notice to Exercise provided for in Section 3 hereof, or such other place and time as is mutually agreeable to the Parties (the "Closing"). Possession shall be given as of the date of Closing unless otherwise agreed. Closing shall be not sooner than ten (10) days and not later than sixty (60) days after the date of the Notice to Exercise. At the Closing, the Parties shall sign and deliver all documentation that is necessary or convenient for the Closing of the purchase and sale of the Premises, including an owner's affidavit and a closing statement. The Parties shall each pay one-half of any closing or escrow fee of the title company who will issue Buyer's title insurance policy.

(c) **Title Insurance.** At Buyer's expense, Buyer shall order an American Land Title Association ("ALTA") owner's title insurance policy in the amount of the Purchase Price, effective as of the date of Closing, showing that Seller has good and marketable title to the Premises subject to easements and restrictions of record. A commitment to issue such policy insuring marketable title vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Exercise of the Option, and shall be delivered as soon as feasible thereafter. A matter disclosed on the title commitment that is in the form of a lien that is liquidated in amount that can be readily discharged (such as a mortgage) shall not be grounds for termination of this Agreement by Buyer under this Section so long as Seller elects to discharge such lien(s) at Closing.

(d) **Survey.** Buyer, at its expense, shall order an ALTA survey with iron stakes and with all easements of record, improvements, and encroachments (if any), within seven (7) calendar days after the Exercise of the Option.

(e) **Property Taxes.** Seller shall pay all real property taxes that are billed prior to the date of Closing. Buyer shall pay all real property taxes that are billed after the date of Closing. Current-year city, township and county taxes, if any, shall be prorated to the date of Closing of the sale on a calendar-year basis as if paid in arrears. Property taxes shall be estimated using the most recent tax

bills on the Premises. There shall be no adjustment of the property tax proration subsequent to Closing if the information proves inaccurate.

(f) **Special Assessments.** Seller shall pay the full amount of all special assessment installments on the Premises that are due and payable at or before the date of Closing. Buyer shall pay all special assessments and all unpaid installments which, for any reason, first become due and payable subsequent to the date of Closing, without regard to when the lien of the special assessment attached.

(g) **Transfer Taxes and Recording Fees.** Seller shall pay the real estate transfer taxes and Buyer shall pay the recording fees for the Warranty Deed.

8. **Binding Effect and Disclosure.** This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors, heirs and assigns. Buyer fully discloses, and Seller acknowledges, that Buyer will attempt to make the highest profit possible from splitting, parceling or reselling of the Premises, assigning the Agreement to a third party, or any other possible way to profit from this transaction.

9. **Construction and Venue.** This Agreement being executed and delivered in the State of Michigan shall be construed in accordance with the laws of the State of Michigan both as to interpretation and performance. Any disputes under this Agreement shall be brought in the State of Michigan.

10. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the transaction described in this Agreement, and this Agreement may not be amended or released, in whole or in part, except by a document signed by both Parties.

11. **Exhibits.** The following exhibits are attached to and made a part of this Agreement:  
Exhibit A - Legal Description of Premises  
Exhibit B - Real Estate Option Agreement

12. **Time of the Essence.** Time is of the essence in this Agreement. All Parties must meet their obligations under this Agreement strictly within the required time frames.

13. **Effective Date.** This effective date and the date of this Agreement shall be the date the last Party signs ("Effective Date").

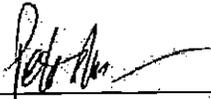
14. **Default.** If after exercising this Option either Party defaults under the terms and conditions hereof, the non-defaulting Party may have specific performance of the other Party's obligations hereunder, as well as any rights or remedies available at law or in equity, including, but not limited to damages.

By signing this Agreement, the Parties acknowledge that they have read this document, they know its contents, and they are voluntarily signing it.

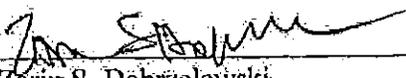
*[signatures on following page]*

WHEREFORE, the Parties have executed this Agreement effective as of the date last inscribed below.

**SELLER**

  
\_\_\_\_\_  
Peter A. Dobrzelewski

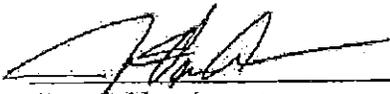
Dated:  , 2014

  
\_\_\_\_\_  
Zarin S. Dobrzelewski

Dated:  , 2014

**BUYER**

V3 Energy Group, Inc.

  
\_\_\_\_\_  
Joseph Van Antwerp  
President

Dated:  , 2014

**Exhibits**

- A - Legal Description of the Premises
- B - Real Estate Option Agreement

**EXHIBIT A – LEGAL DESCRIPTION OF PREMISES**

The Northeast  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$ , being 40 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-300-005-01.

All dimensions listed in the above descriptions of the Premises are approximate. The actual legal description and exact acreage of the Premises will be determined upon completion of a survey by a licensed surveyor as described in Section 7d herein.

## Parcel 1

### ASSIGNMENT OF REAL ESTATE OPTION AGREEMENT

This Assignment of Real Estate Option Agreement ("Assignment") is made and entered into this 1<sup>st</sup> day of [REDACTED] 2014, in consideration of One Dollar (\$ 1.00), and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, **V3 ENERGY GROUP, INC.**, a Michigan corporation ("Assignor"), hereby assigns, transfers and conveys to **WOLVERINE POWER SUPPLY COOPERATIVE, INC.**, a Michigan nonprofit corporation ("Assignee"), all of Assignor's right, title and interest in and to that certain Real Estate Option Agreement, dated [REDACTED] 2014, between Peter A. and Zarin S. Dobrzalewski (husband and wife), as the Seller and V3 Energy Group, Inc., as the Buyer (the "Option Agreement").

The Option Agreement pertains to the option for the purchase of certain real property, more particularly described as follows:

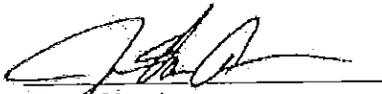
The Northeast ¼ of the Southwest ¼, being 40 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-300-005-01.

Assignee hereby assumes and agrees to perform all duties and obligations of Assignor as contained in the said Option Agreement, agrees that it is bound thereby, and adopts as its own all representations and warranties of Assignor as set forth therein. The foregoing assignment includes an assignment to Assignee of all right, title and interest of Assignor in all earnest money now on deposit with any escrow agent in connection with the Option Agreement. Assignee agrees to reimburse Assignor within two (2) business days any earnest money paid to Seller or an escrow agent pursuant to the Option Agreement, if applicable, by certified funds by ACH, wire transfer, or certified check, at Assignor's option. Seller and any escrow agent holding deposit monies may rely upon this Assignment as intended beneficiaries.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Real Estate Option Agreement as of the day and year first above written.

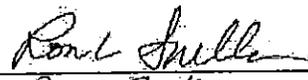
*[Signature Page Follows]*

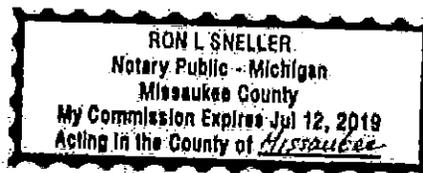
ASSIGNOR  
V3 ENERGY GROUP, INC.,  
a Michigan corporation

By:   
Name: Joseph Van Antwerp  
Title: President

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE        )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [REDACTED], 2014, by Joseph Van Antwerp, as President of V3 Energy Group, Inc., a Michigan corporation.

  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019

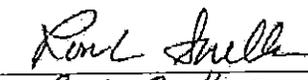


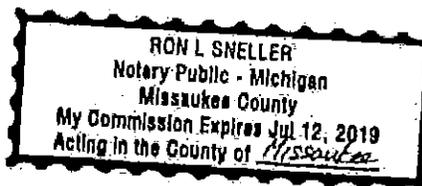
ASSIGNEE  
WOLVERINE POWER SUPPLY COOPERATIVE, INC.,  
a Michigan non-profit corporation:

By:   
Name: Eric D. Baker  
Title: President & CEO

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE        )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [REDACTED], 2014, by Eric D. Baker as President & CEO of Wolverine Power Supply Cooperative, Inc., a Michigan nonprofit corporation.

  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019



Prepared by and Return to:  
Brian E. Valice, Esq. (P43735)  
Staff Attorney  
Wolverine Power Supply Cooperative, Inc.  
10125 W. Watergate Road, P.O. Box 229  
Cadillac, MI 49601-0229  
(231) 775-5700

## Parcel 2

## Real Estate Option Agreement

This Real Estate Option Agreement (the "Agreement") is executed by and between Robert and Joni Metiva, husband and wife, whose address is 14532 Club Circle Drive SE, Grayling, MI 49738 ("Seller") and V3 Energy Group, Inc., a Michigan corporation, whose address is 5030 Village Lane Court, Traverse City, MI 49685 ("Buyer"), on the terms and conditions set forth below. Seller and Buyer are also referred to herein individually as a "Party", and collectively as the "Parties".

1. Grant of the Option. In consideration of [REDACTED] Dollars (\$ [REDACTED],00) (the "Option Money") paid by Buyer to Seller, receipt of which Seller acknowledges, Seller grants Buyer an exclusive option (the "Option") to purchase the real property described on the attached Exhibit A, incorporated herein by reference, with all easements, rights, and appurtenances (the "Premises"). The Option shall remain in effect for twelve (12) months from the Effective Date of this Agreement, as defined below, and shall expire at 5:00 p.m. local time (the "Option Term").

2. Purchase Price. For the Option Term(s) the purchase price for the Premises under this Option is [REDACTED] Dollars (\$ [REDACTED],00) (the "Purchase Price"). The Purchase Price shall be paid in full at the Closing with certified funds by ACH, wire transfer, or certified check, at Buyer's option.

3. Exercise of the Option and Notice to Exercise. Buyer may exercise the Option by giving written Notice to Exercise to Seller at Seller's address stated above. The Notice to Exercise must be sent by certified mail and received by Seller before the Option Term expires. The Notice to Exercise shall set forth the time and date of Closing, which shall be not less than ten (10) days, or more than sixty (60) days subsequent to the date of the Notice to Exercise ("Notice to Exercise"). Notice to Exercise sent by facsimile or electronic mail is not effective unless it is accepted in writing by the Seller and the date and time of the Notice to Exercise shall be the date and time of the Seller's written acceptance. If this Option is properly exercised, this Agreement shall be the purchase and sale agreement of the Parties.

4. Failure to Exercise the Option. If Buyer fails to exercise the Option prior to the expiration of Option Term, all rights herein provided shall terminate without further action by either Party and the Option Money together with any improvements to the Premises shall be the Seller's and Buyer agrees to execute a written termination of Option if requested by the Seller.

5. Seller's Representations and Warranties. The Seller represents and warrants to the Buyer that the following are true and correct on the date of the Agreement and will continue to be true and correct on each day until and including the day of Closing as though made on and as of each such day:

- (a) Seller has all necessary power and authority to enter into and perform this Agreement;
- (b) Seller has taken all necessary action to approve, sign, deliver, and perform this Agreement, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;

(c) That to Seller's knowledge, Seller has good title to the Premises subject to no lease, mortgage, pledge, lien, charge or encumbrance, except for existing above and below ground utility facilities, or except as disclosed in writing on or before the date the Seller signs this Agreement;

(d) That no improvements, excavations, physical changes, or storage of hazardous substances or vehicles on the Premises have been made or allowed and that no such matters will be made or allowed on the Premises other than those made with Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed; and

(e) Except as to these representations, there are no warranties express or implied or any other representations.

6. **Inspections, Testing and Permitting.** Buyer may visit the Premises to make inspections of the site and take soil borings on prior notice to Seller. Buyer shall restore the Premises to the condition it was in before any inspection by Buyer.

Buyer, at its sole expense and during the Option Term and before Closing, may, at its discretion, order a Phase I Environmental Site Assessment ("Phase I ESA") for the Premises within seven (7) days of Notice to Exercise by a qualified professional environmental consultant selected by Buyer. As part of the Phase I ESA, the consultant shall conduct any and all investigations and research customarily performed in the professional environmental consulting business as part of a Phase I ESA including, without limitation, an on-site examination of the Premises. Buyer shall provide Seller with a copy of the report regarding the results of the Phase I ESA. If the Phase I ESA discloses a matter that materially and adversely affects the value of the Premises or Buyer's intended use of the Premises, Buyer may either order a Phase II Environmental Site Assessment ("Phase II ESA") (with Seller's prior written permission) or terminate this Agreement within thirty (30) days of Notice to Exercise as set forth in Section 3 and receive a full refund of the Option Payment.

The environmental consultant and its agents and subcontractors selected to perform the Phase I/Phase II ESA shall have the right and authority to enter the Premises for the purpose of performing their activities at any reasonable time subsequent to the execution of this Agreement upon notice to the Seller and after receiving written permission from Seller. The Seller shall fully cooperate by providing the consultant with access to the Premises. Buyer agrees to indemnify and hold the Seller free and harmless from any cost, expense, damage, liability, or claim arising out of or in connection with the exercise by Buyer of the rights conferred by this paragraph or access to Premises by Buyer or its environmental consultant and its agents prior to Closing, except that Buyer shall not indemnify or hold the Seller harmless from the cost, expense, damage, liability, or claim resulting from the sole negligence or willful acts or omissions of the Seller.

Buyer may, without any further approval, seek necessary permits and applications to improve the Premises after the Closing.

7. **The Closing and Preparations for the Closing.** If Buyer exercises the Option, the following obligations shall be performed before or at the Closing:

(a) **Warranty Deed.** The Premises shall be transferred to Buyer at Closing by Warranty Deed, subject only to the encumbrances set forth in the title commitment that are satisfactory to Buyer.

(b) **Closing.** The Closing shall be at the office of (to be determined), or at an alternate location agreed upon by the Parties, at a time and date set forth in the Notice to Exercise provided for in Section 3 hereof, or such other place and time as is mutually agreeable to the Parties (the "Closing"). Possession shall be given as of the date of Closing unless otherwise agreed. Closing shall be not sooner than ten (10) days and not later than sixty (60) days after the date of the Notice to Exercise. At the Closing, the Parties shall sign and deliver all documentation that is necessary or convenient for the Closing of the purchase and sale of the Premises, including an owner's affidavit and a closing statement. The Parties shall each pay one-half of any closing or escrow fee of the title company who will issue Buyer's title insurance policy.

(c) **Title Insurance.** At Buyer's expense, Buyer shall order an American Land Title Association ("ALTA") owner's title insurance policy in the amount of the Purchase Price, effective as of the date of Closing, showing that Seller has good and marketable title to the Premises subject to easements and restrictions of record. A commitment to issue such policy insuring marketable title vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Exercise of the Option, and shall be delivered as soon as feasible thereafter. A matter disclosed on the title commitment that is in the form of a lien that is liquidated in amount that can be readily discharged (such as a mortgage) shall not be grounds for termination of this Agreement by Buyer under this Section so long as Seller elects to discharge such lien(s) at Closing.

(d) **Survey.** Buyer, at its expense, shall order an ALTA survey with iron stakes and with all easements of record, improvements, and encroachments (if any), within seven (7) calendar days after the Exercise of the Option.

(e) **Property Taxes.** Seller shall pay all real property taxes that are billed prior to the date of Closing. Buyer shall pay all real property taxes that are billed after the date of Closing. Current-year city, township and county taxes, if any, shall be prorated to the date of Closing of the sale on a calendar-year basis as if paid in arrears. Property taxes shall be estimated using the most recent tax bills on the Premises. There shall be no adjustment of the property tax proration subsequent to Closing if the information proves inaccurate.

(f) **Special Assessments.** Seller shall pay the full amount of all special assessment installments on the Premises that are due and payable at or before the date of Closing. Buyer shall pay all special assessments and all unpaid installments which, for any reason, first become due and payable subsequent to the date of Closing, without regard to when the lien of the special assessment attached.

(g) **Transfer Taxes and Recording Fees.** Seller shall pay the real estate transfer taxes and Buyer shall pay the recording fees for the Warranty Deed.

8. **Binding Effect and Disclosure.** This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors, heirs and assigns. Buyer fully discloses, and Seller acknowledges, that Buyer will attempt to make the highest profit possible from splitting, parceling or reselling of the Premises, assigning the Agreement to a third party, or any other possible way to profit from this transaction.

9. **Construction and Venue.** This Agreement being executed and delivered in the State of Michigan shall be construed in accordance with the laws of the State of Michigan both as to interpretation and performance. Any disputes under this Agreement shall be brought in the State of Michigan.

10. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the transaction described in this Agreement, and this Agreement may not be amended or released, in whole or in part, except by a document signed by both Parties.

11. **Exhibits.** The following "Exhibit A - Legal Description of Premises" is attached to and made a part of this Agreement.

12. **Time of the Essence.** Time is of the essence in this Agreement. All Parties must meet their obligations under this Agreement strictly within the required time frames.

13. **Effective Date.** This effective date and the date of this Agreement shall be the date the last Party signs ("Effective Date").

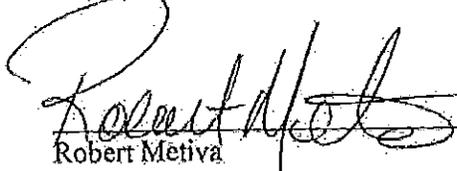
14. **Default.** If after exercising this Option either Party defaults under the terms and conditions hereof, the non-defaulting Party may have specific performance of the other Party's obligations hereunder, as well as any rights or remedies available at law or in equity, including, but not limited to damages.

By signing this Agreement, the Parties acknowledge that they have read this document, they know its contents, and they are voluntarily signing it.

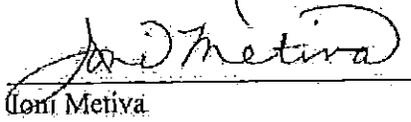
*[signatures on following page]*

WHEREFORE, the Parties have executed this Agreement effective as of the date last inscribed below.

**SELLER**

  
Robert Metiva

Dated: [REDACTED], 2014

  
Tom Metiva

Dated: [REDACTED], 2014

**BUYER**

V3 Energy Group, Inc.

  
Joseph Van Antwerp  
President

Dated: [REDACTED], 2014

**Exhibits**

A – Legal Description of the Premises

**EXHIBIT A – LEGAL DESCRIPTION OF PREMISES**

The Northwest  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$ , being 40 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-400-010-00.

All dimensions listed in the above descriptions of the Premises are approximate. The actual legal description and exact acreage of the Premises will be determined upon completion of a survey by a licensed surveyor as described in Section 7d herein.

## Parcel 2

### ASSIGNMENT OF REAL ESTATE OPTION AGREEMENT

This Assignment of Real Estate Option Agreement ("Assignment") is made and entered into this 1<sup>st</sup> day of [REDACTED] 2014, in consideration of One Dollar (\$ 1.00), and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, **V3 ENERGY GROUP, INC.**, a Michigan corporation ("Assignor"), hereby assigns, transfers and conveys to **WOLVERINE POWER SUPPLY COOPERATIVE, INC.**, a Michigan nonprofit corporation ("Assignee"), all of Assignor's right, title and interest in and to that certain Real Estate Option Agreement, dated [REDACTED] 2014, between Robert and Joni Metiya (husband and wife), as the Seller and V3 Energy Group, Inc., as the Buyer (the "Option Agreement").

The Option Agreement pertains to the option for the purchase of certain real property, more particularly described as follows:

The Northwest ¼ of the Southeast ¼, being 40 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-400-010-00.

Assignee hereby assumes and agrees to perform all duties and obligations of Assignor as contained in the said Option Agreement, agrees that it is bound thereby, and adopts as its own all representations and warranties of Assignor as set forth therein. The foregoing assignment includes an assignment to Assignee of all right, title and interest of Assignor in all earnest money now on deposit with any escrow agent in connection with the Option Agreement. Assignee agrees to reimburse Assignor within two (2) business days any earnest money paid to Seller or an escrow agent pursuant to the Option Agreement, if applicable, by certified funds by ACH, wire transfer, or certified check, at Assignor's option. Seller and any escrow agent holding deposit monies may rely upon this Assignment as intended beneficiaries.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Real Estate Option Agreement as of the day and year first above written.

*[Signature Page Follows]*

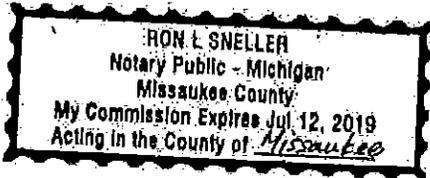
**ASSIGNOR**  
**V3 ENERGY GROUP, INC.,**  
a Michigan corporation

By: [Signature]  
Name: Joseph Van Antwerp  
Title: President

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE    )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [redacted] 2014, by Joseph Van Antwerp, as President of V3 Energy Group, Inc., a Michigan corporation.

Ron L. Sneller  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019



**ASSIGNEE**  
**WOLVERINE POWER SUPPLY COOPERATIVE, INC.,**  
a Michigan non-profit corporation

By: [Signature]  
Name: Eric D. Baker  
Title: President & CEO

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE    )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [redacted] 2014, by Eric D. Baker as President & CEO of Wolverine Power Supply Cooperative, Inc., a Michigan nonprofit corporation.

Ron L. Sneller  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019



Prepared by and Return to:  
Brian E. Valice, Esq. (P43735)  
Staff Attorney  
Wolverine Power Supply Cooperative, Inc.  
10125 W. Watergate Road, P.O. Box 229  
Cadillac, MI 49601-0229  
(231) 775-5700

## Parcel 3

## Real Estate Option Agreement

This Real Estate Option Agreement (the "Agreement") is executed by and between Richard J. and Diane L. Lange, (husband and wife) whose address is 6624 Whiting Drive, Troy, MI 48098 ("Seller"), and V3 Energy Group, Inc., (a Michigan corporation), whose address is 5030 Village Lane Court, Traverse City, MI 49685 ("Buyer"), on the terms and conditions set forth below. Seller and Buyer are also referred to herein individually as a "Party", and collectively as the "Parties".

1. **Grant of the Option.** In consideration of [REDACTED] Dollars (\$ [REDACTED]) (the "Option Money") paid by Buyer to Seller, receipt of which Seller acknowledges, Seller grants Buyer an exclusive option (the "Option") to purchase the real property described on the attached Exhibits A and B, incorporated herein by reference, with all easements, rights, and appurtenances (the "Premises"). The Option shall remain in effect for [REDACTED] months from the Effective Date of this Agreement, as defined below, and shall expire at 5:00 p.m. local time (the "Option Term").
2. **Purchase Price.** For the Option Term(s) the purchase price for the Premises under this Option is [REDACTED] Dollars (\$ [REDACTED]) (the "Purchase Price"). The Purchase Price shall be paid in full at the Closing with certified funds by ACH, wire transfer, or certified check, at Buyer's option.
3. **Exercise of the Option and Notice to Exercise.** Buyer may exercise the Option by giving written Notice to Exercise to Seller at Seller's address stated above. The Notice to Exercise must be sent by certified mail and received by Seller before the Option Term expires. The Notice to Exercise shall set forth the time and date of Closing, which shall be not less than ten (10) days, or more than sixty (60) days subsequent to the date of the Notice of Exercise ("Notice of Exercise"). Faxed or emailed Notice to Exercise is not effective unless it is accepted in writing by the Seller and the date and time of the Notice to Exercise shall be the date and time of the Seller's written acceptance. If this Option is properly exercised, this Agreement shall be the purchase and sale agreement of the Parties.
4. **Failure to Exercise the Option.** If Buyer fails to exercise the Option prior to the expiration of Option Term, all rights herein provided shall terminate without further action by either Party and the Option Money, together with any improvements to the Premises, shall be the Seller's. Buyer agrees to execute a written termination of Option, if requested by the Seller, upon failure to exercise the Option.
5. **Seller's Representations and Warranties.** The Seller represents and warrants to the Buyer that the following are true and correct on the date of the Agreement and will continue to be true and correct on each day until and including the day of Closing as though made on and as of each such day:
  - (a) Seller has all necessary power and authority to enter into and perform this Agreement;

- (b) Seller has taken all necessary action to approve, sign, deliver, and perform this Agreement, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;
- (c) That to Seller's knowledge, Seller has good title to the Premises subject to no lease, mortgage, pledge, lien, charge or encumbrance, except for existing above and below ground utility facilities, or except as disclosed in writing on or before the date the Seller signs this Agreement;
- (d) That no improvements, excavations, physical changes, or storage of hazardous substances or vehicles on the Premises have been made or allowed and that no such matters will be made or allowed on the Premises other than those made with Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed; and
- (e) Except as to these representations, there are no warranties express or implied or any other representations.

6. **Inspections, Testing and Permitting.** Buyer may visit the Premises to make inspections of the site with prior notice to Seller. Buyer shall restore the Premises to the condition it was in before any inspection by Buyer.

Buyer may, at its discretion and sole expense during the Option Term and before Closing, order a Phase I Environmental Site Assessment ("Phase I ESA") for the Premises in accordance with ASTM Method 1527-05 by a qualified professional environmental consultant selected by Buyer. As part of the Phase I ESA, the consultant shall conduct any and all investigations and research customarily performed in the professional environmental consulting business as part of a Phase I ESA including, without limitation, an on-site examination of the Premises. Buyer shall provide Seller with a copy of the report regarding the results of the Phase I ESA. If the Phase I ESA discloses a matter that materially and adversely affects the value of the Premises or Buyer's intended use of the Premises, Buyer may either order a Phase II Environmental Site Assessment ("Phase II ESA") (with Seller's prior written permission), which would require obtaining soil and/or ground water samples for testing purposes, or terminate this Agreement.

The environmental consultant and its agents and subcontractors selected to perform the Phase I/II ESA shall have the right and authority to enter the Premises for the purpose of performing their activities at any reasonable time subsequent to the execution of this Agreement upon notice to the Seller and after receiving written permission from Seller. The Seller shall fully cooperate by providing the consultant with access to the Premises. Buyer agrees to indemnify and hold the Seller free and harmless from any cost, expense, damage, liability, or claim arising out of or in connection with the exercise by Buyer of the rights conferred by this paragraph or access to Premises by Buyer or its environmental consultant and its agents prior to Closing, except that Buyer shall not indemnify or hold the Seller harmless from the cost, expense, damage, liability, or claim resulting from the sole negligence or willful acts or omissions of the Seller.

Buyer may, without any further approval, seek necessary permits and applications to improve the Premises after the Closing.

7. **The Closing and Preparations for the Closing.** If Buyer exercises the Option, the following obligations shall be performed before or at the Closing:

- (a) **Warranty Deed.** The Premises shall be transferred to Buyer at Closing by Warranty Deed, subject only to the encumbrances set forth in the title commitment that are satisfactory to Buyer.
- (b) **Closing.** The Closing shall be at the office of (to be determined), in \_\_\_\_\_, Michigan, at a time and date set forth in the Notice to Exercise provided for in Section 3 hereof, or such other place and time as is mutually agreeable to the Parties (the "Closing"). Possession shall be given as of the date of Closing unless otherwise agreed. Closing shall be not sooner than ten (10) days and not later than sixty (60) days after the date of the Notice to Exercise. At the Closing, the Parties shall sign and deliver all documentation that is necessary or convenient for the Closing of the purchase and sale of the Premises, including an owner's affidavit and a closing statement. The Parties shall each pay one-half of any closing or escrow fee of the title company who will issue Buyer's title insurance policy.
- (c) **Title Insurance.** At Buyer's expense, Buyer shall order an American Land Title Association ("ALTA") owner's title insurance policy in the amount of the Purchase Price, effective as of the date of Closing, showing that Seller has good and marketable title to the Premises subject to easements and restrictions of record. A commitment to issue such policy insuring marketable title vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Exercise of the Option, and shall be delivered as soon as feasible thereafter. A matter disclosed on the title commitment that is in the form of a lien that is liquidated in amount that can be readily discharged (such as a mortgage) shall not be grounds for termination of this Agreement by Buyer under this Section so long as Seller elects to discharge such lien(s) at Closing.
- (d) **Survey.** Buyer, at its expense, shall order an ALTA survey with iron stakes and with all easements of record, improvements, and encroachments (if any), within seven (7) calendar days after the Notice to Exercise.
- (e) **Property Taxes.** Seller shall pay all real property taxes that are billed prior to the date of Closing. Buyer shall pay all real property taxes that are billed after the date of Closing. Current-year city, township and county taxes, if any, shall be prorated to the date of Closing of the sale on a calendar-year basis as if paid in arrears. Property taxes shall be estimated using the most recent tax bills on the Premises. There shall be no adjustment of the property tax proration subsequent to Closing if the information proves inaccurate.

- (f) **Special Assessments.** Seller shall pay the full amount of all special assessment installments on the Premises that are due and payable at or before the date of Closing. Buyer shall pay all special assessments and all unpaid installments which, for any reason, first become due and payable subsequent to the date of Closing, without regard to when the lien of the special assessment attached.
- (g) **Transfer Taxes and Recording Fees.** Seller shall pay the real estate transfer taxes and Buyer shall pay the recording fees for the Warranty Deed.

8. **Binding Effect and Disclosure.** This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors, heirs and assigns. Buyer fully discloses, and Seller acknowledges, that Buyer will attempt to make the highest profit possible from splitting, parceling or reselling of the Premises, assigning the Agreement to a third party, or any other possible way to profit from this transaction.

9. **Brokers.** Seller and Buyer represent to each other that neither of them, nor representatives of either of them, has incurred any liability for any broker's, finder's, or similar fees in connection with this Agreement and the transactions contemplated by this Agreement. Seller fully discloses that both signatories are licensed Michigan Real Estate Salespersons and no commission will be received.

10. **Construction and Venue.** This Agreement being executed and delivered in the State of Michigan shall be construed in accordance with the laws of the State of Michigan both as to interpretation and performance. Any disputes under this Agreement shall be brought in the State of Michigan.

11. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the transaction described in this Agreement, and this Agreement may not be amended or released, in whole or in part, except by a document signed by both Parties.

12. **Exhibits.** The following exhibit is attached to and a part of this Agreement:

- Exhibit A - Legal Description of the Premises
- Exhibit B - Location Map of Premises

13. **Time of the Essence.** Time is of the essence in this Agreement. All Parties must meet their obligations under this Agreement strictly within the required time frames.

14. **Effective Date.** This effective date and the date of this Agreement shall be the date the last Party signs ("Effective Date").

15. **Default.** If after exercising this Option either Party defaults under the terms and conditions hereof, the non-defaulting Party may have specific performance of the other Party's obligations hereunder, as well as any rights or remedies available at law or in equity, including, but not limited to damages.

By signing this Agreement, the Parties acknowledge that they have read this document, they know its contents, and they are voluntarily signing it.

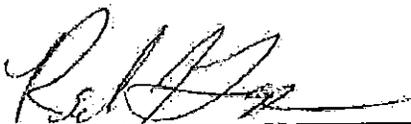
WHEREFORE, the Parties have executed this Agreement effective as of the date last inscribed below.

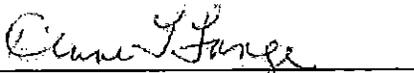
**BUYER**

V3 Energy Group, Inc.

  
By: Joseph Van Antwerp  
Its: President  
Dated: ██████-14

**SELLER**

  
Richard J. Lange  
Dated: ██████-14

  
Diane L. Lange  
Dated: ██████-14

**Exhibits**

- A - Legal Description of Premises
- B - Location Map of Premises

## EXHIBIT A – LEGAL DESCRIPTION OF PREMISES

Part of NE1/4 of the SE1/4 of Section 20, T31N, R4W, Elmira Township, Otsego County, Michigan, and more particularly described as:

commencing at the East ¼ corner, then S00°14'01"West 527.77 feet along the East Section Line, then N88°13'25"West 874.14 feet to the Point of Beginning, then S00°14'01"West 797.65 feet, then N88°13'25"West 437.08 feet, along the S1/8 Line, then N00°16'23"East 797.63 feet, along the E1/8 Line, then S88°13'25"E 436.53 feet to the Point of Beginning, amounting to eight (8) acres more or less.

All dimensions listed in the above descriptions of the Premises are approximate. The actual legal description and exact acreage of the Premises will be determined upon completion of a survey by a licensed surveyor as described in Section 7d herein.

## Parcel 3

### ASSIGNMENT OF REAL ESTATE OPTION AGREEMENT

This Assignment of Real Estate Option Agreement ("Assignment") is made and entered into this 1<sup>st</sup> day of [REDACTED] 2014, in consideration of One Dollar (\$ 1.00), and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, **V3 ENERGY GROUP, INC.**, a Michigan corporation ("Assignor"), hereby assigns, transfers and conveys to **WOLVERINE POWER SUPPLY COOPERATIVE, INC.**, a Michigan nonprofit corporation ("Assignee"), all of Assignor's right, title and interest in and to that certain Real Estate Option Agreement, dated [REDACTED], 2014, between Richard J. and Diane L. Lange (husband and wife), as the Seller and V3 Energy Group, Inc., as the Buyer (the "Option Agreement").

The Option Agreement pertains to the option for the purchase of certain real property, more particularly described as follows:

Part of NE1/4 of the SE1/4 of Section 20, T31N, R4W, Elmira Township, Otsego County, Michigan, having Parcel ID Number 060-020-400-005-02, and further described as commencing at the East 1/4 corner of said Section 20, then S00°14'01" West 527.77 feet along the East Section Line of said Section 20, then N88°13'25" West 874.14 feet to the Point of Beginning, then S00°14'01" West 797.65 feet, then N88°13'25" West 437.08 feet, along the S1/8 Line of said Section 20, then N00°16'23" East 797.63 feet, along the E1/8 Line of said Section 20, then S88°13'25" E 436.53 feet to the Point of Beginning, amounting to eight (8) acres more or less.

Assignee hereby assumes and agrees to perform all duties and obligations of Assignor as contained in the said Option Agreement, agrees that it is bound thereby, and adopts as its own all representations and warranties of Assignor as set forth therein. The foregoing assignment includes an assignment to Assignee of all right, title and interest of Assignor in all earnest money now on deposit with any escrow agent in connection with the Option Agreement. Assignee agrees to reimburse Assignor within two (2) business days any earnest money paid to Seller or an escrow agent pursuant to the Option Agreement, if applicable, by certified funds by ACH, wire transfer, or certified check, at Assignor's option. Seller and any escrow agent holding deposit monies may rely upon this Assignment as intended beneficiaries.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Real Estate Option Agreement as of the day and year first above written.

*[Signature Page Follows]*



## Parcel 4

## Real Estate Option Agreement

This Real Estate Option Agreement (the "Agreement") is executed by and between Mitchell Dobrzelewski and Peter Dobrzelewski, successor trustees of Dobrzelewski Self-Trusteed Living Revocable Trust, u/a dated December 7, 1993, whose address is 3474 North Sherman Road, Ludington, MI 49431 ("Seller") and V3 Energy Group, Inc., a Michigan corporation, whose address is 5030 Village Lane Court, Traverse City, MI 49685 ("Buyer"), on the terms and conditions set forth below. Seller and Buyer are also referred to herein individually as a "Party", and collectively as the "Parties".

1. Grant of the Option. In consideration of [REDACTED] and 00/100 Dollars (\$ [REDACTED]) (the "Option Money") paid by Buyer to Seller, receipt of which Seller acknowledges, Seller grants Buyer an exclusive option (the "Option") to purchase the real property described on the attached Exhibit A, incorporated herein by reference, with all easements, rights, and appurtenances (the "Premises"). The Option shall remain in effect for [REDACTED] months from the Effective Date of this Agreement, as defined below, and shall expire at 5:00 p.m. local time (the "Option Term"). The Option Term may be extended for an additional [REDACTED] months at Buyer's sole discretion upon written notice from Buyer to Seller, sent via certified mail, and received by Seller prior to the expiration of the first Option Term. The compensation amount shall be the same as the first Option Term specified above for the Option Money and included with the notice from Buyer to extend the Option Term.

2. Purchase Price. For the Option Term(s) the purchase price for the Premises under this Option is [REDACTED] Dollars (\$ [REDACTED].00) (the "Purchase Price"). The Purchase Price shall be paid in full at the Closing with certified funds by ACH, wire transfer, or certified check, at Buyer's option.

3. Exercise of the Option and Notice to Exercise. Buyer may exercise the Option by giving written Notice to Exercise to Seller at Seller's address stated above. The Notice to Exercise must be sent by certified mail and received by Seller before the Option Term expires. The Notice to Exercise shall set forth the time and date of Closing, which shall be not less than ten (10) days, or more than sixty (60) days subsequent to the date of the Notice to Exercise ("Notice to Exercise"). Notice to Exercise sent by facsimile or electronic mail is not effective unless it is accepted in writing by the Seller and the date and time of the Notice to Exercise shall be the date and time of the Seller's written acceptance. If this Option is properly exercised, this Agreement shall be the purchase and sale agreement of the Parties.

4. Failure to Exercise the Option. If Buyer fails to exercise the Option prior to the expiration of Option Term, all rights herein provided shall terminate without further action by either Party and the Option Money together with any improvements to the Premises shall be the Seller's and Buyer agrees to execute a written termination of Option if requested by the Seller.

5. Seller's Representations and Warranties. The Seller represents and warrants to the Buyer that the following are true and correct on the date of the Agreement and will continue to be true and correct on each day until and including the day of Closing as though made on and as of each such day:

- (a) Seller has all necessary power and authority to enter into and perform this Agreement;
- (b) Seller has taken all necessary action to approve, sign, deliver, and perform this Agreement, and this Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms;
- (c) That to Seller's knowledge, Seller has good title to the Premises subject to no lease, mortgage, pledge, lien, charge or encumbrance, except for existing above and below ground utility facilities, or except as disclosed in writing on or before the date the Seller signs this Agreement;
- (d) That no improvements, excavations, physical changes, or storage of hazardous substances or vehicles on the Premises have been made or allowed and that no such matters will be made or allowed on the Premises other than those made with Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed; and
- (e) Except as to these representations, there are no warranties express or implied or any other representations.

**6. Inspections, Testing and Permitting.** Buyer may visit the Premises to make inspections of the site and take soil borings on prior notice to Seller. Buyer shall restore the Premises to the condition it was in before any inspection by Buyer.

Buyer, at its sole expense and during the Option Term and before Closing, may, at its discretion, order a Phase I Environmental Site Assessment ("Phase I ESA") for the Premises within seven (7) days of Notice to Exercise by a qualified professional environmental consultant selected by Buyer. As part of the Phase I ESA, the consultant shall conduct any and all investigations and research customarily performed in the professional environmental consulting business as part of a Phase I ESA including, without limitation, an on-site examination of the Premises. Buyer shall provide Seller with a copy of the report regarding the results of the Phase I ESA. If the Phase I ESA discloses a matter that materially and adversely affects the value of the Premises or Buyer's intended use of the Premises, Buyer may either order a Phase II Environmental Site Assessment ("Phase II ESA") (with Seller's prior written permission) or terminate this Agreement within thirty (30) days of Notice to Exercise as set forth in Section 3 and receive a full refund of the Option Payment.

The environmental consultant and its agents and subcontractors selected to perform the Phase I/Phase II ESA shall have the right and authority to enter the Premises for the purpose of performing their activities at any reasonable time subsequent to the execution of this Agreement upon notice to the Seller and after receiving written permission from Seller. The Seller shall fully cooperate by providing the consultant with access to the Premises. Buyer agrees to indemnify and hold the Seller free and harmless from any cost, expense, damage, liability, or claim arising out of or in connection with the exercise by Buyer of the rights conferred by this paragraph or access to Premises by Buyer or its environmental consultant and its agents prior to Closing, except that Buyer shall not

indemnify or hold the Seller harmless from the cost, expense, damage, liability, or claim resulting from the sole negligence or willful acts or omissions of the Seller.

Buyer may, without any further approval, seek necessary permits and applications to improve the Premises after the Closing.

**7. The Closing and Preparations for the Closing.** If Buyer exercises the Option, the following obligations shall be performed before or at the Closing:

(a) **Warranty Deed.** The Premises shall be transferred to Buyer at Closing by Warranty Deed, subject only to the encumbrances set forth in the title commitment that are satisfactory to Buyer.

(b) **Closing.** The Closing shall be at the office of (to be determined), or at an alternate location agreed upon by the Parties, at a time and date set forth in the Notice to Exercise provided for in Section 3 hereof, or such other place and time as is mutually agreeable to the Parties (the "Closing"). Possession shall be given as of the date of Closing unless otherwise agreed. Closing shall be not sooner than ten (10) days and not later than sixty (60) days after the date of the Notice to Exercise. At the Closing, the Parties shall sign and deliver all documentation that is necessary or convenient for the Closing of the purchase and sale of the Premises, including an owner's affidavit and a closing statement. The Parties shall each pay one-half of any closing or escrow fee of the title company who will issue Buyer's title insurance policy.

(c) **Title Insurance.** At Buyer's expense, Buyer shall order an American Land Title Association ("ALTA") owner's title insurance policy in the amount of the Purchase Price, effective as of the date of Closing, showing that Seller has good and marketable title to the Premises subject to easements and restrictions of record. A commitment to issue such policy insuring marketable title vested in Buyer, including a tax status report, shall be ordered within seven (7) calendar days after the Exercise of the Option, and shall be delivered as soon as feasible thereafter. A matter disclosed on the title commitment that is in the form of a lien that is liquidated in amount that can be readily discharged (such as a mortgage) shall not be grounds for termination of this Agreement by Buyer under this Section so long as Seller elects to discharge such lien(s) at Closing.

(d) **Survey.** Buyer, at its expense, shall order an ALTA survey with iron stakes and with all easements of record, improvements, and encroachments (if any), within seven (7) calendar days after the Exercise of the Option.

(e) **Property Taxes.** Seller shall pay all real property taxes that are billed prior to the date of Closing. Buyer shall pay all real property taxes that are billed after the date of Closing. Current-year city, township and county taxes, if any, shall be prorated to the date of Closing of the sale on a calendar-year basis as if paid in arrears. Property taxes shall be estimated using the most recent tax bills on the Premises. There shall be no adjustment of the property tax proration subsequent to Closing if the information proves inaccurate.

(f) **Special Assessments.** Seller shall pay the full amount of all special assessment installments on the Premises that are due and payable at or before the date of Closing. Buyer shall pay all special assessments and all unpaid installments which, for any reason, first become due and payable subsequent to the date of Closing, without regard to when the lien of the special assessment attached.

(g) **Transfer Taxes and Recording Fees.** Seller shall pay the real estate transfer taxes and Buyer shall pay the recording fees for the Warranty Deed.

8. **Binding Effect and Disclosure.** This Agreement shall be binding on and inure to the benefit of the Parties and their respective successors, heirs and assigns. Buyer fully discloses, and Seller acknowledges, that Buyer will attempt to make the highest profit possible from splitting, parceling or reselling of the Premises, assigning the Agreement to a third party, or any other possible way to profit from this transaction.

9. **Construction and Venue.** This Agreement being executed and delivered in the State of Michigan shall be construed in accordance with the laws of the State of Michigan both as to interpretation and performance. Any disputes under this Agreement shall be brought in the State of Michigan.

10. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with respect to the transaction described in this Agreement, and this Agreement may not be amended or released, in whole or in part, except by a document signed by both Parties.

11. **Exhibits.** The following "Exhibit A - Legal Description of Premises" is attached to and made a part of this Agreement:

12. **Time of the Essence.** Time is of the essence in this Agreement. All Parties must meet their obligations under this Agreement strictly within the required time frames.

13. **Effective Date.** This effective date and the date of this Agreement shall be the date the last Party signs ("Effective Date").

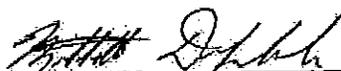
14. **Default.** If after exercising this Option either Party defaults under the terms and conditions hereof, the non-defaulting Party may have specific performance of the other Party's obligations hereunder, as well as any rights or remedies available at law or in equity, including, but not limited to damages.

By signing this Agreement, the Parties acknowledge that they have read this document, they know its contents, and they are voluntarily signing it.

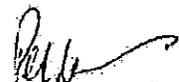
WHEREFORE, the Parties have executed this Agreement effective as of the date last inscribed below.

**SELLER**

Dobrzelewski Self-Trusteed Living Revocable Trust, u/a dated December 7, 1993

  
\_\_\_\_\_  
Mitchell Dobrzelewski, Trustee

Dated: \_\_\_\_\_, 2014

  
\_\_\_\_\_  
Peter Dobrzelewski, Trustee

Dated: \_\_\_\_\_, 2014

**BUYER**

V3 Energy Group, Inc.

  
\_\_\_\_\_  
Joseph Van Antwerp  
President

Dated: \_\_\_\_\_, 2014

Exhibits

A – Legal Description of the Premises

**EXHIBIT A – LEGAL DESCRIPTION OF PREMISES**

The South  $\frac{1}{2}$  of the Southwest  $\frac{1}{4}$ , being 80 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-300-010-00.

All dimensions listed in the above descriptions of the Premises are approximate. The actual legal description and exact acreage of the Premises will be determined upon completion of a survey by a licensed surveyor as described in Section 7d herein.

## Parcel 4

### ASSIGNMENT OF REAL ESTATE OPTION AGREEMENT

This Assignment of Real Estate Option Agreement ("Assignment") is made and entered into this 1<sup>st</sup> day of [REDACTED] 2014, in consideration of One Dollar (\$ 1.00), and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, **V3 ENERGY GROUP, INC.**, a Michigan corporation ("**Assignor**"), hereby assigns, transfers and conveys to **WOLVERINE POWER SUPPLY COOPERATIVE, INC.**, a Michigan nonprofit corporation ("**Assignee**"), all of Assignor's right, title and interest in and to that certain Real Estate Option Agreement, dated [REDACTED], 2014, between the Dobrzelowski Self-Trusteed Living Revocable Trust, u/a dated December 7, 1993, as the Seller and V3 Energy Group, Inc., as the Buyer (the "**Option Agreement**").

The Option Agreement pertains to the option for the purchase of certain real property, more particularly described as follows:

The South ½ of the Southwest ¼, being 80 acres more or less, of Section 20, T31N-R4W, Elmira Township, Otsego County Michigan, and having Parcel ID No. 060-020-300-010-00.

Assignee hereby assumes and agrees to perform all duties and obligations of Assignor as contained in the said Option Agreement, agrees that it is bound thereby, and adopts as its own all representations and warranties of Assignor as set forth therein. The foregoing assignment includes an assignment to Assignee of all right, title and interest of Assignor in all earnest money now on deposit with any escrow agent in connection with the Option Agreement. Assignee agrees to reimburse Assignor within two (2) business days any earnest money paid to Seller or an escrow agent pursuant to the Option Agreement; if applicable, by certified funds by ACH, wire transfer, or certified check, at Assignor's option. Seller and any escrow agent holding deposit monies may rely upon this Assignment as intended beneficiaries.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Real Estate Option Agreement as of the day and year first above written.

*[Signature Page Follows]*

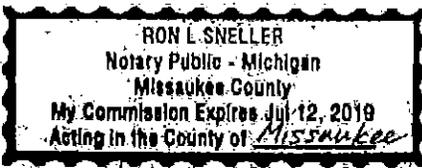
**ASSIGNOR**  
**V3 ENERGY GROUP, INC.,**  
a Michigan corporation

By: [Signature]  
Name: Joseph Van Antwerp  
Title: President

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE        )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [redacted] 2014, by Joseph Van Antwerp, as President of V3 Energy Group, Inc., a Michigan corporation.

[Signature]  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019



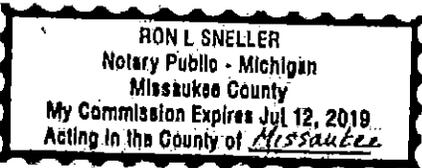
**ASSIGNEE:**  
**WOLVERINE POWER SUPPLY COOPERATIVE, INC.,**  
a Michigan non-profit corporation

By: [Signature]  
Name: Eric D. Baker  
Title: President & CEO

STATE OF MICHIGAN            )  
  ) ss:  
COUNTY OF MISSAUKEE        )

This Assignment of Real Estate Option Agreement was acknowledged before me this 1<sup>st</sup> day of [redacted] 2014, by Eric D. Baker as President & CEO of Wolverine Power Supply Cooperative, Inc., a Michigan nonprofit corporation.

[Signature]  
Ron L. Sneller, Notary Public  
Acting in Missaukee County,  
My Commission Expires 7/12/2019



Prepared by and Return to:  
Brian E. Valice, Esq. (P43735)  
Staff Attorney  
Wolverine Power Supply Cooperative, Inc.  
10125 W. Watergate Road, P.O. Box 229  
Cadillac, MI 49601-0229  
(231) 775-5700



**WOLVERINE**  
POWER COOPERATIVE

BRIAN E. VALICE  
Staff Attorney

Mr. Vern Schlaud  
Director  
Otsego County Land Use Services  
1322 Hayes Tower Road  
Gaylord MI 49735

October 17, 2014

RE: Wolverine Power Supply Cooperative, Inc. ("Wolverine")  
Request to Rezone Application – Authority to Submit Application

Dear Mr. Schlaud,

In support of Wolverine's Request to Rezone Application ("**Application**"), please find enclosed the four (4) Real Estate Option Agreements (each referred herein as an "**Option Agreement**", and collectively as the "**Option Agreements**") for the four (4) parcels included in the Application. The Option Agreements provide the necessary authority from each property owner for Wolverine to submit the rezone application as described in greater detail below. The Option Agreements were obtained by a third-party and assigned to Wolverine and the four (4) Assignment of Real Estate Option Agreement documents are also enclosed.

In each Option Agreement, Section (6), Paragraph (4) provides Wolverine the authority to make the Rezone Application where it states, "*Buyer may, without any further approval, seek necessary permits and applications to improve the Premises after the Closing.*" Mr. Brian Warner, Vice President of Environmental Strategy, is thereby signing the Application pursuant to the authority set forth in the Option Agreements.

The parcel ID numbers and legal descriptions of the four properties in Section 20, T31N-R4W, Elmira Township, Otsego County Michigan are as follows:

Parcel 1: 060-020-300-005-01; NE¼ of the SW¼ of Section 20; 40 acres.

Parcel 2: 060-020-400-010-00; NW¼ of the SE¼ of Section 20; 40 acres.

Parcel 3: 060-020-400-005-02; The West 437' of the South 797' of the NE¼ of the SE¼; 8 acres.

Parcel 4: 060-020-300-010-00; S½ of the SW¼ of Section 20; 80 acres.

Thank you for your consideration. Please contact me directly at (231) 779-3312 if you have any questions.

Sincerely,



Brian Valice

cc: Joseph Hughes, Brian Warner

Exhibit 5

**OTSEGO COUNTY  
PLANNING COMMISSION**

**PUBLIC HEARING NOTICE**

November 17, 2014

The Otsego County Planning Commission will hold a public hearing on Monday, November 17, 2014 at 6:00pm in the Planning and Zoning Meeting room located at 1322 Hayes Rd Gaylord, Michigan.

The purpose of the public hearing will be to obtain citizen comment on the following:

Wolverine Power Company, in cooperation with the optioned property owners of the listed parcels, is requesting a rezoning of these same parcels. The rezoning is proposed as a Conditional Rezoning per Section 405 of the Michigan Zoning & Enabling Act. The properties are located in Elmira Township, Section 20 along M-32 West Elmira, MI 49730 and currently zoned AR/Agricultural and B1/General Business. The proposed rezone is B3-Business, Light Manufacturing and the proposed use of the property is the operation of a facility to include a natural gas fired power generation plant, ancillary equipment and buildings and accessory uses which include but not limited to; electric power substations, electric transmission and distribution facilities, natural gas metering and regulation stations, air compression equipment, backup electric generation, water storage tanks and the maintenance of these facilities. The proposed land use will be subject to the normal process for a Permitted Use Subject to Special Conditions according to the Otsego County Zoning Ordinance.

**Parcel identification number:**

**Legal Description:**

060-020-300-010-00  
7603 M-32 West  
Elmira, MI 49730

S 1/2 OF SW 1/4 SEC 20 T31N R4W

060-020-300-005-01  
M-32 West  
Elmira, MI 49730

E 1/2 OF THE N 1/2 OF SW 1/4 SEC 20 T31N R4W

060-020-400-010-00  
M-32 West  
Elmira, MI 49730

NW 1/4 OF SE 1/4 SEC 20 T31N R4W

060-020-400-005-02  
M-32 West  
Elmira, MI 49730

COMM AT THE E 1/4 TH S 0 DEG14'01"W 527.77 FT ALG THE E SEC M-LINE, TH N88DEG13'25"W 874.14 FT TO THE POB, TH S0 DEG14'01"W 797.65 FT, TH N 88DEG13'25"W 437.08 FT, ALG THE S 1/8 LINE, TH N00DEG16'23"E 797.63 FT, ALG TH E 1/8 LINE, TH S88DEG13'25"E 436 .53 FT TO THE POB SEC 20 T31N R4W 1996

All citizens are welcome to attend the meeting or provide written comment. If written comments are provided the comments must be received at the Otsego County Land Use Services Office by noon (12:00 pm) the day of the meeting.

Any citizen who has questions regarding this application or needs assistance to attend this meeting should contact the Director of Land Use Services at (989) 731-7400.



*Otsego*  
**COUNTY**  
M I C H I G A N

**Department of  
Land Use Services**  
1068 Cross St • Gaylord, MI 49735  
Phone (989)731-7420 • Fax (989)731-7429  
[www.otsegocountymi.gov](http://www.otsegocountymi.gov)

October 24, 2014

Elmira Township  
PO Box 99  
Waters, MI 49797

Pursuant to Article 27 of the Otsego County Zoning Ordinance/Township Participation in County Zoning, I am forwarding the application for a Rezone of four (4) parcels in Elmira Township.

If you require the representative for Wolverine Power Cooperative, Brian Warner, to be present at your meeting, he can be notified at:

Brian Warner  
c/o Wolverine Power Cooperative  
PO Box 229  
10125 W Watergate RD  
Cadillac, MI 49601  
231.775.2077

If you have any questions, please contact us and we will be glad to assist you. We look forward to your input concerning this matter. Thank you for your participation in County Zoning.

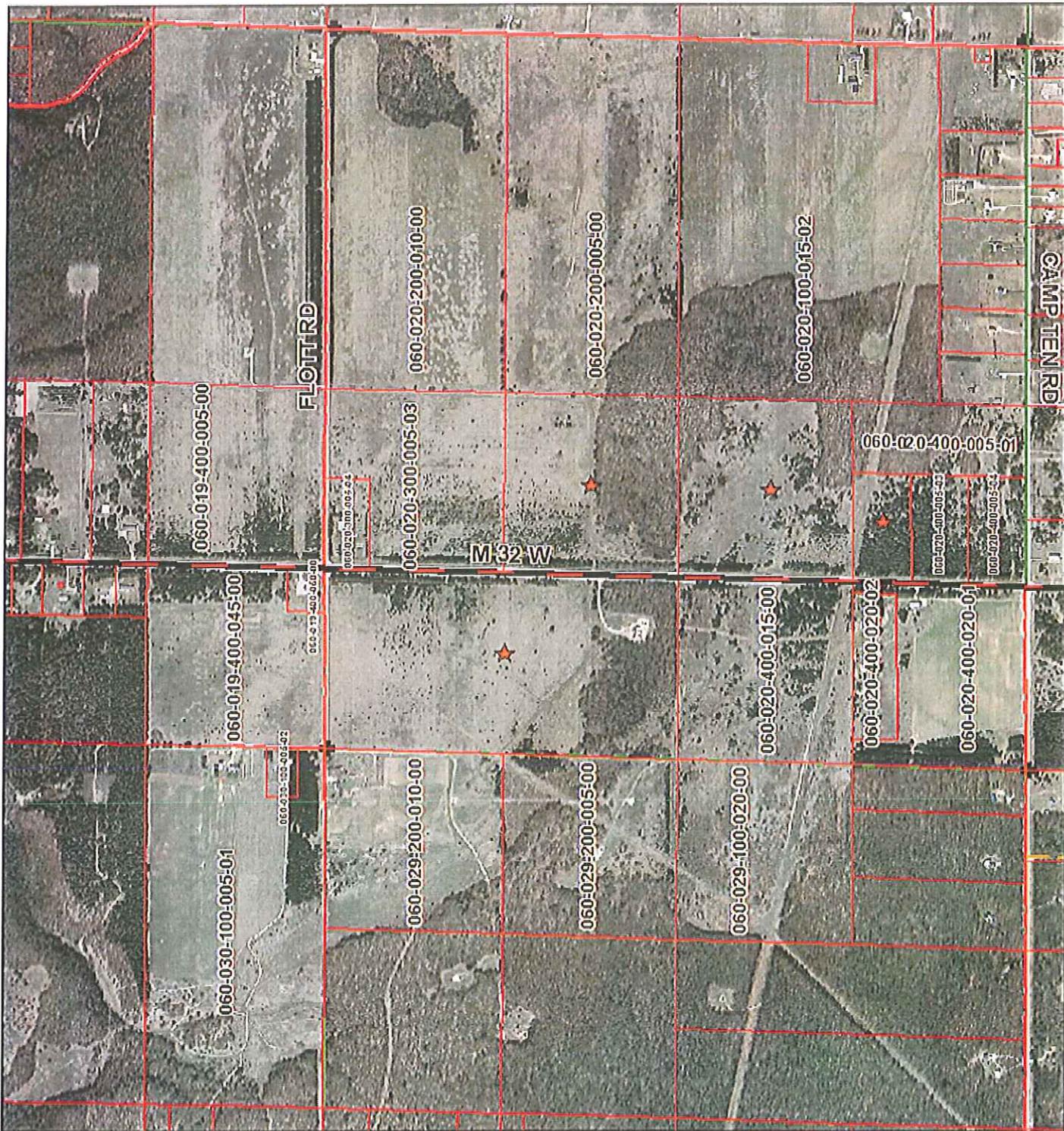
Sincerely,

Vern Schlaud  
Otsego County Land Use Director

cbw

encl

**Exhibit #8**



PREZ14-001-REZONE  
 WOLVERINE POWER COOPERATIVE

PROPERTIES WITHIN THREE HUNDRED FEET (300'):

- |                    |                    |
|--------------------|--------------------|
| 060-019-400-005-00 | 060-020-400-005-04 |
| 060-019-400-045-00 | 060-020-400-020-01 |
| 060-019-400-050-00 | 060-020-400-020-02 |
| 060-020-300-005-04 | 060-020-400-015-00 |
| 060-020-300-005-03 | 060-029-100-020-00 |
| 060-020-200-010-00 | 060-029-200-005-00 |
| 060-020-100-015-02 | 060-029-200-010-00 |
| 060-020-200-005-00 | 060-030-100-005-02 |
| 060-020-400-005-01 | 060-030-100-005-01 |
| 060-020-400-005-03 |                    |

**UTILITIES NOTIFIED:**

UTILITY OWNERS	ADDRESS		
TransCanada	5250 Corporate Dr	Troy	MI 48098
ATT-Design Member	PO Box 35/54 N Mill St	Pontiac	MI 48342
Breit Burn Operating LP	1165 Elkview Dr	Gaylord	MI 49735
Centurylink	333 N Front St	LaCrosse	WI 54601
Charter Communications	7372 Davison Rd	Davison	MI 48423
Chevron Michigan LLC	3860 County RD 491	Lewiston	MI 49756
DCP Midstream LLC	6250 Old State Rd	Gaylord	MI 49735
Great Lakes Gas Transmission- Design Member	717 Texas St	Houston	TX 77002
Great Lakes Energy Cooperative	PO Box 70/1323 Boyne Ave	Boyne City	MI 49712
Linn Operating	3860 County Rd 491	Lewiston	MI 49756
Major Pipeline LLC	300 Ottawa NW Ste 200	Grand Rapids	MI 49503
Michigan Consolidated Gas	One Energy Plaza	Detroit	MI 48226
Northstar Energy LLC	12935 S West Bayshore Dr	Traverse City	MI 49684
Oil Energy Corp	954 Business Park Dr Ste 5	Traverse City	MI 49686
Verizon/Frontier Communications- Design Member	311 S Cedar St	Imlay City	MI 48444
County of Otsego/ Airport	PO Box 1396	Gaylord	MI 49735

OWNERS WITHIN THREE HUNDRED ( 300) FEET

PID	PROPERTY ADDRESS	OWNER	OWNER ADDRESS	OWNER CITY	OWNER STATE	OWNER ZIP CODE
060-019-400-005-00		Haske, Brian K & Lori	159 Brentwood Dr	Gaylord	MI	49735
060-020-300-005-04	7972 M-32 West	Jaroneski, Michael A	709 Greenbriar Ln	Almont	MI	48003
060-020-300-005-03	2379 Flott Rd	Behling, Austin	1624 Wilson Rd	Boyne City	MI	49712
060-020-200-010-00/		Sattler-Chagnon-Green-McReynold	PO Box 1293	Birmingham	MI	48012
060-020-200-005-00		Burdo, Anna R Trust	21223 Briar Ct	St Clair Shores	MI	48081
060-020-400-005-01/						
060-020-400-005-03/		Lange, Richard & Diane	6624 Whiting Dr	Troy	MI	48098
060-020-400-020-01	2390 Camp Ten Rd	Burdo, Walter L Trust	PO Box 1444	Gaylord	MI	49734
Tax Payer:		Burdo, Zachary	1843 Stoneycroft Rd	Gaylord	MI	49735
060-020-400-020-02	7225 M-32 West	Jaroneski, allan	PO Box 253	Boyne City	MI	49712
060-020-400-015-00/						
060-029-100-020-00/		Townsend, Mary Trust	48722 Willis Rd	Belleville	MI	48111-9389
060-029-200-010-00	1973 Floom Rd	Hart, Ellis R & Vallery J	1973 Flott Rd	Elira	MI	49730
060-030-100-005-02	8059 Bert Rd	Figiel, Fred & Tami	8059 Bert Rd	Elmira	MI	49730
060-030-100-005-01	8113 Bert Rd	Figiel Trust	8113 Bert Rd	Elmira	MI	49730
060-019-400-045-00		Adgate Trust-Keeler	965 Hager Dr Apt 137	Petoskey	MI	49770
060-019-400-050-00		Wolverine Power Supply	PO Box 229	Cadillac	MI	49601

OTSEGO COUNTY LAND USE SERVICE  
 1322 HAYES RD  
 GAYLORD, MI 49735  
 PH.989-731-7400  
 FAX 989-731-7419  
 INSPECTION LINE 989-731-7401



**Paid By**

WOLVERINE POWER SUPPLY  
 P.O. BOX 229  
 CADILLAC, MI 49601-0229

**RECEIPT NUMBER**

**01305363**

10/27/2014

Type	Record	Category	Description	Amount
Permit	PREZ14-001	ADMIN ZONING	REZONE	\$ 700.00

<b>Total</b>	<b>\$ 700.00</b>
Cash	
Check	\$ 700.00
Credit	
Transferred	
<b>Tendered</b>	<b>\$ 700.00</b>
<b>Change</b>	<b>\$ 0.00</b>
<b>To Overpayment</b>	<b>\$ 0.00</b>

Expiration of permit: A permit will remain valid as long as work is progressing and inspections are requested and conducted. A permit will become invalid if the authorized work has not commenced within 6 months of issuance or if the authorized work is suspended or abandoned for a period of 6 months.

**OTSEGO COUNTY  
PLANNING COMMISSION**

**PREZ14-001  
REZONE**

060-020-300-010-00 /060-020-300-005-01 /060-020-400-010-00 /060-020-400-005-02

**GENERAL FINDINGS OF FACT**

1. This is a proposal for a rezoning of four (4) parcels currently zoned AR/Agricultural Resource and B2/General Business to be rezoned B3/Business & Light Manufacturing. *Exhibit #1, Exhibit #5, Exhibit #6*
2. The properties are located in AR/Agricultural Resource and B2/General Business Zoning District. *Exhibit #2*
3. The proposed use is a permitted use subject to special conditions in the B3/Business & Light Manufacturing Zoning District. *Exhibit #3*
4. The property is currently 'Optioned for Purchase' by Wolverine Power Cooperative upon approval of rezone. *Exhibit #4*
5. Brian Warner to represent Wolverine Power Cooperative. *Exhibit #5*
6. The Public Hearing Notice was published in the Herald Times on October 31, 2014 *Exhibit #7*
7. The requirements of Article 27 of the Otsego County Zoning Ordinance have been met. *Exhibit #8, Exhibit #9*
8. All property owners within three hundred (300') feet were properly notified of the public hearing. *Exhibit #10*
9. The Planning Commission has the authority to approve a *Rezone* request after review and compliance with the Otsego County Zoning Ordinance. (Section 19.7) *Exhibit #3*
10. The required fees have been collected by Otsego County Land Use Services. *Exhibit #11*
11. The site plan requirements of Article 23 have been reviewed by Otsego County Land Use and all requirements pertaining to the proposed development have been addressed by the Applicant. *Exhibit #6, Exhibit #12, Exhibit #13*

**OTSEGO COUNTY  
PLANNING COMMISSION**

**PREZ14-001**

**REZONE**

**060-020-300-010-00 /060-020-300-005-01 /060-020-400-010-00 /060-020-400-005-02**

**SPECIFIC FINDINGS OF FACT**

**FINDINGS UNDER ARTICLE 25:**

**SECTION 25.7 CHANGES AND AMENDMENTS...**

**B. For a proposed zoning ordinance amendment rezoning an individual property or ten (10) or fewer adjacent properties, the notice shall comply with all of the following:**

1. The content of the notice shall include all of the following information:
  - a. A description of the nature of the proposed zoning ordinance amendment.
  - b. A description of the property or properties proposed for rezoning. The notice shall include a listing of all existing street addresses within the property or properties. Street addresses, however, do not need to be created and listed if no such addresses currently exist within the property or properties. If there are no street addresses, other means of identification may be used, such as using tax parcel identification numbers or including a map showing the location of the property or properties.
  - c. The time, date, and place the proposed zoning ordinance will be considered.
  - d. The places and times at which the proposed zoning ordinance amendment may be examined.
  - e. The address where and the deadline when written comments will be received concerning the proposed zoning ordinance amendment.
2. The notice shall be published in a newspaper of general circulation within the County not less than fifteen (15) days before the scheduled public hearing.
3. The notice shall be sent by first-class mail or personal delivery to the owners of the property or properties proposed for rezoning not less than fifteen (15) days before the scheduled public hearing.
4. The notice shall also be sent first-class mail or personal delivery to all persons to whom real property is assessed within three hundred (300) feet of the property or properties proposed for rezoning and to the occupants of all structures within three hundred (300) feet of the property or properties proposed for rezoning not less than fifteen (15) days before the scheduled public hearing, regardless of whether the property or occupant is located in the County. If the name of the occupant is not known, the term "occupant" may be used in making notification under this subsection.
5. The notice shall be given by first-class mail to each electric, gas, and pipeline public utility Company, each telecommunication service provider, each railroad operating within the district or zone affected, and the airport manager of each airport, that registers its name and mailing address with the County clerk for the purpose of receiving the notice of public hearing.

**FINDINGS UNDER ARTICLE 12:**

**ARTICLE 12 B3 BUSINESS, LIGHT MANUFACTURING DISTRICT...**

**SECTION 12.2 PERMITTED USES SUBJECT TO SPECIAL CONDITIONS**

The following uses may be permitted, subject to the conditions herein imposed for each use, the review standards of [Article 19](#) and only after the review and approval of the site plan by the Planning Commission. [See [Article 21](#) for applicable Specific Requirements for Certain Uses, if any and [Article 23](#) for Site Plan Requirements.]

12.2.1 All permitted use or uses subject to special conditions in the [B2](#) General Business District.

12.2.2 Auto repair garages or auto body shops, including wrecker service

12.2.3 Above-ground storage of flammable and combustible liquids, chemicals and hazardous liquids

12.2.4 Concrete and asphalt manufacturing and distribution

12.2.5 Detention Facilities

**12.2.6 Power generation plants**

12.2.7 Research, experimental, and development establishments

12.2.8 Adult Entertainment

12.2.9 Industrial Laundries

12.2.10 Medical Laboratories

12.2.11 Dirt and aggregate storage, sales and processing

12.2.12 Wireless Telecommunications Towers and Facilities over one hundred ninety (190) feet in height

12.2.13 WTG Small: Permitted as an accessory use to an allowed Principal Use.

12.2.14 Unlisted property uses if authorized under [Article 21.44](#).

**FINDINGS UNDER ARTICLE 19:**

**19.7.1** The property subject to the application is located in a zoning district in which the proposed special land use is allowed.  
**HAS – HAS NOT BEEN MET**

**19.7.2** The proposed special land use will not involve uses, activities, processes, materials, or equipment that will create a substantially negative impact on the natural resources of the county or the natural environment as a whole.  
**HAS – HAS NOT BEEN MET**

**19.7.3** The proposed special land use will not involve uses, activities, processes, materials, or equipment that will create a substantially negative impact on other conforming properties in the area by reason of traffic, noise, smoke, fumes, glare, odors, or the accumulation of scrap material that can be seen from any public highway or seen from any adjoining land owned by another person.  
**HAS – HAS NOT BEEN MET**

**19.7.4** The proposed special land use will be designed, constructed, operated, and maintained so as not to diminish the opportunity for the surrounding properties to be used and developed as zoned.

**HAS – HAS NOT BEEN MET**

**19.7.5** The proposed special land use will not place demands on fire, police, or other public resources in excess of current capacity.

**HAS – HAS NOT BEEN MET**

**19.7.6** The proposed special land use will be adequately served by public or private streets, water and sewer facilities, and refuse collection and disposal services.

**HAS – HAS NOT BEEN MET**

**19.7.7** If the proposed special land use includes more than fifteen thousand (15,000) square feet of impervious surface, then the storm water management system employed by the use shall (i) preserve the natural drainage characteristics of the site and enhance the aesthetics of the site to the extent possible, (ii) employ storm water disposal through evaporation and infiltration when reasonably possible, (iii) shall not discharge storm water directly to wetlands or surface waters unless there is no other prudent or reasonably feasible means of discharge, (iv) shall not serve to increase the quantity or rate of discharge leaving the property based on 25-year storm criteria, (v) shall be designed using Best Management Practices identified by the DNR or its successor agency, and (vi) shall identify the party responsible for maintenance of the storm water management system.

**HAS – HAS NOT BEEN MET**

**19.7.8** The proposed special land use complies with all specific standards required under this Ordinance applicable to it.

**HAS – HAS NOT BEEN MET**

#### **SECTION 19.8 - CONDITIONS**

The Planning Commission may attach reasonable conditions to the approval of a special use permit. These conditions may include those necessary to insure that public services and facilities affected by a proposed special land use will be capable of accommodating increased service and facility loads caused by the special land use, to protect the natural environment and conserve natural resources and energy, to insure compatibility with adjacent uses of land, and to promote the use of land in a socially and economically desirable manner. Any conditions imposed, however, shall meet all the following requirements.

19.8.1 Be designed to protect natural resources, the health, safety, and welfare and the social and economic well being of those who will use the land use or activity under consideration, residents and landowners immediately adjacent to the proposed special land use, and the community as a whole.

19.8.2 Be related to the valid exercise of the police power, and purposes which are affected by the proposed special land use.

19.8.3 Be necessary to meet the intent and purpose of the zoning ordinance, be related to the standards established in the ordinance for the special land use under consideration, and be necessary to insure compliance with those standards.

**OTSEGO COUNTY  
PLANNING COMMISSION**

PREZ14-001

REZONE

060-020-300-010-00 /060-020-300-005-01 /060-020-400-010-00 /060-020-400-005-02

***Exhibit List***

- Exhibit #1:* Application for case PREZ14-001 submitted by Applicant/MI Zoning & Enabling Act Public Act 125.3405 Section 405
- Exhibit #2:* Otsego County Zoning Map Effective Date March 20, 2010
- Exhibit #3:* Otsego County Zoning Ordinance Effective March 20, 2010/Amended July 2014
- Exhibit #4:* Copies of four (4) *Property Owner Option Agreements* purchasing properties upon rezone approval
- Exhibit #5:* Representation letter from Wolverine Power Cooperative stating Brian Warner as representative
- Exhibit #6:* Site Plan for case PREZ14-001 submitted by Applicant
- Exhibit #7:* Public Hearing Notice
- Exhibit #8:* Letter to Elmira Township Planning Commission dated October 24, 2014
- Exhibit #9:* Letter dated \_\_\_\_\_ from Elmira Township Planning Commission (*To be sent next week*)
- Exhibit #10:* Map and list of parties notified
- Exhibit #11:* Receipt #01305363
- Exhibit #12:* General Finding of Fact/PREZ14-001
- Exhibit #13:* Specific Finding of Fact/PREZ14-001
- Exhibit #14:*