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**Northern Michigan University Foundation Announces Veridea Group as Master Developer for
Redevelopment Project of Former Hospital Site**

*Marquette-based real estate developer selected to lead transformational redevelopment of
23-acre parcel south of NMU campus*

Marquette, Mich., May 13, 2022 - The Northern Michigan University Foundation today announced Marquette-based real estate developer Veridea Group as master developer to lead the ultimate redevelopment of the former hospital site on College Avenue, adjacent to Northern Michigan University's campus. Veridea Group's response to the Foundation's Request for Qualifications (RFQ) was selected by a special committee of the Foundation Board of Trustees, including consultation with a special committee of the Marquette City Commission. The Foundation board formally authorized the partnership with a unanimous vote on May 13, 2022.

The RFQ was issued nationally on March 11, 2022, and was open to developers of all sizes and locations until April 8, 2022. With 180 total RFQ downloads, the project drew interest from several development firms including Veridea Group, which produced the sole qualified response.

"The NMU Foundation is gratified to have assembled the partners and resources necessary to bring this transformational opportunity to fruition," said John List ('84), president of the Northern Michigan University Foundation Board of Trustees. "When our committee issued the RFQ on a national scale in March, we were focused on attracting an experienced developer partner holding the financial capability to perform, a proven record of success working in communities like Marquette and a commitment to completing the entire project vision over a five to eight year build schedule. We are pleased to have Veridea Group as a partner that exceeds these critical elements while also displaying a longstanding commitment to community building in Marquette and throughout the Upper Peninsula."

"The neighborhood revitalization envisioned through this redevelopment is a key example of the Foundation's mission to establish and foster relationships and resources that benefit the strategic goals of Northern Michigan University," said Brad Canale, CEO of the Northern Michigan University Foundation. "Inaction resulting in blight and uncertainty on a 23-acre site adjacent to NMU's campus was simply not an option. The NMU campus, surrounding neighborhoods, and Marquette as a whole, are worthy of the vibrancy, occupancy and tax base that this collaboration will accomplish."

Special committees from both the NMU Foundation Board of Trustees and the Marquette City Commission consulted on the RFQ review and selection process. Staff from the Foundation and City have convened weekly to address common objectives for the project, including:

- Defraying costs associated with site preparation and demolition of obsolete structures;
- Public infrastructure development, including reconstruction of College Avenue and other important transitions between the campus and community; and
- Other policy goals outlined in the Memorandum of Understanding (MOU) executed between the City, Foundation and the Marquette Brownfield Redevelopment Authority on March 17, 2022.

Parallel to its process of identifying and selecting a qualified master developer partner the NMU Foundation has been working collaboratively with the City of Marquette, Marquette Brownfield Development Authority, and Michigan Economic Development Corporation (MEDC) to identify public resources required for demolition and site preparation, which is the critical barrier for redevelopment. One resource is the framework for a Brownfield Redevelopment Plan, which would enable reimbursement of eligible expenses for demolition, infrastructure development, and other activities through tax increment financing as well as additional investments in site demolition pending all state and local approvals.

"We are excited about the prospect of this transformational development to strengthen the vitality and economic opportunity in Marquette," said Jen Nelson, Chief Operating Officer at the MEDC. "We appreciate working with the NMU Foundation and city on shared community objectives here in Marquette and coming together to solve the unique challenges and barriers to redevelopment of the former hospital site next to NMU's campus. MEDC is committed to being a strong partner in activities to enable the viability of this community-driven project.

MEDC has been a partner in Marquette's redevelopment efforts since 2017 through its participation and 2021 certification in the Redevelopment Ready Communities program. The community's work through the RRC program in adopting a Uniformed Land Development Code, adoption of the first ever economic development strategy and updates to the downtown vision plan have laid the groundwork to support redevelopment efforts such as the former Marquette Hospital site that will continue to enhance the sense of vibrancy and place in Marquette.

"The development of the old hospital would be transformational in the City of Marquette, adding more vibrancy to the heart of our city," said Jenna Smith, Mayor of Marquette. "The NMU Foundation has done an incredible amount of work to leverage connections with important partners to bring this project together. I am looking forward to the Special Meeting of the Marquette City Commission on Monday, May 16th at 5:15pm to discuss next steps and inform the public regarding the proposed Brownfield Development plan for demolition costs and to pay for the reconstruction of College Ave."

Community forums designed to update members of the public on the project process and obtain local input about the potential redevelopment project took place May 3 through May 9, 2022. Results and observations from the listening sessions will be shared with the community-at-large later this month. Results will also be provided to Veridea Group to inform pre-development planning. The developer has also pledged to conduct additional community engagement as part of the development planning process, consistent with the MOU between the Foundation and City. Additional community feedback may be submitted at any time by email to fountn@nmu.edu.

"The process to get to this point has been an effort by many, and we're glad to be surrounded by others who share the vision we have for this proposed redevelopment; one of a revitalized neighborhood and a real boon to Marquette," said Bob Mahaney, CEO of Veridea Group. "We have been investing in Marquette for 30 years, and this project presents the opportunity for Veridea to reinforce the strength of its commitment. There is a lot to still be done, and we're excited to have reached this milestone. We're looking forward to engaging with the community during next steps, and as we move toward finalizing a site plan. This project is a unique opportunity to enhance the quality of life for NMU students, staff and faculty and residents of Marquette, and it is an opportunity we take seriously."

Next steps in the redevelopment process include:

- May 31, 2022 (Tentative): Act 381 Brownfield Redevelopment Plan framework approval; tentatively planned for action by the Marquette City Commission.
- May 31, 2022: The evaluation period for the agreement between NMU Foundation and UP Health System – Marquette expires.
- June 29, 2022: Projected closing date for NMU Foundation’s purchase of the College Avenue Campus in the event the Foundation elects to proceed.
- Timing TBD: Business Entity established between NMU Foundation and Veridea Group to take ownership of the site and redevelopment project. Veridea Group will be the principal majority partner and the NMU Foundation will be an equity partner in the entity.
- Timing TBD: Michigan Strategic Fund action and approval on Michigan Economic Development Corporation recommendation to invest in site demolition costs.
- Timing TBD: Michigan Strategic Fund approval for state and local tax increment financing.
- Timing TBD per Veridea Group: Pre-Development Planning and Community Engagement Process
- Site plan development; expected within 6-12 months.

About Northern Michigan University Foundation

The NMU Foundation is a 501(c)(3) nonprofit organization established in 1968. Its mission is to establish and foster relationships to generate resources that benefit the strategic goals of Northern Michigan University. Learn more at <https://foundation.nmu.edu/>.

About Veridea Group

With offices in Marquette and Bozeman, Montana, Veridea Group is an integrated commercial real estate and hospitality development company focused on rural metropolitan markets in the Upper Great Lakes and Mountain West. Veridea brings a 30-year history and over \$400 million of award-winning development and management to its projects. Learn more at <https://www.verideagroup.com/>.

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