

The Big Red Development Campus Plan 2.0



Muskegon, Michigan | Request For Proposal Project Description
May, 2024



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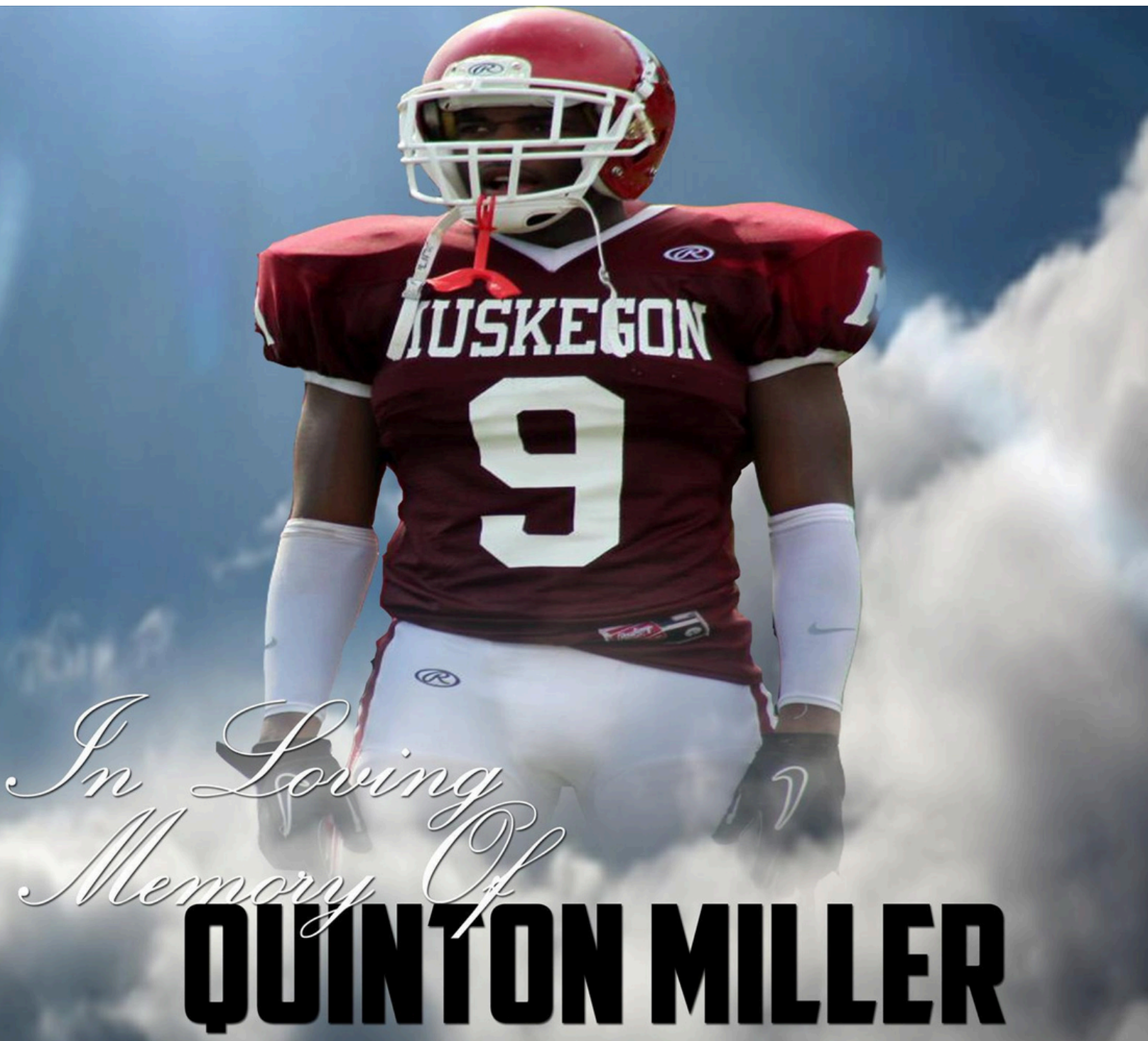
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About the Company

The **Q9 Development Co.** is a real estate development company that was inspired by the loss of a great young man and little brother, LaQuinton Miller.



Because he loved his community and desired to see it better, that vision will continue on. The Q9DC specializes in the development of single-family housing and mixed-use commercial and residential apartment complex development, acquisition, and management of commercial and residential properties across the Midwest.



Before its establishment, the Q9DC primarily focused on home renovations but aimed to expand into constructing new single-family homes and commercial developments. Since its inception in 2023, we've launched development projects in the McLaughlin & Angell district, in collaboration with the City of Muskegon, to create affordable single-family homes. Additionally, we are also involved in constructing new single-family houses in the city of Kalamazoo.

Our Mission and Vision

The Big Red Development Campus Plan 2.0

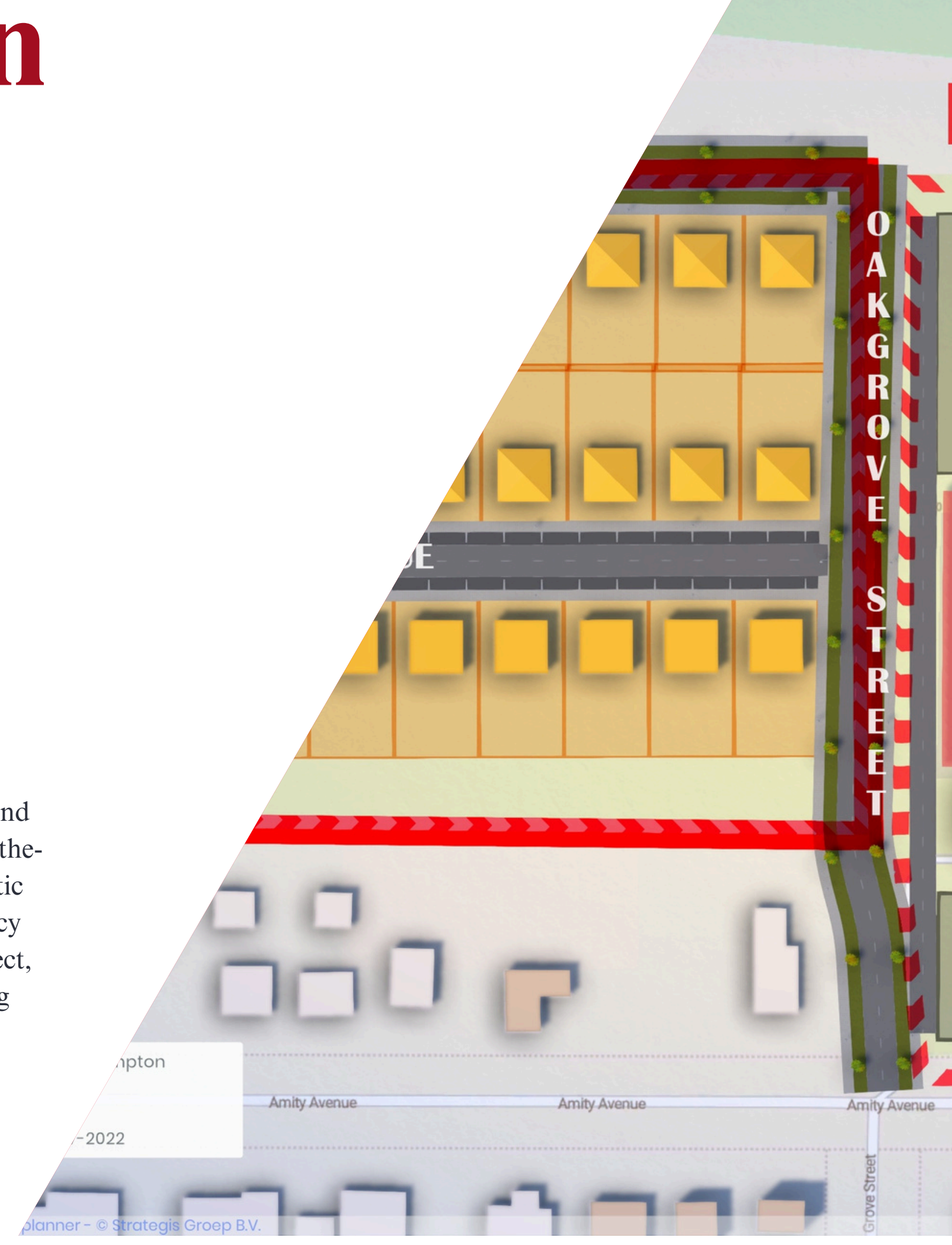
Mission

Commitment | Reliability | Follow Through

Vision

The Big Red Development Campus Plan 2.0 serves as a dynamic mixed-use hub, fostering community vitality and offering opportunities for learning and skill development across various domains including athletics, education, art, industry, mental health, and personal growth.

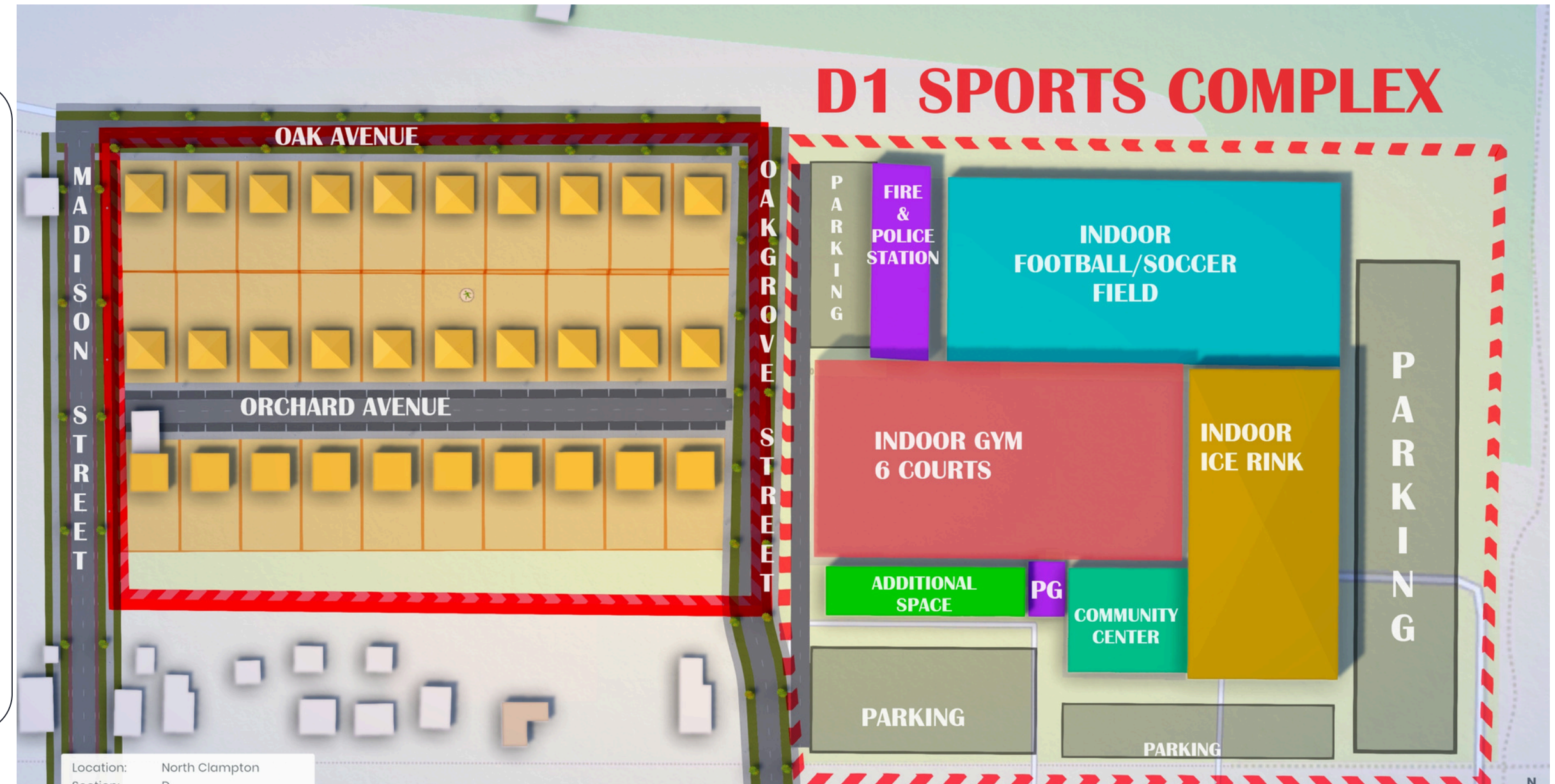
This interconnected campus integrates seamlessly with its surroundings, both physically and socially, strengthening community bonds. Designed to be cutting-edge, it features state-of-the-art facilities and open spaces conducive to excellence in diverse activities, while its aesthetic appeal leaves a positive imprint on the community. Within its Youth Village, transparency reigns, with welcoming spaces and inclusive programs accessible to all. Through this project, The Q9 Development Company showcases its holistic approach to sustainable, enduring personal and community development in Muskegon.



Project Purpose

The aim of **The Big Red Development Campus Plan 2.0** is to present a refreshed vision for the design and utilization of a 13-acre space within the Steele neighborhood of Muskegon, Michigan.

This area will accommodate both new single-family residences and the **D1 Sports Complex**. In response to community feedback, adjustments have been made from the original proposal to align more closely with the desires of the local residents



Context Analysis

Local Context

Study Area Location

The Big Red Development Campus is a 13-acre area located just east of Downtown Muskegon & just north of Sheldon Park.

Transit Access

The campus has access to Route 12 of the bus route located right up the road on Apple avenue & Oakgrove street.

Population

The total population in Muskegon in 2020 was 38,335, a slight decrease since 2010. 24.5% (or 9,382 people) of the population are under 19 years of age.

Muskegon Demographic Summary		
	Today	% Change (2010 to Today)
Population	38,335	0.05%
Population Under 19 Yrs	9,382	--
Median Age (Years)	35.7	4.39%
Avg. Household Size	2.30	0%
Median Household Income	\$35,235	--

Sources: 2010 Decennial Census, 2020 Decennial Census, 2019 ACS 5-Year Estimates,

Context Analysis

Regional Context

Study Area Location

The Big Red Development Campus also looks at the surrounding area that encompasses West Michigan. Those surrounding areas would also be able to utilize the youth sports facility.

Drivable Access

The campus has direct access to 2 main highways, U.S. 31 & I-96 . The Campus is 0.5 miles away from US-31 & 12 minutes away from I-96.

Population

The total population in West Michigan including GR MSA in 2020 was 2,713,516, a slight increase since 2010. 26% (or 705,537 people) of the population are under 19 years of age.

Workforce and Population Overview

A high-level overview of the Grand Rapids MSA and West Michigan workforce and population data

DATA SET	GRAND RAPIDS MSA*	WEST MICHIGAN*
Total Population	1,086,987	1,626,529
Growth Rate (2015-2020)	4.0%	3.5%
Civilian Labor Force	555,636	794,947
Jobs	601,954	780,498
Average Earnings Per Job	\$63,300	\$58,700
Gross Regional Product (\$)	63.3B	81.0B

**Grand Rapids-Kentwood Metropolitan Statistical Area consists of Kent, Ottawa, Montcalm, and Ionia counties*

***West Michigan Region consists of Allegan, Barry, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, and Ottawa counties.*

Data Source: Emsi - Economy Overview Report

*** Source: Emsi - Population Demographics Report*

Context Analysis

Expanding our footprint

Study Area Location

The Q9DC was able to find out there were other like-minded parties doing something very similar. Because Muskegon is also included in the location of the study shown to the right, it seemed necessary to include the capabilities of our population within a 3 hour drive.

Drivable Access

The campus has direct access to 2 main highways, U.S. 31 & I-96. Also adding 2 major highways less than 90 minutes away (US-131 30 minutes away and I-94 being 75 minutes away). The Campus is 65 minutes away from Kalamazoo from the site.

Population

The total population within a 180 minute drive is 19 million (+-250k).

Demographic Metric by Submarket	1 - Western Kalamazoo	2 - Northern Kalamazoo	3 - East/Comstock Township	4 - Portage/South Kalamazoo	5 - Eastern Kalamazoo
15-MIN DRIVE TIME					
2022 Total Population	105,409	154,932	132,825	92,111	104,792
Historical Annual Growth Rate (2010 to 2022)	4.4%	2.4%	2.5%	3.1%	2.3%
Median Age	30.4	32.8	37.1	39.3	36.0
Population age 25 to 44	26.6%	26.6%	26.6%	26.6%	26.6%
Median Household Income	\$52,547	\$52,550	\$57,069	\$60,973	\$54,061
30-MIN DRIVE TIME					
2022 Total Population	301,878	331,550	385,843	343,460	398,696
Historical Annual Growth Rate (2010 to 2022)	4.9%	5.0%	3.9%	4.5%	3.5%
Median Age	37.2	37.6	38.0	37.5	38.2
Population age 25 to 44	25.3%	25.2%	25.1%	25.1%	25.0%
Median Household Income	\$62,215	\$62,481	\$60,312	\$61,790	\$60,201
60-MIN DRIVE TIME					
2022 Total Population	1,399,831	1,510,893	1,293,136	1,098,512	1,224,839
Historical Annual Growth Rate (2010 to 2022)	6.0%	6.8%	4.9%	4.5%	4.4%
Median Age	38.1	37.9	38.2	38.5	38.5
Population age 25 to 44	25.4%	25.9%	26.1%	25.7%	25.7%
Median Household Income	\$63,229	\$64,307	\$59,954	\$60,215	\$59,772
180-MIN DRIVE TIME					
2022 Total Population	19,491,233	19,296,388	19,964,275	19,465,544	19,556,316
Historical Annual Growth Rate (2010 to 2022)	1.9%	1.9%	1.8%	1.8%	1.8%
Median Age	39.2	39.2	39.2	39.2	39.2
Population age 25 to 44	26.6%	26.6%	26.6%	26.6%	26.6%
Median Household Income	\$69,159	\$68,354	\$68,897	\$68,541	\$67,926

Source: Feasibility study paid for by Discover Kalamazoo

CONTEXT ANALYSIS

RESIDENTIAL MARKET CONDITIONS

WEST MICHIGAN HOUSING MARKET

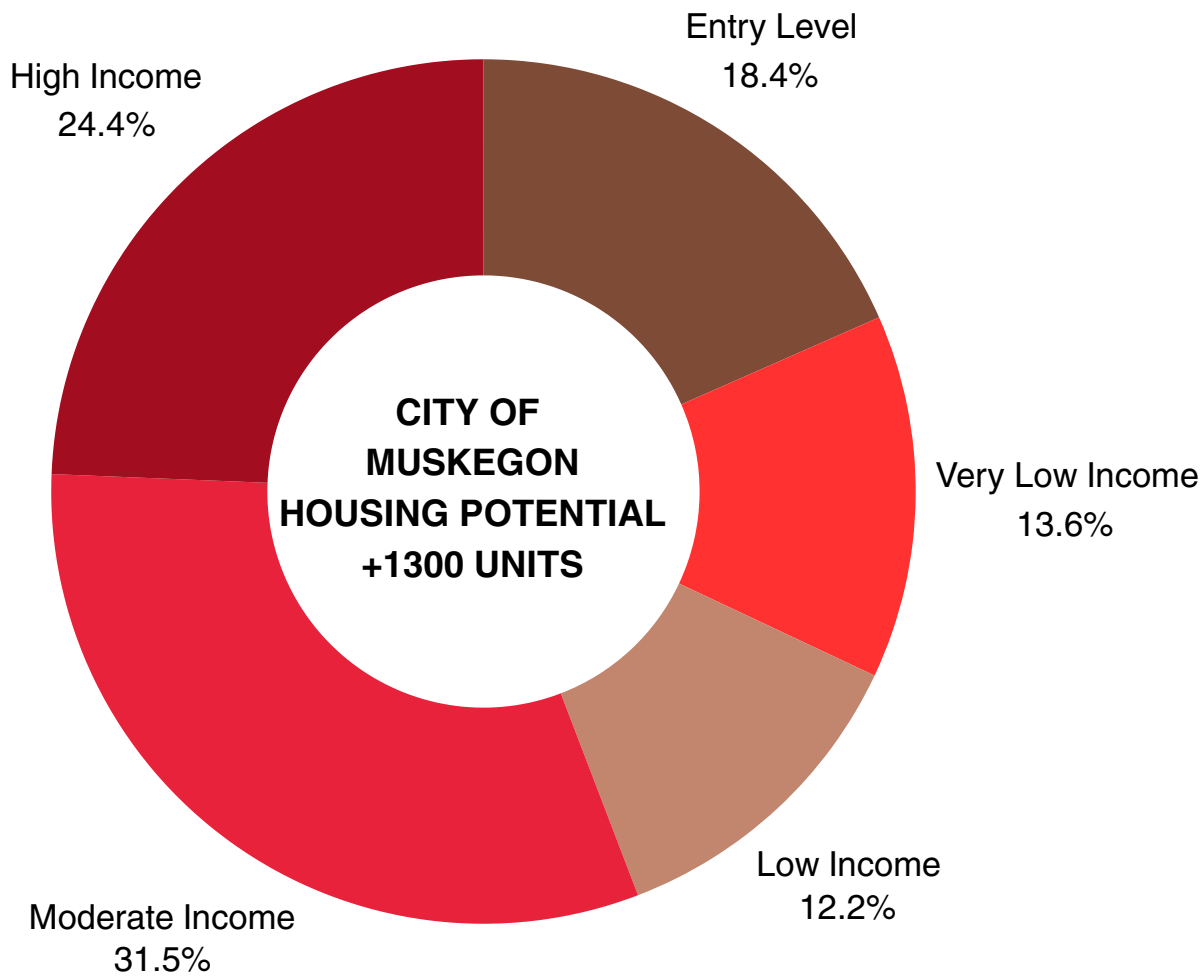
According to the comprehensive Housing Needs Assessment by Bowen National Research West Michigan has a +10k housing deficit

MUSKEGON HOUSING MARKET

The City of Muskegon also conducted their own Housing Needs Assessment by Bowen National Research and **FOR SALE** homes needed to fill the housing gap at all housing levels. Currently, Muskegon is sitting close to 50% rentals compared to home ownership.

RECENT CONSTRUCTION

With a new energy surrounding the city, we have seen more growth in the housing development sector. With individuals like Dave Dussendang, Rudy Briggs, & others have taken the task of supplying attainable & affordable homes for the city residents. So far, they’ve been able to provide over close to 100 new homes in Muskegon. BUT, there’s still more to be done. As you can see from the graph on the left per the housing study, we need over 1300 new homes at all price points.

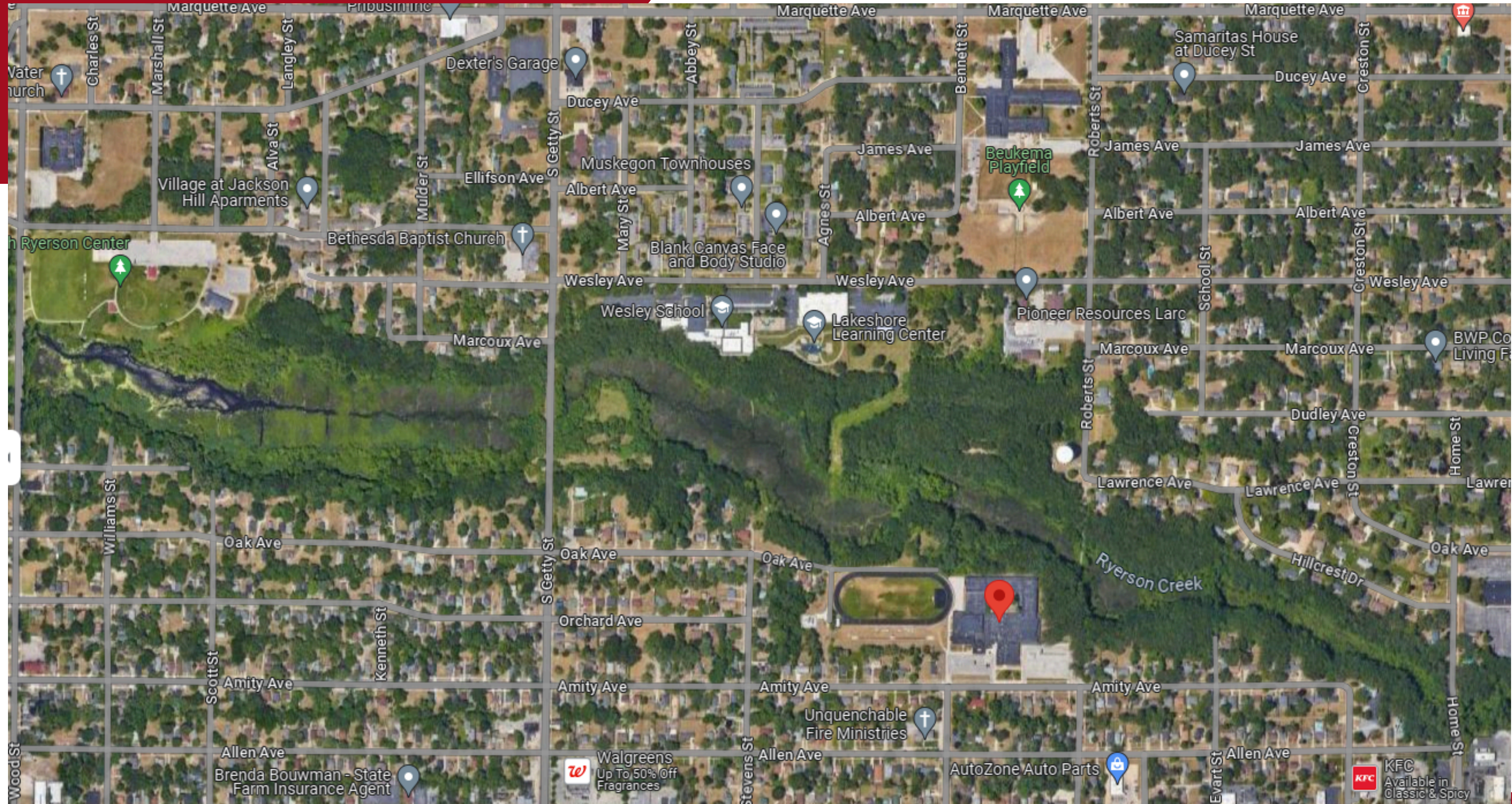


PSA (Muskegon) Housing Gap Estimates (2022 to 2027) – Number of Units Needed		
Housing Segment		Number of Units
Rentals	Extremely Low-Income Rental Housing (≤\$536/Month Rent)	385
	Very Low-Income Rental Housing (\$537-\$894/Month Rent)	321
	Low-Income Rental Housing (\$895-\$1,430/Month Rent)	403
	Moderate-Income Rental Housing (\$1,431-\$2,145/Month Rent)	295
	High-Income Market-Rate Rental Housing (\$2,146+/Month Rent)	207
	TOTAL UNITS	1,611
For-Sale	Entry-Level For-Sale Homes (≤\$71,500 Price Point)	238
	Very Low-Income For-Sale Homes (\$71,501-\$119,167)	176
	Low-Income For-Sale Homes (\$119,168-\$190,667 Price Point)	164
	Moderate-Income For-Sale Homes (\$190,668-\$286,000 Price Point)	413
	High-Income Upscale For-Sale Housing (\$286,001+ Price Point)	322
	TOTAL UNITS	1,313

Source: Muskegon Housing Needs Assessment, Pg. 23

Context Analysis

Neighborhood Context



Context Analysis

Neighborhood Assets

Community Development

A. Big Red Development 2.0

Education

B. Marquette Elementary

C. Wesley School

D. Lakeshore Learning Center

Recreation

E. Buekema Playfield

F. Sheldon Park

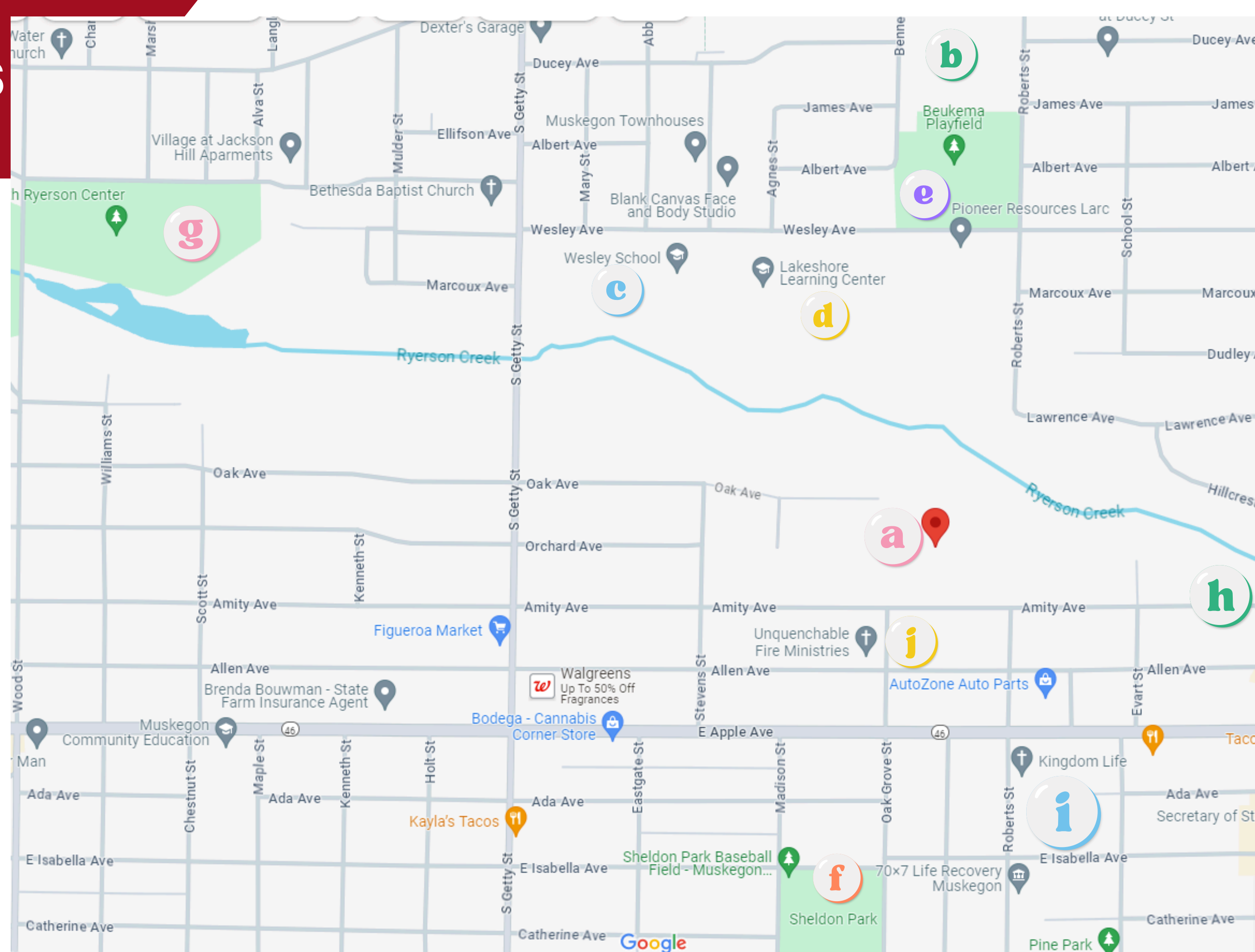
G. Smith Ryerson Park

Religious

H. Jericho Road Church

I. Kingdom Life

J. Unquenchable Fire Ministries



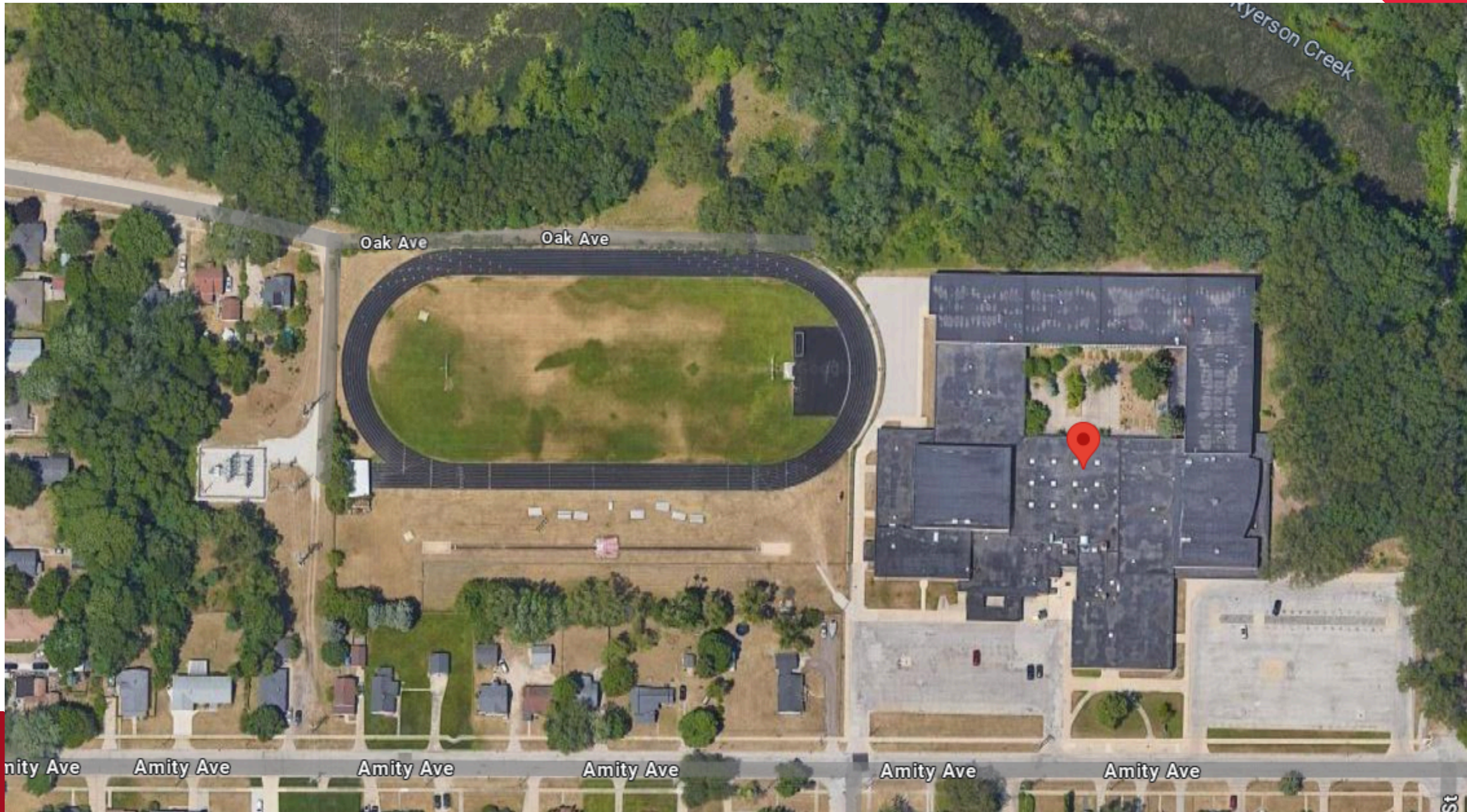
Campus Plan

Conceptual Drawing



Campus Plan

Existing Condition



Campus Plan

Original Plan

The first step was the consideration of the building to keep or remove certain parts of the building that are not envisioned in the future of the D1 Sports Campus. The goal is to keep as much of the building as possible & retrofit it into a Sports Complex while still keeping the physical appearance of the old building.

Our first vision for the Big Red Development Plan was to create an adaptive reuse to include the Community Center, Affordable Apartments, Indoor Football/Soccer field in the place of the former auditorium, and expanding the gym to utilize the space more properly. That also included an indoor track as well.

These plans were later modified due to the communities disinterest in having low-income apartments in the neighborhood. The community stated they wanted to see single family housing consistent with the neighborhood, including having yards.

So, we recalibrated the vision to include multiple things that the community has proposed. Including a park/playground, a space for a fire station, a community center, & a possible collaboration with the YMCA on opportunities to foster more collaborative efforts to address social/emotional/mental services for kids.

Grey: Layout of the football field housing:

26 homes to be built (900-1.5k sq ft)

Orange A: Business Meeting Room

B: Business Room

C: Non Profit Org Office

D: Media room

E: Zumba

F: Hot Yoga

G: Another option for space

H: 2 Kitchens for rent & area for hosting

Blue B: Leasing office, Apartment office, Maintenance room

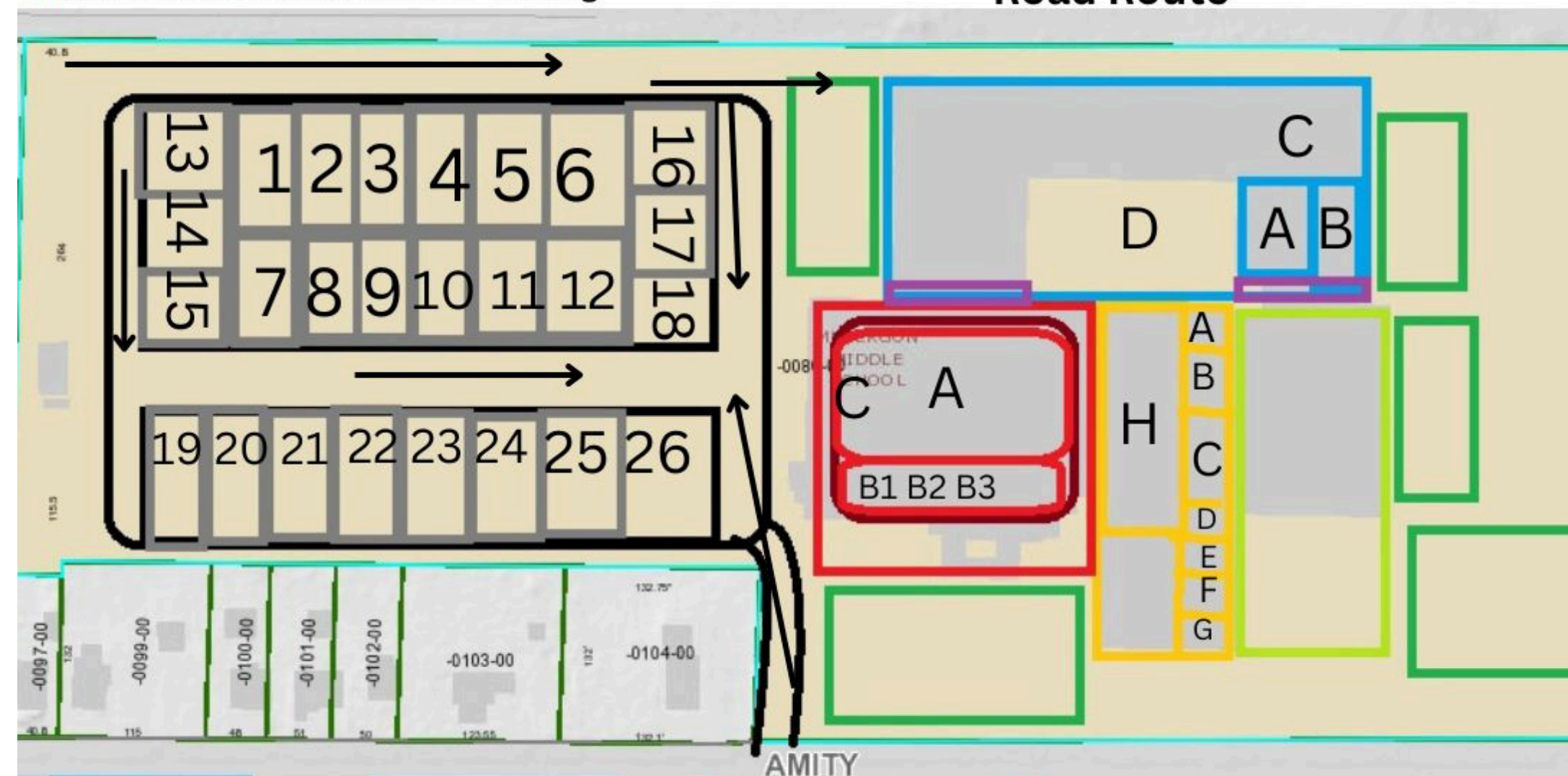
Blue C: 43 apartments (5) studio, (5) 1bdr, (20) 2bdr, (13) 3bdr

Blue D: Bird sanctuary with Greenhouse ,

Lime Green: Soccer field/Indoor Football Field with Cross Fit Weights & equipment

Green: Parking

→ Road Route



Red, 1st Floor: A - Basketball Court

B1- Pickleball Court

B2- F45

B3: Medical Rehab (partnership)
C, Restroom

Red, 2nd Floor, Marron oval is the 2nd story indoor track.

2nd Floor B is the main weight room (Frosted on the window *D1 Sports Complex*)

C is the lockerroom/shower/restroom

Campus Plan

The Restructured Plan

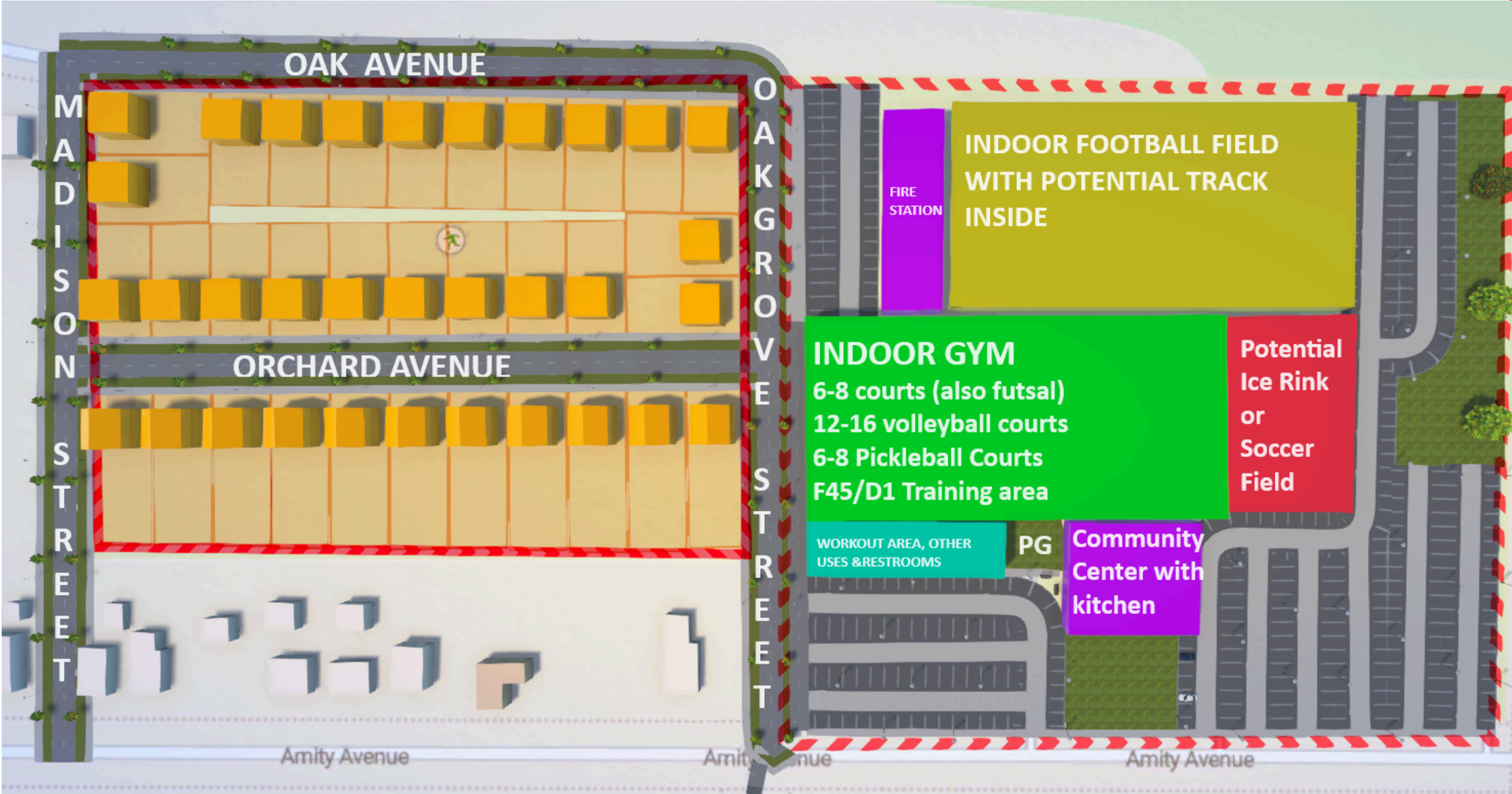
The Community requested things to be implemented that mirrors the neighborhood & we've restructured our plan to fit that.

Our second vision for the Big Red Development Plan recalibrated the space and use of the school & football field.

The football field was recalibrated to have Madison St. to connect to Amity, Orchard, & Oak Avenue. Oakgrove St. would connect with Orchard & Oak Avenue. This provides us with the opportunity to create **30** new single family homes with plenty of space for a beautiful yard. Each space matches the current housing layout of the Steele District.

On the following pages, we will detail the use of each section of the Sports Complex & its intended use for the betterment of the community. The goal is to see which option structurally is most financially feasible. Meaning, does it make more sense to retrofit the property or do a partial demo and rebuild. All options are being considered.

D1 SPORTS COMPLEX



Campus Plan

The Indoor Gym

The **Indoor Gym** has the capability of being set up as a 200x450' area or at least a 160'x440'.

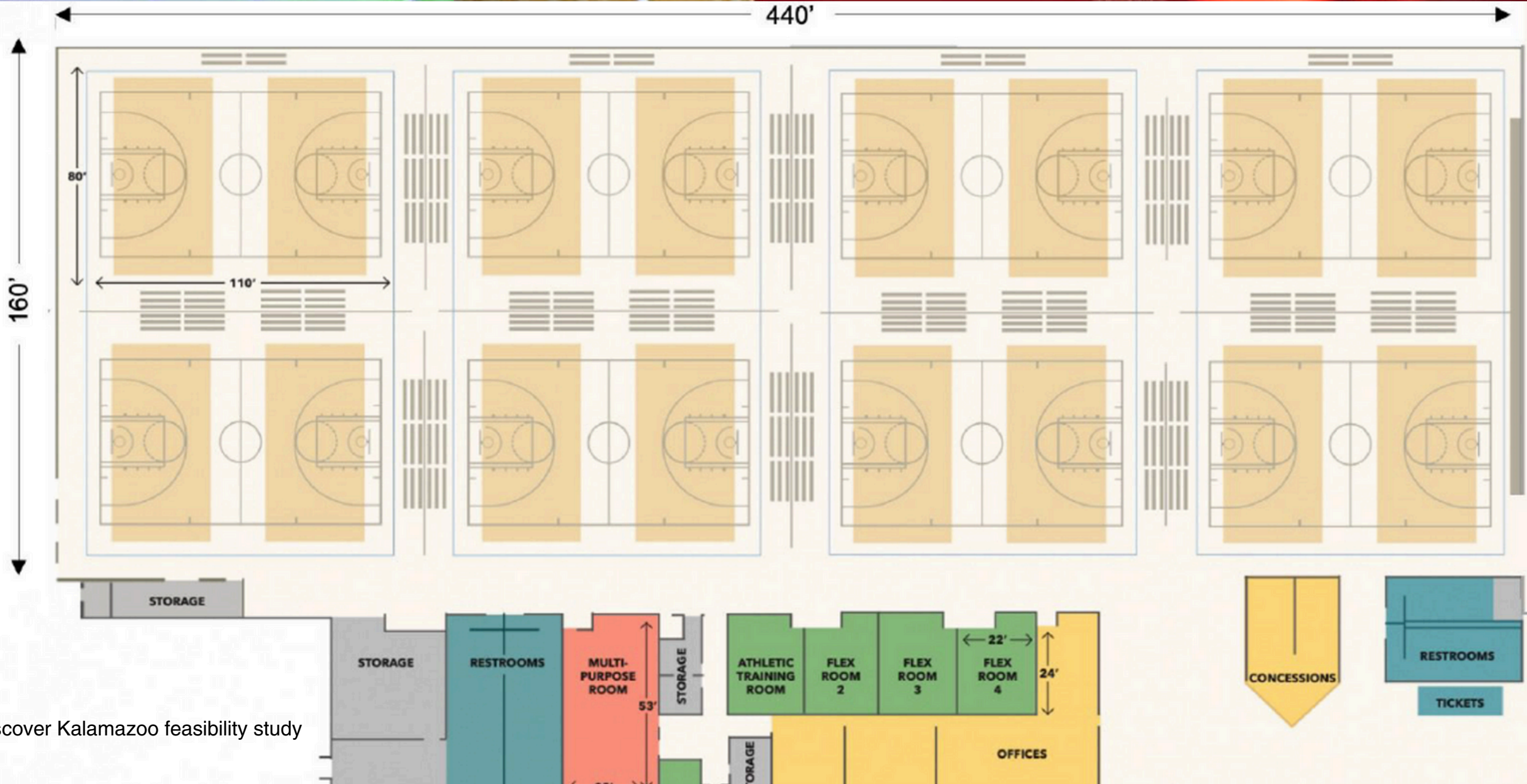
This opportunity provides us with the capability to use the space more efficiently. This also provides a new option unlike anything the City has seen before.

The D1 Sports Complex will help foster youth training & community engagement with summer & year round sports camps, tournaments, & a central location to hone the skills that has been emblematic with the MUSKEGON area.

Muskegon is home to the most winningest football program in the state & #7 in the nation. Winning the 2023 Football Championship and also the 2022 State Basketball Runner up's. Muskegon is also home to 2 Mr. Basketball winners, DeShaun Thrower (My Brother) & Deyonta Davis. Also, home to Ms. Basketball candidate Alyza Winston & Mardrieka Cook.

Muskegon with all of its accomplishments has lacked the proper facilities to hone the raw talent of the Muskegon youth into a professional sports career. This provides the opportunity to not only do that but to diversify its offerings.

Expanding into Volleyball, Pickleball, & Futsal would provide versatile opportunities for the female athletes to hone their skills as well as our aging population in the Steele & neighboring districts to participate in physical activities. Pickleball has become the fastest growing sport in the US & works in tandem with our aging population.



Source: Youth Sports Discover Kalamazoo feasibility study

Campus Plan

The Indoor Football Field & Fire Station

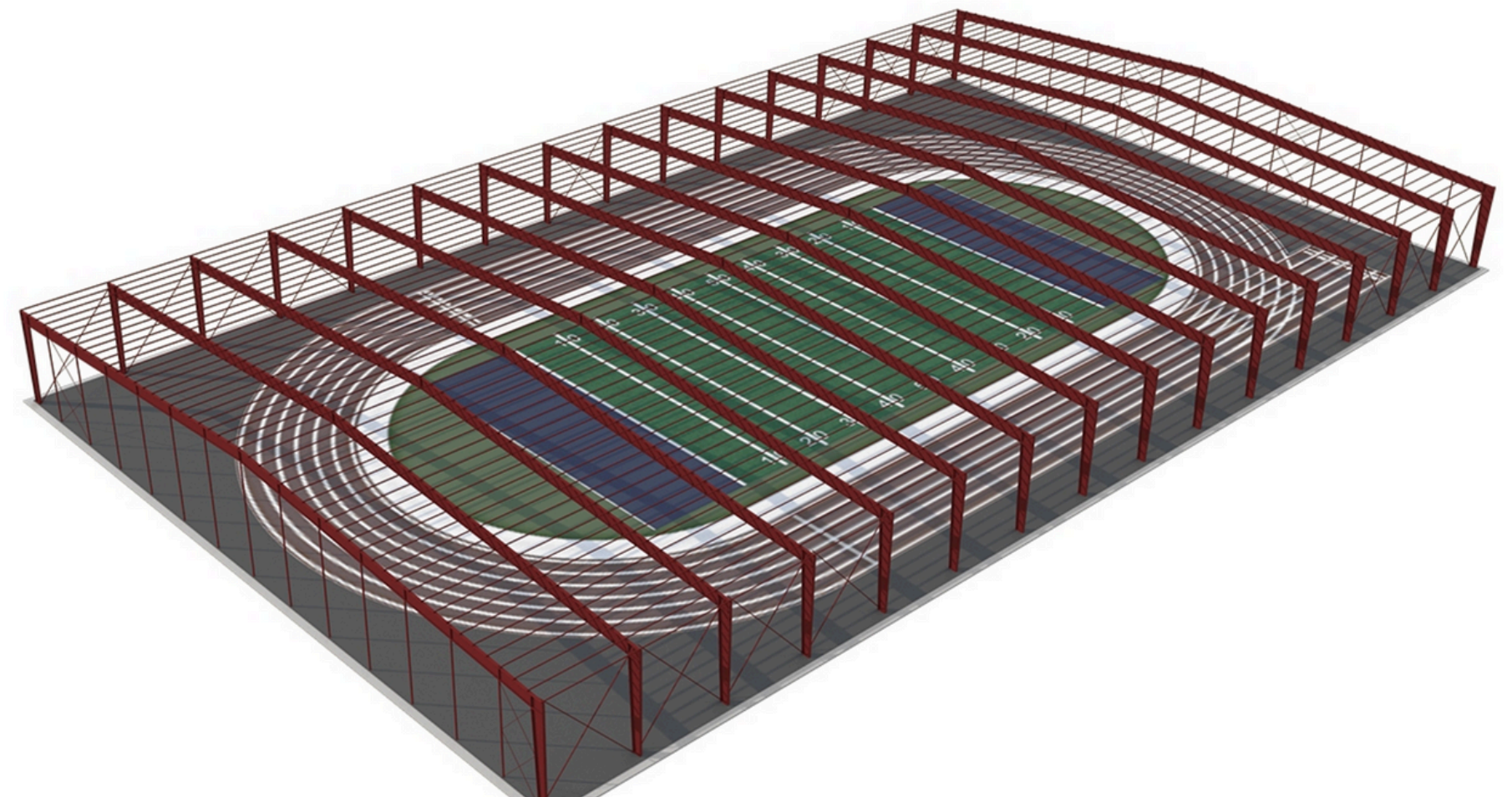
The **Indoor Football** field has the capability of being set up as a 200x450' area as well. While also being connected to the back half of the building where the Fire station could be located.

The City of Muskegon has requested that a **Fire Station** be placed on campus. We believe this is an amazing idea for multiple reasons:

- A decrease in response times because they can respond to situations more readily with being centered in the community. It also provides an additional revenue source for the building.
- Sports Emergencies could be handled more quickly. Making sure that if there is an cardiovascular issues or something regarding an emergency, we're better suited with them being that close in proximity
- The Fire Station could use the field for training. Often times they have to carry large objects, like the fire house, axes, and more.

The Community would benefit by having an indoor track that our aging population could use for cardio. Also, youth football training, games, tournaments, & more.

Local school usage: Muskegon area schools usually go far in the state tournament. That's also during the winter time where being outside can be daunting. This provides all Muskegon area schools with the option to use an enclosed space for practice & preparation.



Campus Plan

The Indoor Workout Area, Playground, & Community Center

The **Indoor Workout** area would be directly in front of the indoor gym, directly above training room. Providing a easy option to go from working out to the basketball court since its going to be a 2 floor building. This would be located on the 2nd floor, directly facing the parking lot. Providing more options to the public for strength training and more.

The **PLAYGROUND** is an instrumental part of the property. The playground will provide more recreational options for the neighborhood. We specifically put it on the Campus grounds so the city doesn't have to be directly responsible for it. But, also leaving it open for community use. It will more than likely have a gate in front to make sure there is a barrier between the parking lot & the playground.

The **Community Center** will be our GEM on the Campus! Since we're removing the cafeteria for more space, we will repurpose the kitchen appliances to the community center. That way it can be used for events such as baby showers, graduations open houses, community forums, political endeavors & more. We'll also be partnering in some capacity with the YMCA to offer programs like childcare/after-school care, & health related courses for both mental & physical



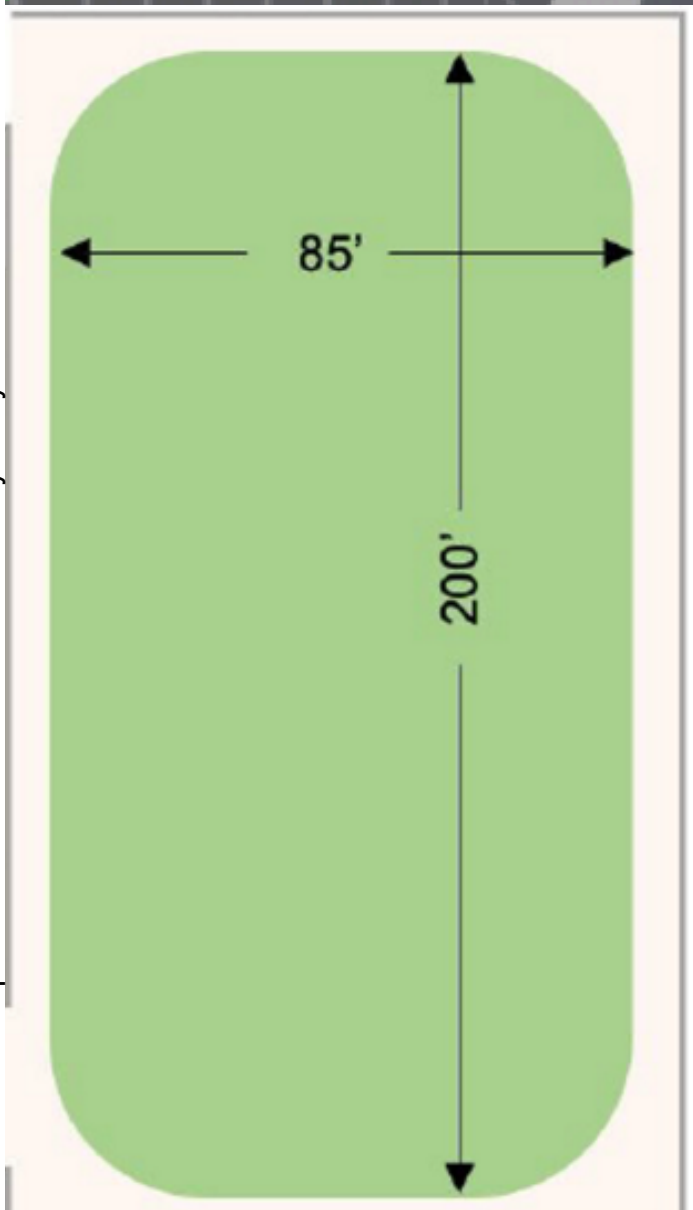
Campus Plan

The Indoor Workout Area, Playground, & Community Center

The **Indoor Soccer field** area would be directly next to the community center, where the auditorium once stood. This would not only diversify our options to collaborate with one of the most popular sports in the world, but also provide a different opportunity and outlook to our youth. With new professional soccer teams coming to Michigan, it only makes sense to provide a space for an everchanging demographic.

The **ICERINK** would create a new option unseen in the City. Majority of AAU Hockey in the area is played outside of our city or downtown at the former LC Walker Arena (Now Mercy Arena). This provides a new option for a consistent use for them & the community. This is a change that could not only ingratiate our youth into ice-skating, but also community public skating options, training, & also a diversification of the youths opportunities in sports.

Potential Ice Rink or Soccer Field



Source: Youth Sports Discover Kalamazoo feasibility study



Campus Plan

The Big Red Development Campus 2.0

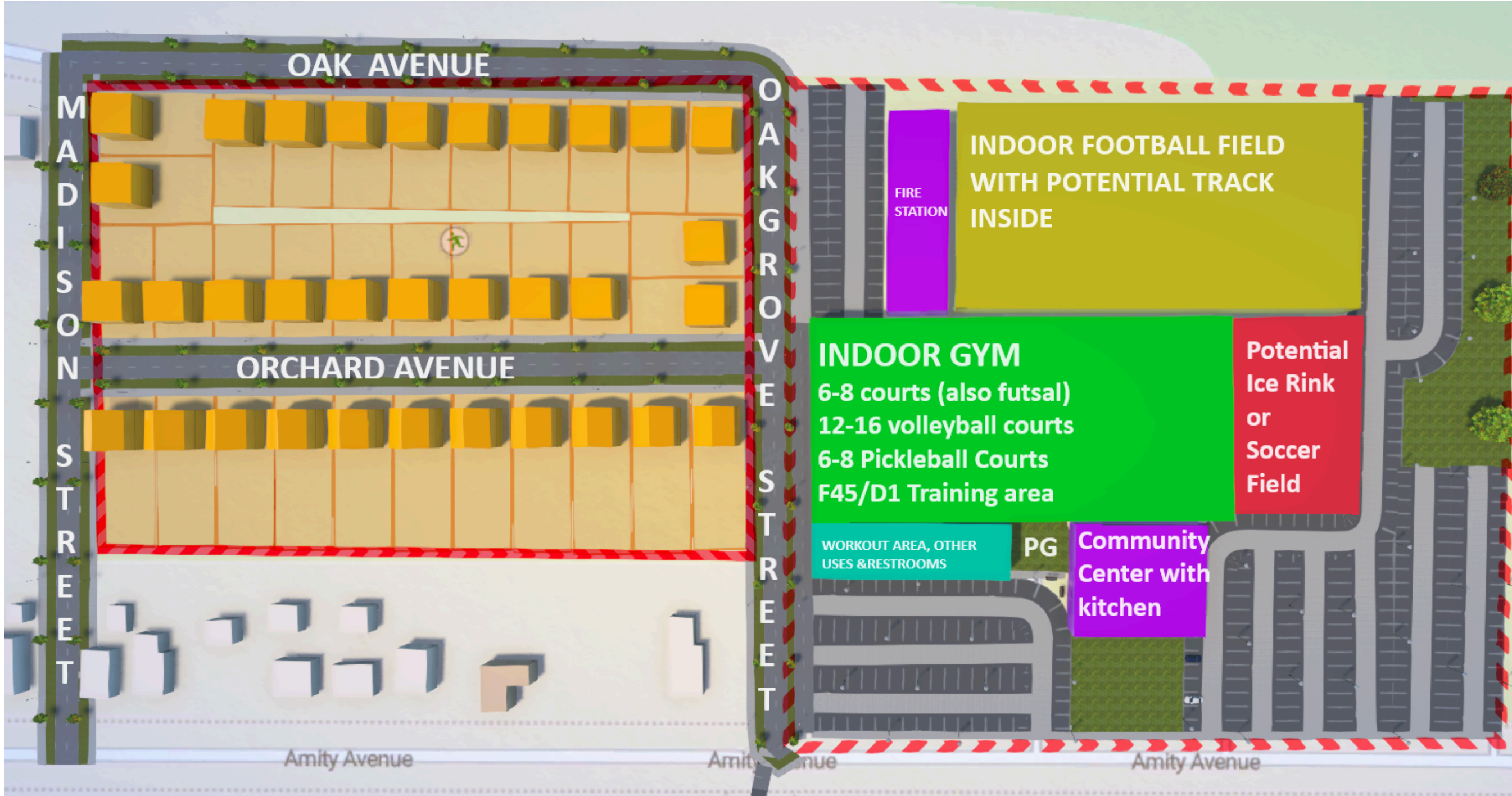
The **New Housing** addition will be a positive contribution to the housing market. Creating more single family houses for 1st time home buyers & middle market residents.

The **Indoor Gym** with the attached workout area will have a direct impact to the wonderful world of youth sports. While our vision is audacious, so is being a Big Red. The mentality that was set is go big or go home, championship or bust. We pride ourselves on going for it all. This gym will be emblematic of that mentality. Fostering a new opportunity for the youth to grow physically, mentally & emotionally.

The **Community Center** will assist in fostering a space of communion. A space where you can get creative, hold events, display an artist view. The Community Center can be many things & with a potential collaboration with the YMCA, the Q9DC believes we can become a revolving resource to community.

The **Indoor Soccer field** area would be directly next to the community center, where the auditorium once stood. This would not only diversify our options to collaborate with one of the most popular sports in the world, but also provide a different opportunity and outlook to our youth. With new professional soccer teams coming to Michigan, it only makes sense to provide a space for an everchanging demographic.

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Our Market

Sports • Nonprofit Jan 22 • Written By Adam Russo

West Michigan Sports Commission reports \$87.9 million in economic impact for 2023

Total Available Market (TAM):

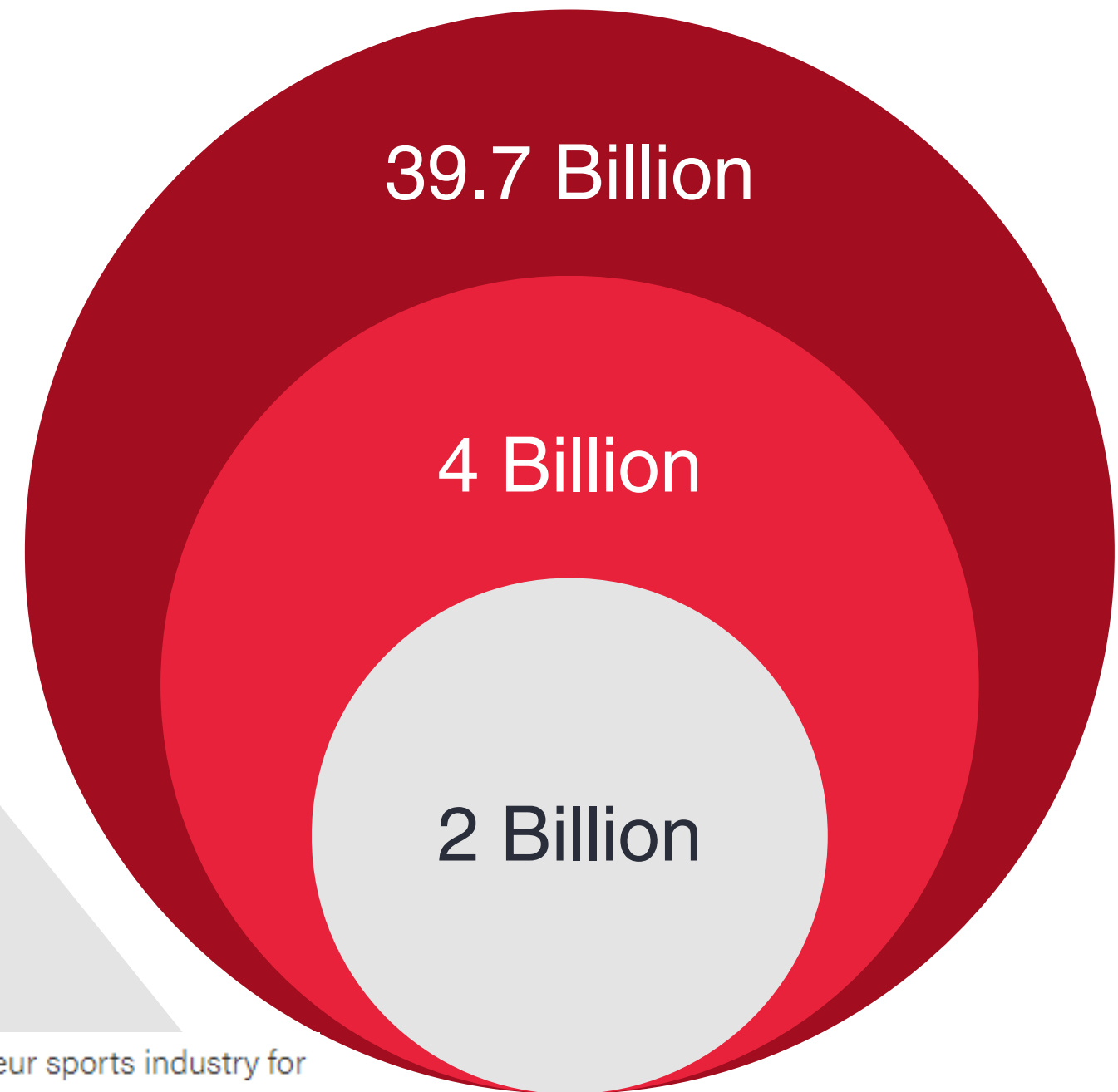
39.7 Billion national youth & amateur sports industry for the region

Serviceable Available Market (SAM):

4 Billion

Serviceable Obtainable Market (SOM):

2 Billion



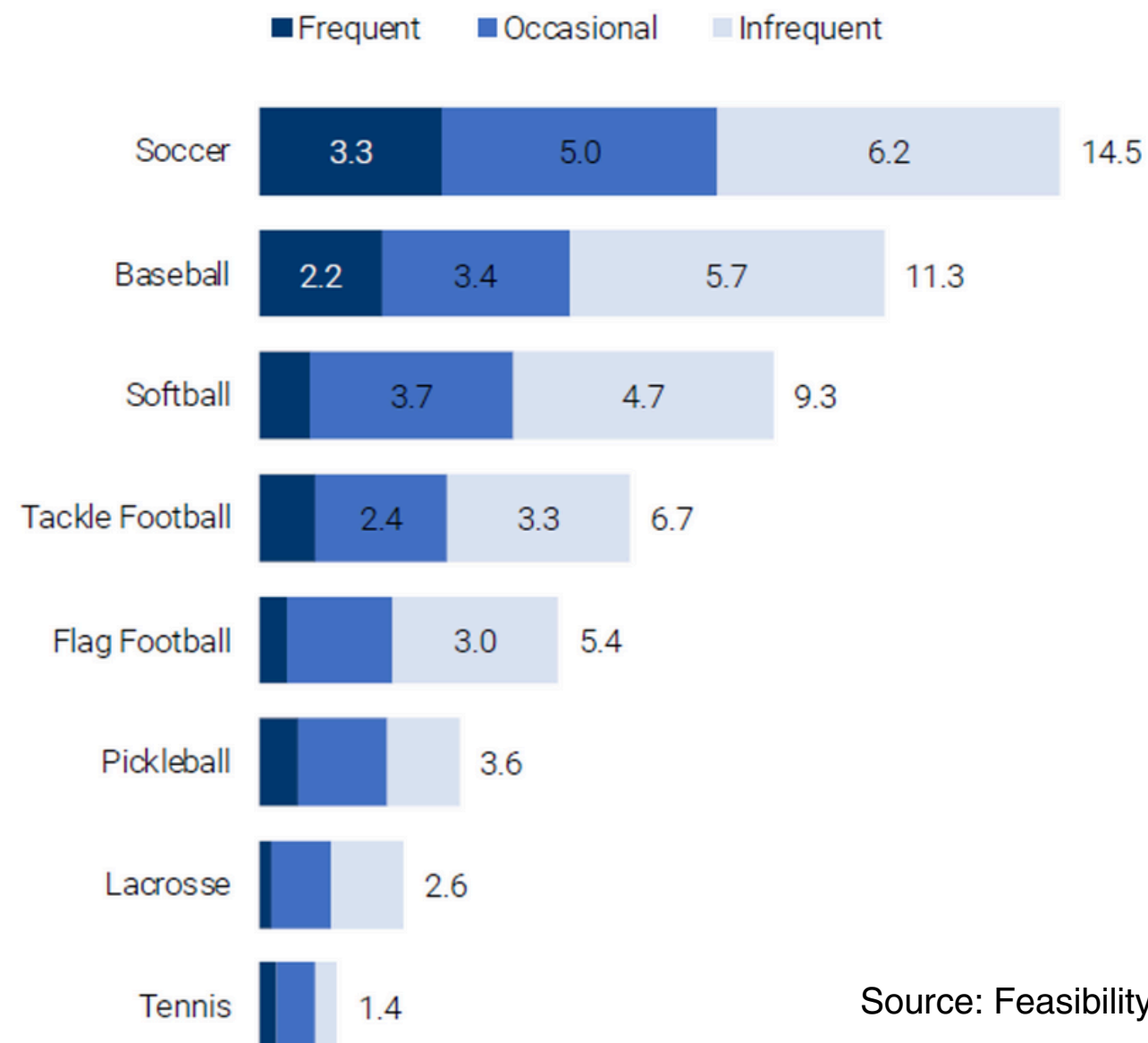
The WMSC was founded in 2007 as an economic generator to harness some of the \$39.7 billion national youth and amateur sports industry for the region. One of its key tenets is generating overnight stays from event visitors, which drives spending in area hotels, restaurants and other businesses. Since its inception, the WMSC has booked 1,216 sporting events and tournaments that attracted more than 2.1 million athletes and visitors, generating over \$649 million in estimated economic impact.

Our Market

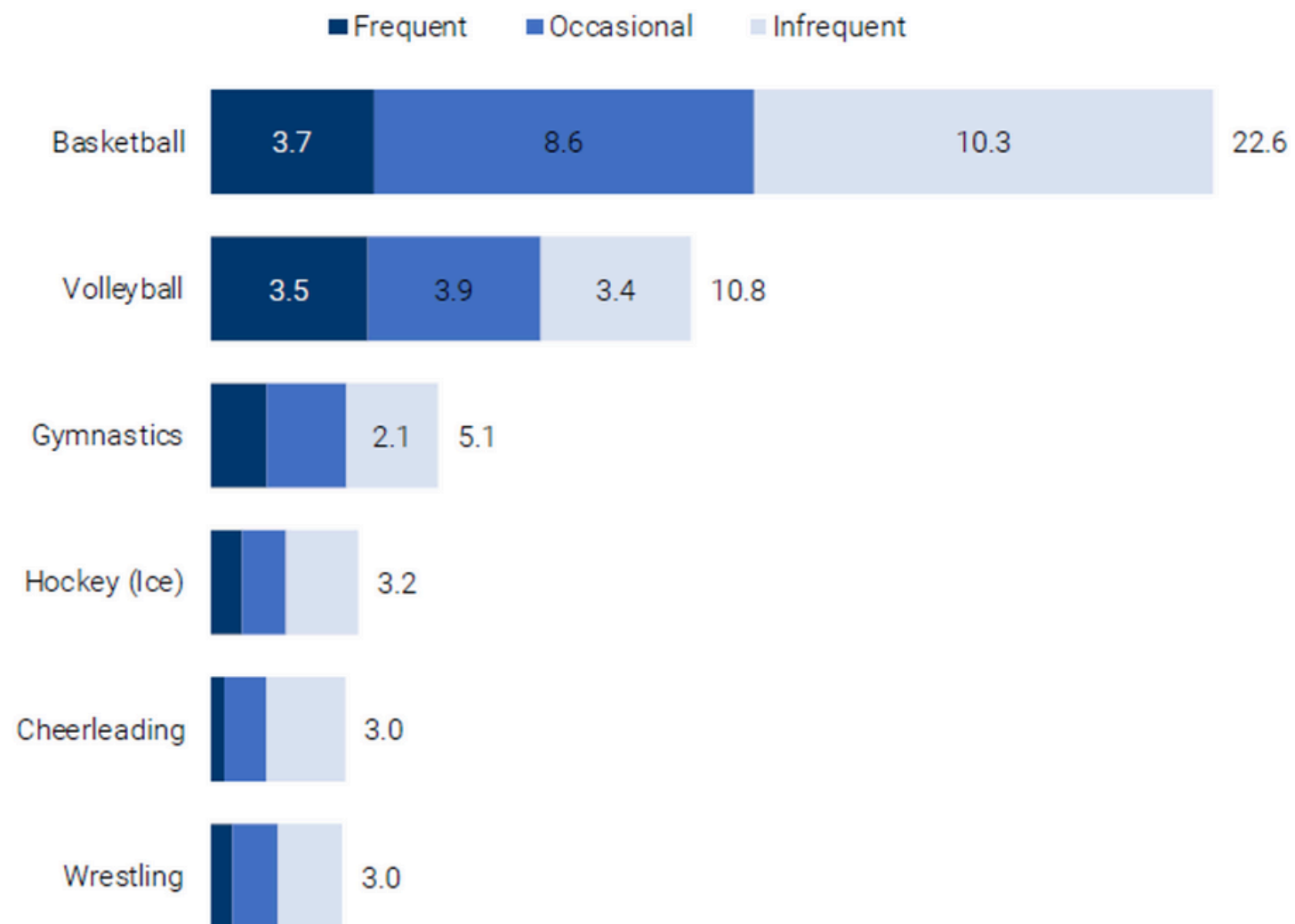
Industry trends for indoor and outdoor youth sports

INDUSTRY TRENDS: Participation Levels

National Participation Levels –
Outdoor Sports (in millions)



National Participation Levels –
Indoor Sports (in millions)



Source: Feasibility study by Discover Kalamazoo

Our Milestones

Where we are currently, 2024

2020

Muskegon Public Schools passed bond proposal to erect new Middle School @ former Hackley Hospital

2021

Hackley Hospital demolished

2022

The new Charles Hackley middle school set for construction

2023

The Q9DC began preparation of the Big Red Development with support from the City of Muskegon & its stakeholders

2024

Hackley Middle School opens. Submission of Big Red Development RFP to Muskegon School Board from The Q9DC

2025

Construction phase for housing & the Sports complex begins

2026

D1 Sports Complex completed

Our Management Team

The Q9 Development
Company is set to push the
market

The Q9 Development team has over a decade of single family & commercial development experience. With a CEO who owns & runs another self defense company, property management, & development company with a team of builders whom have over a decade of experience combined, & a CFO who runs her own accounting firm. I believe were poised to take West Michigan on.

Dave Dussendang of West Urban Properties, Dussendang Luxury Custom Homes, and Platinum Contracting Group is also in support of this project. He has submitted a letter of support and plans to assist in anyway he can to make this come to fruition.



Rashard Thrower

Chief Executive Officer



Ashley Forrest

Chief Finance Officer



Isaiah White

Lead Residential Builder



Greg White

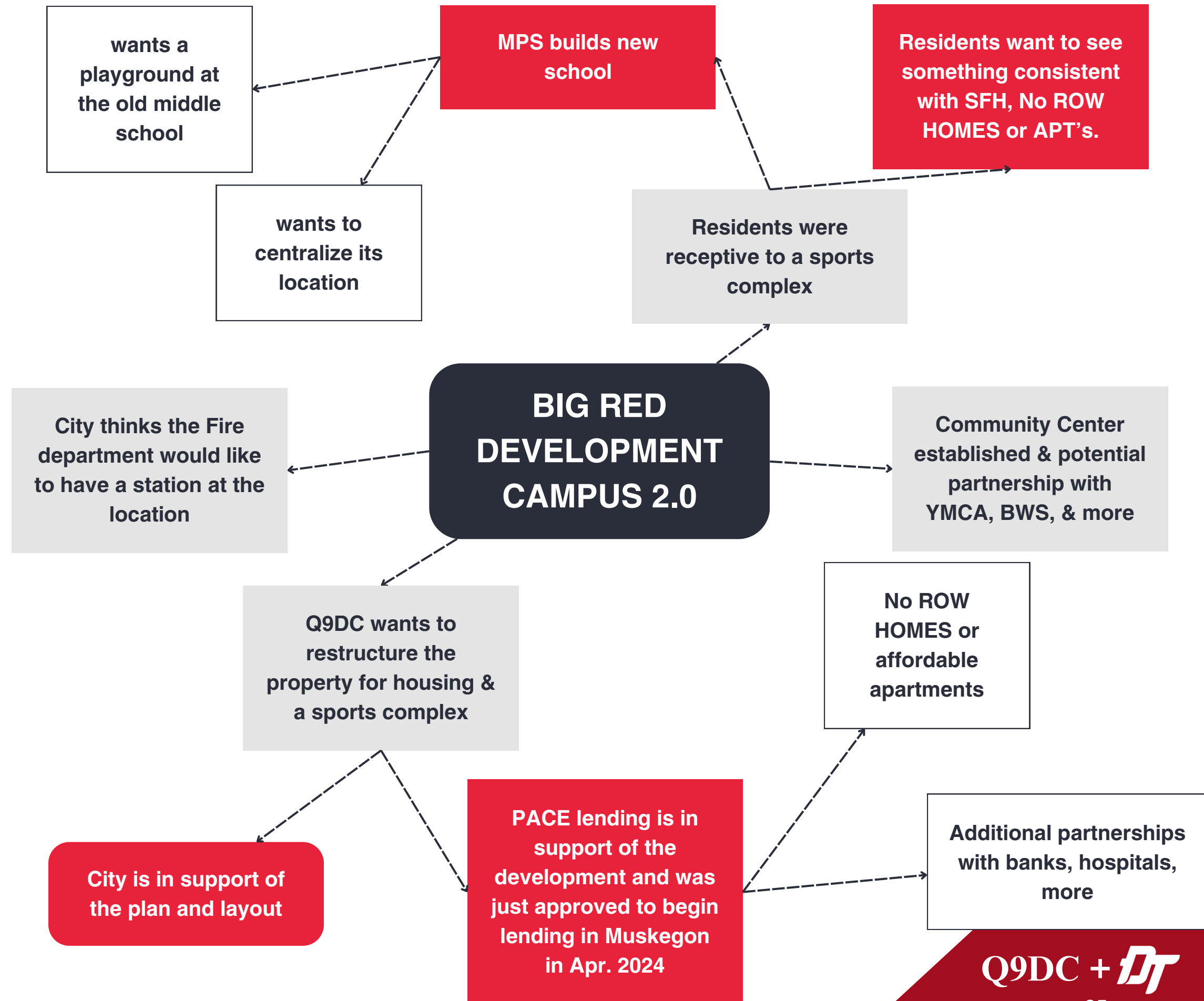
Lead Commercial Builder



Dave Dussendang

Construction Consultant

Our Collaborative effort to BEAUTIFY Muskegon Middle School Campus





Our Offered Services

The Q9 Development Company provides versatility

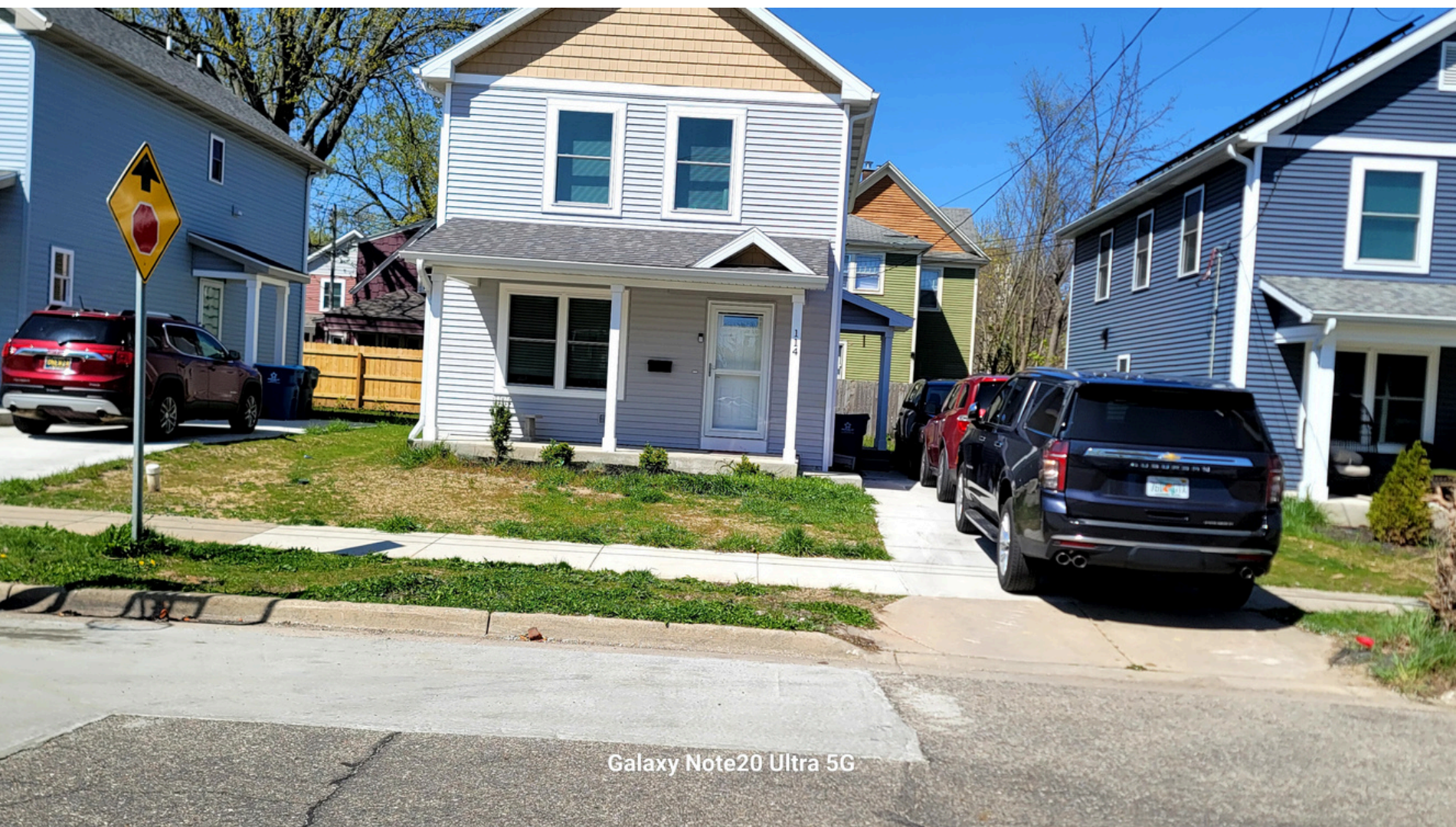
New residential home builds

Commercial interior construction

Commercial roofing

Framing & Drywall

General Contracting



Galaxy Note20 Ultra 5G



Galaxy Note20 Ultra 5G



***Thank you for
your time &
support!
GO BIG REDS!***

Connect with us

Email

RashardThrower@TheQ-9.com

Social Media

@The Q9 Development

Call us

616-295-0792



Affirmative Action
(231)724-6703
FAX (231)722-1214

Assessor/
Equalization Co.
(231)724-6386
FAX (231)724-1129

Cemetery/Forestry
(231)724-6783
FAX (231)724-4188

City Manager
(231)724-6724
FAX (231)722-1214

Clerk
(231)724-6705
FAX (231)724-4178

Comm. & Neigh.
Services
(231)724-6717
FAX (231)726-2501

Computer Info.
Technology
(231)724-4126
FAX (231)722-4301

Engineering
(231)724-6707
FAX (231)727-6904

Finance
(231)724-6713
FAX (231)726-2325

Fire Department
(231)724-6795
FAX (231)724-6985

Human Resources
Co. (Civil Service)
(231)724-6442
FAX (231)724-6840

Income Tax
(231)724-6770
FAX (231)724-6768

Mayor's Office
(231)724-6701
FAX (231)722-1214

Planning/Zoning
(231)724-6702
FAX (231)724-6790

Police Department
(231)724-6750
FAX (231)722-5140

Public Works
(231)724-4100
FAX (231)722-4188

SafeBuilt
(Inspections)
(231)724-6715
FAX (231)728-4371

Treasurer
(231)724-6720
FAX (231)724-6768

Water Billing
(231)724-6718
FAX (231)724-6768

Water Filtration
(231)724-4106
FAX (231)755-5290



May 10th, 2024

To: Muskegon Public Schools Board of Education
From: Jake Eckholm, Director, Development Services Division
Re: Q9 Development Response to Muskegon Middle School Redevelopment RFP

To Whom It May Concern,

This letter represents support for Q9 Development Group in its efforts to acquire 1150 Amity Ave, formerly Muskegon Middle School. City Staff have reviewed the proposed site plan for the school and sports field properties, and found them consistent with our community and economic development goals. The plan also reflects the interests heard by community members during the school's organized community meeting in the Steel Neighborhood earlier this year, which was attended by our staff in an effort to determine best use of the property moving forward.

The proposal put forth by Q9 Development Company to construct 30 new single-family residential homes at the site of the former Muskegon Middle School is particularly noteworthy, especially considering the current deficit of nearly 3,000 housing units in our community. The installation of indoor sports and fitness facilities along with community space also reflects the desires of the community as expressed during our Master Plan update sessions as well as the meeting held by the school.

In conclusion, the City of Muskegon supports housing and community development assets at the former Muskegon Middle School site, and having reviewed the The Q9 Development Company's plans for 1150 Amity Ave have determined that they align with community goals. If there are any questions or need for clarification, I can be reached at 231-903-2416 or electronically at Jake.Eckholm@shorelinecity.com.

Thank you to the Board and administration of Muskegon Public Schools for your efforts on steering the productive reuse of this critical site in our community.

Sincerely,

Jake Eckholm
Director of Development Services
City of Muskegon



Dave Dusendang
3265 Walker Avenue
Grand Rapids, MI 49544



Muskegon School Board
1458 5th Street
Muskegon, MI 49441

Subject: Muskegon Middle School development proposal from Q9

Dear Muskegon Public School Board:

I am the owner of Dave Dusendang Custom Homes, West Urban Properties, and Platinum Contracting Group. I was initially encouraged to invest in Muskegon 6 years ago when I engaged my company to be the sole builder at the Terrace Point Landing Development. Since then, I have performed millions of dollars' worth of my own investment in the City of Muskegon and I am currently working with the City of Muskegon on its home infill project. Since 2017 the City of Muskegon has been my primary development focus. Year to date I have pulled approximately 200 new home building permits.

I am writing in support of Q9 project proposal. I have reviewed and agree with the proposed design and that this proposed project will be another catalyst project for the City of Muskegon. I feel it fits in well with the surrounding homes and the Sports Complex provides a safe place for continued community activities.

Sincerely,

Dave Dusendang



PACE Loan Group
800 LaSalle Ave, Suite 1650
Minneapolis, MN 55402

Rashard Thrower, Chairman & CEO
The Q9 Development Co.

May 13, 2024

Dear Mr. Thrower
PACE Loan Group, LLC (“PLG”) is pleased to present The Q9 Development Co. with the following indicative set of terms for the PACE financing of the eligible development costs located in 1150 Amity Avenue, Muskegon, MI 49442. This indicative set of terms is non-executable and is for discussion purposes prior to issuance of a formal PLG Term Sheet.
As a portfolio company of AB CarVal, a subsidiary of Alliance Bernstein, PLG has institutional capital. Welcome to the PLG difference. Real People. Real Capital.

Property Address	1150 Amity Avenue, Muskegon, MI 49442
Loan Amount	Estimated to be \$3,500,000 including all PACE eligible project costs, closing fees, and all capitalized interest. Capitalized Interest is projected to be the period of the Closing Date through the greater of 12 months or the estimated construction period (the “Capitalized Period”), subject to compliance with the PACE statute and program guidelines. 25-year term.
Term	Interest only for the Capitalized Period, self-amortizing thereafter.
Amortization	
Interest Rate	The Interest Rate will be calculated as the greater of (i) the 10 -year treasury rate plus 3.75% or (ii) 8.00%, in each case adjusted for actual/360 and upward adjusted to the nearest hundredth. 1.25%
Origination Fee Prepayment	The Loan may be prepaid in whole at any time subject to the following fees:
	Years 1 - 2: 5.00% of the outstanding loan amount Years 3 - 5: 3.50% of the outstanding loan amount Years 6 - 10: 1.50% of the outstanding loan amount Thereafter: 0.00%
LTV / LTC	At closing (i) the PACE loan shall not exceed 25% of the Property’s appraised “as-complete” value and (ii) the total PACE plus mortgage debt shall not exceed 50% of the Property’s appraised “as-complete” value. At closing the PACE loan plus mortgage debt shall not exceed 50% LTC.
Legal & Program Fees	Legal fees TBD. A program Program Fee Of 0.25% per year will be payable to state C-PACE program administrator Lean & Green Michigan.



CLIFFORD BUCK CONSTRUCTION COMPANY INC.

500 Irwin Avenue
Muskegon, Michigan 49442
231-726-4913
Fax 231-728-7410
www.cliffordbuckconstruction.com

May 10, 2024

Rashard Thrower, Chairman & CEO
The Q9 Development Corp.
701 Orchard Avenue
Muskegon, MI 49442

Subject: Proposed Development

Rashard,

Thank you for giving us an opportunity to work with you and your team on this significant project. We appreciate your interest in Clifford Buck Construction Company, Inc. and welcome an opportunity to work with you and your staff to successfully accomplish your objectives.

Clifford Buck Construction Company, Inc. was established in 1923. For more than 100 years we have been providing exceptional building experiences for owners, for communities and for the people that use our buildings. We’re here to ensure that everyone, from architects and engineers to electricians and painters, all share our vision and have everything they need to do their jobs well.

We are a local general contractor with Construction Management and Design / Build capabilities and offer construction services from initial design inception of the project through the project warranty period. We have been involved through the years with the construction of many projects throughout Western Michigan. We are recognized for the quality of our people and the work they provide.

Thanks again for giving us an opportunity to work with you and your team. If you have any questions or need any additional information, please contact me.

Sincerely,

CLIFFORD BUCK CONSTRUCTION CO., INC.


Andy Zorn
President



The Big Red Development Campus Plan 2.0

Muskegon, MI | Request for Proposal

Submitted By:
Rashard Thrower, CEO of The Q9 Development Company

CONTACT INFORMATION

Info@TheQ-9.com

Part 3 – Proposal Details

I. BIDDER INFORMATION

Name of Bidder: The Q9 Development Company

Year established: 2023

Address: 701 Orchard Avenue, Muskegon MI, 49442

Telephone #: 616-295-0792

Facsimile Number:

Contact Person Email Address: RashardThrower@TheQ-9.com

A. Organization:

1. Individual

2. The firm started in 2023 with the aim of constructing new single-family homes, renovating dilapidated homes, and venturing into commercial development. The team boasts extensive experience in various aspects of construction, including building, framing, excavating, drywall installation, roofing, and other general contracting work. The expansion into commercial development stemmed from a demand in the West Michigan area, particularly for adaptive re-use projects and similar endeavors. The commercial construction team has played a pivotal role in the exterior and interior rehabilitation of strip malls in Parchment, contributing to the enhancement of establishments such as Subway, Dollar Tree, and Save A Lot. Our team has over a decade of experience in residential and commercial development.

3. CEO, Rashard Thrower

CFO, Ashley Forrest

Lead Residential Builder: Isaiah White

Lead Commercial Builder: Greg White

4. Dave Dussendang, Walker, MI, specialty in Residential, Commercial, & Luxury Custom Home builder. Also, owner of West Urban Properties & Platinum Group Construction with over 25 years of experience.

Clifford Buck Construction Group out of Muskegon has over 100 years of experience serving Muskegon in residential and commercial developments. They've also been instrumental with Muskegon Middle School as well.

5 No

. No

6 As the Q9 Development Company was founded in 2023, it is unable to furnish
. financial statements for the preceding two tax years. Nevertheless, during this
7
.

interim period, we have provided letters of endorsement from key stakeholders, including the City of Muskegon, Dave Dussendang, contractors throughout the region including Clifford Buck Construction Company Inc., Christman Construction, and recently approved PACE financing set to commence lending in Muskegon. These letters serve to affirm our credibility and steadfast dedication to the project, notwithstanding the absence of historical financial records.

II. Project Description

- a. Purchase and renovation-reuse-repurpose the Steele building and/or site for the property at 1050 Amity Ave, at a fair market value, from the district meeting the criteria below
 - i. The Purchase Price has been included in the bid
 - ii. The **BIG RED Development Campus Plan 2.0** will be our promotional vehicle for this project. The Plan goes into extensive detail about our overall master plan for the site. Beginning with extending the indoor gym’s current position, pass the cafeteria, ending at the workshop hallway.

The workshop hallway will be the location of the **Community Center** with the plan of retrofitting the kitchen into one of the classrooms. The workout area will also be an extension of the indoor gym, with the workout room on the 2nd floor and below, training rooms and more.

The indoor gym’s extended space and readjustment of the bathrooms will provide 6-8 basketball courts, 12-16 volleyball courts, and multiple pickleball courts. The hallway behind the gym facing the parking lot is what will be the fire station. The other half of the hallway will be engulfed in the indoor football field with a sports track. This will go from the split of the hallway behind the gym going east to the main office of the school.

The auditorium will be retrofitted to half an indoor soccer field or an indoor ice rink. The gully will still be accessible to the public and we could make the playground closer, that way to give a more expansive opportunity. Extending parking towards the back half of the school and going north of the main office is an option.

The football field will be retrofitted to have 30 new single-family homes. Homes priced between \$150k-\$215k with the same lot size as the rest of the Steele neighborhood. Nice size yards and a connection of Oak & Oak Grove and Madison with Orchard and Amity. With some of those homes being built by the kids of MPS. Providing them with first-hand resume building experience when graduating which gives them a competitive advantage.

reservations about a partial demo of the building, that hesitancy could also create a limitation to what could be accomplished in a more feasible way. We’ve removed the option of the apartments, which would’ve been an immediate revenue source in accordance with the community. Our plan is to utilize the ENTIRE building and restructure it. But if not, we plan to keep the hallway behind the gym that is shown as the Fire station in the PDF. We also plan to reuse the workshop hallway that’s closest to Amity Ave.

- iv. The development of the 30 new single-family houses and sports complex with an indoor basketball, football, soccer, and workout area, along with an attached community center, playground, and fire station, will significantly benefit the community, neighborhood, city, and county in several ways.
Community Engagement and Well-being: The addition of a sports complex with versatile facilities will promote physical activity and healthy living among residents of all ages. The attached community center will serve as a hub for social gatherings, educational programs, and events, fostering a sense of belonging and connection among neighbors.
Enhanced Quality of Life: The inclusion of a playground and fire station adds to the overall livability of the neighborhood, providing essential services and recreational opportunities for families. Access to safe outdoor spaces and emergency services contributes to the well-being and safety of residents.
Economic Growth: The construction of new single-family houses stimulates economic activity by creating jobs in construction, real estate, and related industries. Additionally, the development attracts new residents, potentially increasing local spending and supporting small businesses in the area. In Grand Rapids last 2023, they were able to benefit from \$89 Million dollars of direct economic impact from the Meijer Sports Facility. This increase travel to the city, use of local hotels, tourism, and productive youth activity.
Community Infrastructure: The addition of new housing stock helps address housing needs within the city and county, contributing to the overall stability and growth of the community. Furthermore, the sports complex and community center serve as vital infrastructure, enriching the area's amenities and attracting visitors from neighboring areas and abroad.
Public Safety and Resilience: The presence of a fire station within the development enhances emergency response times, ensuring the safety and security of residents. This proactive approach to public safety strengthens community resilience and preparedness in the face of unforeseen events. In summary, the development project not only fulfills immediate housing and recreational needs but also fosters a thriving, interconnected community with enhanced amenities and services, ultimately benefiting the broader neighborhood, city, and county.

- v. 1. A playground will be set between the workout area & the community center. 2. Our effort is to reuse the entire building and restructure it to house the indoor basketball, football, soccer & workout facility. While also including a community center. General estimates for the repurposing of the building are \$3-\$8M on the low end and \$10-\$20M on the high end. We do have a cheaper option with restructuring the existing building that would make the total estimate closer to \$2-6M. Both the gym and football size can be retrofitted at 200x450 sq ft. the community center would be around 110x130sq ft. The playground area initially was 67x60 sq ft, but we believe we could triple the size if we moved it closer to the gully. The workout room could be 40x195 sq ft. The indoor soccer field could be 195x120 sq ft. The fire-station would be 50x200 sq ft. 3. The gully will still be accessible to the public. 4. A few of these were addressed above but we also plan to collaborate with the YMCA to foster a social/emotional/mental service for the betterment of our youth.

vi. Bidder Responsibilities:

1. Renovation/Construction:

- ☐ Conduct a comprehensive assessment of the school property to identify structural integrity, potential hazards, and necessary repairs or renovations.
- ☐ Develop detailed renovation or construction plans in consultation with architects, engineers, and relevant professionals, ensuring compliance with building codes and regulations.
- ☐ Secure necessary permits and approvals from local authorities for renovation/construction activities.
- ☐ Manage all aspects of the renovation/construction process, including hiring subcontractors, procuring materials, and overseeing work progress.
- ☐ Ensure that renovations or construction activities are completed safely, efficiently, and within budget constraints.
- ☐ Implement quality control measures to ensure that workmanship meets industry standards and specifications.
- ☐ Coordinate with relevant stakeholders, such as the school district and local community, to minimize disruptions during construction and address any concerns or issues that arise.

2. Financial Obligations:

- ☐ Secure financing & raise additional funds
- ☐ Establish a detailed budget that accounts for all expenses related to property acquisition, renovation/construction, permits, fees, and contingencies.
- ☐ Manage project finances diligently, tracking expenditures, monitoring cash flow, and reconciling budget variances.

- ☐ Obtain insurance coverage, such as liability insurance and builder's risk insurance, to protect against unforeseen losses or liabilities.

3. Timeline Management

- ☐ Develop a comprehensive project schedule that identifies key milestones, deliverables, and critical path activities.
- ☐ Monitor progress against the project schedule, identifying potential delays or bottlenecks and implementing corrective actions as needed. The plan is to have redevelopment completed by 2026, at the latest 2027.
- ☐ Communicate regularly with project stakeholders, including the school district, subcontractors, suppliers, and regulatory agencies, to ensure alignment and transparency.
- ☐ Anticipate and proactively address potential risks or challenges that may impact project timelines, such as inclement weather, supply chain disruptions, or labor shortages.
- ☐ Adjust project plans and schedules as necessary to accommodate changes in scope, budget, or external factors.

District Responsibilities:

1. Property Transfer :

- ☐ Initiate the legal process to transfer ownership of the school property to the selected bidder, following applicable state and local laws and regulations.
- ☐ Coordinate with legal counsel to draft and execute purchase agreements, deeds, and other transfer documents necessary to convey title to the property.
- ☐ Facilitate the exchange of title documents, keys, and access codes upon completion of the property transfer process.
- ☐ Address any legal or procedural issues that arise during the property transfer process, working collaboratively with the bidder and legal advisors to resolve them promptly.

2. Documentation:

- ☐ Compile and organize all relevant documentation related to the school property, including deeds, surveys, title reports, environmental assessments, and maintenance records.
- ☐ Provide copies of property documentation to the bidder and other stakeholders as requested, ensuring transparency and accessibility.
- ☐ Review and verify the accuracy of property documentation to confirm ownership, encumbrances, and other relevant details.

- ☐ Retain copies of property documentation for record-keeping purposes and future reference, maintaining confidentiality and compliance with applicable privacy laws.
- ☐ Facilitate the exchange of documentation between the school district, bidder, and other parties involved in the property transaction, ensuring timely and accurate communication.

3. Support during Transition

- ☐ Collaborate with the bidder and relevant stakeholders to develop a transition plan that minimizes disruption to school operations and community activities.
- ☐ Communicate with school staff, students, parents, and community members to provide information about the property sale and future for the site.
- ☐ Address concerns and questions from stakeholders regarding the property sale, renovation/construction activities, and potential impacts on the neighborhood.
- ☐ Coordinate with local government agencies, emergency services, and utility providers to ensure a smooth transition and continued access to essential services.
- ☐ Maintain essential utility services until a full transfer of the property has been completed to the awarded party (bidder).
- ☐ Provide logistical support and assistance as needed to facilitate the relocation of school programs, equipment, and materials to alternative facilities during construction or renovation.

4. Compliance Oversight:

- ☐ Monitor the bidder's compliance with contractual obligations, regulatory requirements, and project specifications throughout the development process.
- ☐ Conduct periodic site inspections to verify that renovation/construction activities are being performed in accordance with approved plans and applicable standards.
- ☐ Document any deviations from the approved scope of work, identifying potential risks or issues that may require corrective action.
- ☐ Communicate findings and recommendations to relevant stakeholders, including the bidder, project managers, and governing board members, to ensure timely resolution of compliance issues.
- ☐ Address community concerns or complaints related to noise, dust, traffic, or other construction-related impacts, implementing mitigation measures as needed to minimize disruptions and maintain neighborhood quality of life.

vii. The district will not be responsible for the fees incurred in the preparation of this proposal.

- b. Information has been provided above & also attached to the proposal.
- c. Answered above in the responses. & also attached to the proposal.