



AGENDA
Committee on Development and Planning
Thursday, March 24, 2016 @ 3:30 p.m.
10th Floor Conference Room, City Hall

Councilmember Jody Washington, Chair
Councilmember Jessica Yorke, Vice Chair
Councilmember Judi Brown Clarke, Member

1. Call to Order

2. Public Comment on Agenda Items

3. Minutes

- February 11, 2016
- March 10, 2016

4. Discussion/Action:

- A.) RESOLUTION - Brownfield Plan #64; South Edge Lofts Project; 616 S. Washington Avenue Properties LLC
- B.) Ordinance - Z-1-2016; TWG Development; 635 W Willow to DM-4 Residential; 656 W. Maple to DM-1 Residential
- C.) Ordinance - Payment in Lieu of Taxes (PILOT) Saboury Building Apartments; 1113 N Washington
- D.) Ordinance - Payment in Lieu of Taxes (PILOT) Repealing the Existing Abigail Ordinance
- E.) Ordinance - Payment in Lieu of Taxes (PILOT) Walnut Park Apartments
- F.) Ordinance - Payment in Lieu of Taxes (PILOT) The Abigail
- G.) RESOLUTION - Comprehensive Plan Amendment #1; Central Substation Project

5) Other

6) Pending:

- A.) Discussion – Transparency in Bidding and Opening of Bids(2013 Draft Ordinance)

7) Adjourn



MINUTES

Committee on Development and Planning Thursday, March 24, 2016 @ 3:30 p.m. 10th Floor Conference Room, City Hall

CALL TO ORDER

The meeting was called to order at 3:30 p.m.

ROLL CALL

Council Member Jody Washington, Chair

Council Member Jessica Yorke, Vice Chair- arrived at 3:33 p.m.

Councilmember Judi Brown Clarke, Member.

OTHERS PRESENT

Sherrie Boak, Council Staff

Council Member Wood

Joseph Abood, Deputy City Attorney

Karl Dorshimer, LEAP

Gabrielle Alum, LEAP

Calvin Jones, BWL

Richard Peffley, BWL

Bill Rieske, Planning and Neighborhood Development

Robert Johnson, Planning and Neighborhood Development

Susan Stachowiak, Planning and Neighborhood Development

Mark Mello

Jessica DeBone, South Edge Lofts

Tom Lapka, Saboury

Sam Saboury

Martin Polack, TriTerra

Joseph Whitsett, TWG

Chris Swope, City Clerk

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM FEBRUARY 11, 2016 AS PRESENTED. MOTION CARRIED 2-0.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM MARCH 10, 2016 AS PRESENTED. MOTION CARRIED 2-0.

DISCUSSION/ACTION

Mr. Swope informed the Committee that the notices for the public hearings for the PILOT for Repealing the Abigail, PILOT for The Abigail and PILOT for Walnut Park Apartments were not published within the State required time frame, therefore public hearings cannot occur on Monday, March 28th. Mr. Swope noted that there is no ability to get a quorum for a Special Council Meeting. Mr. Swope apologized on behalf of Clerk's office.

Council Member Washington announced that she was aware that most present knew she was going to ask for a moratorium for nine (9) months on PILOT's, but will include in that an exception for these three (3) PILOT's. She confirmed an earlier discussion with the Council President and they will have the resolutions to reset the public hearings on the Council Agenda on Monday, March 28, 2016 for the hearings to occur at the April 11, 2016 Council meeting. Council Member Washington concluded that she also was assured that the legal office was also consulted and there are no other options.

Council Member Washington noted for all present and on the record that moving forward, resolutions coming out of Committee on to the floor do not commit Committee members from this Committee or colleagues on a yes or no vote. The action out of Committee is only moving it out of Committee for final vote by the full Council, and Council Members are free to vote yes or no.

RESOLUTION - Brownfield Plan #64; South Edge Lofts Project; 616 S. W Washington Avenue Properties LLC

Council Member Washington outlined the Resolution for adoption, noting the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority, the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property, the project may result in new private investment of approximately \$10,000,000, the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible activities they perform in accordance with the Plan. The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act; the proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing, the cost of the eligible activities proposed in the plan are reasonable and necessary to carry out the purposed of the ACT and the amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR BROWNFIELD PLAN #64; SOUTH EDGE LOFTS PROJECT; 616 S WASHINGTON AVENUE PROPERTIES, LLC. MOTION CARRIED 3-0.

Council Member Wood asked Mr. Dorshimer if the agreement and contract had been executed. Mr. Dorshimer confirmed everything had been initialed by the developer and signed, and the Mayor would sign after Council approved.

Ordinance - Z-1-2016; TWG Development; 635 W Willow to DM-4 Residential; 656 W. Maple to DM-1 Residential

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE ORDINANCE FOR Z-1-2016 FOR TWG DEVELOPMENT; 635 W WILLOW TO DM-4 RESIDENTIAL; 656 W MAPLE TO DM-1 RESIDENTIAL.

No questions or discussion.
MOTION CARRIED 3-0.

RESOLUTION - Comprehensive Plan Amendment #1; Central Substation Project

Mr. Rieske informed the Committee that this resolution is what is required for a master plan amendment to enable the project to move forward. As part of the master plan process, as dictated by law, the proposed amendment must go to the other jurisdictions. The Planning Board recommended approval of the Resolution to move forward, and Mr., Rieske noted that this does not adopt the master plan amendment but starts the required 42 day waiting period after distribution. After that waiting period, then the Planning Board will have a public hearing and make recommendation then City Council will hold a public hearing. Mr. Rieske distributed the tentative schedule with dates of tentative May 17, 2016 for the Planning Board public hearing then the process at Council in July with a public hearing also, and tentatively Council adoption at their July 25th or August 8th meeting. Mr. Rieske noted again that this resolution now is the process and not the project.

Council President Brown Clarke asked Mr. Rieske if under PA 333, when input comes in, to what degree of that input would require implementation by the Board. Mr. Rieske confirmed that input would be part of the record for consideration. Mr. Rieske went thru the complete schedule of dates. The last date of July 25th or August 8th was confirmed as the tentative date for approval of the amendment plan and project. Mr. Rieske did point out that on the schedule the Committee would also see that there will be a SLU required by the Zoning Ordinance. Council Member Washington confirmed for all present that with the Parks Board, Planning Board and Council there will be plenty of opportunities for public input.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION FOR THE COMPREHENSIVE PLAN AMENDMENT #1 FOR CENTRAL SUBSTATION PROJECT.
MOTION CARRIED 3-0.

Council Member Yorke asked to talk about the PILOTs for adoption. Council Member Washington reiterated the details from the start of the meeting, when City Clerk Chris Swope admitted that his office unfortunately did not published the notices for the public hearings, no there would no hearing on Monday. Council Member Washington noted again that when she requests a moratorium on PILOTS for 9 months, she will exempt these three PILOT's. Council Member Yorke asked when the public hearings would occur. Council Member Washington stated that notices need to be published 5 days before the hearing, therefore March 28, 2016 Council will set the public hearing for April 11th regular Council Meeting.

Ordinance - Payment in Lieu of Taxes (PILOT) Saboury Building Apartments; 1113 N Washington

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE ORDINANCE FOR PILOT FOR SABOURTY BUILDING APARTMENTS; 1113 N WASHINGTON.

No questions or discussion.
MOTION CARRIED 3-0.

Council Member Yorke stated her opinion that what is happening with the PILOT with no action is a failure of the process, and she would not settle for the possibility of not adopting before the April 1 deadline. Council Member Washington stated to Council Member Yorke that the discussion was held when the meeting was called to order however Council Member Yorke was not in attendance at the meeting yet. Council Member Yorke asked that the applicants present be allowed to speak on their opinions.

Mr. Whitsett informed the Committee that based on the discussion at the last meeting he could do 10% and not go to the City for approval and could do market rate housing. Therefore he will now go back to the 10% option and move forward. Mr. Whitsett stated he would like to come back after April 1st and discuss again, however he will now go with 10% and all affordable. Council Member Washington confirmed he could proceed that way.

Ordinance - Payment in Lieu of Taxes (PILOT) Repealing the Existing Abigail Ordinance

Reschedule the public hearings at the Council meeting on March 28, 2016 for a public hearing on April 11, 2016.

Ordinance - Payment in Lieu of Taxes (PILOT) Walnut Park Apartments

Reschedule the public hearings at the Council meeting on March 28, 2016 for a public hearing on April 11, 2016.

Ordinance - Payment in Lieu of Taxes (PILOT) The Abigail

Reschedule the public hearings at the Council meeting on March 28, 2016 for a public hearing on April 11, 2016.

Adjourn at 3:54 p.m.

Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee on April 14, 2016

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MINUTES

**Committee on Development and Planning
Thursday, February 11, 2016 @ 3:30 p.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 3:40 p.m.

ROLL CALL

Council Member Jody Washington, Chair

Council Member Jessica Yorko, Vice Chair

Councilmember Judi Brown Clarke, Member- arrived at 3:44 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff

Martin Polack, Triterra

Jarl Brey, Capitol Zip

Jane Timmer, Capitol Zip

Jessica DeBone, PM Environmental

Gabriela Allum, LEAP

Karl Dorshimer, LEAP

Tom Lapka, Saboury

Austin Ashley, OTCA

David Vanderklok

Roger Thornburg

Susan Cancro, Advent House; Greater Lansing Homeless Network

J. B. Curry, TWG Development

Joe Whitsett, TWG Development

Brett Kaschinske, Parks and Recreation Director

Bill Rieske, Planning & Neighborhood Development

Mary Elaine Keener

Susan Stachowiak, Planning & Neighborhood Development

Bob Johnson, Planning & Neighborhood Development

Joseph Abood, Deputy City Attorney

Mark Dotson, Deputy City Attorney

MINUTES

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM JANUARY 28, 2016 AS PRESENTED. MOTION CARRIED 2-0.

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DISCUSSION/ACTION

RESOLUTION –ACT-6-2015; Lease portions of Adado Riverfront Park on each side of Grand River; Capitol Zip, LLC; 10 years

Mr. Kaschinske informed the Committee that the applicants had been before the Parks Board board multiple times and had considered several locations. There were also discussions held with the Administration and Scott Keith (LEPFA) on the now proposed site which is north of Saginaw Street on City property on both sides of the river. Mr. Kaschinske concluded by confirming for the Committee that both the Park Board and the Planning Board both approved it.

Mr. Brey and Ms. Timmer outlined their proposal which also included their vision for a leadership program and school coordination events. Mr. Brey did inform the Committee that they will give back on a 10 year lease and a percentage of the gate will go back into the Parks and Recreation budget, therefore a new revenue stream for the City.

Council Member Washington asked who will run the facility that pays the insurance and what the anticipated hours are. Mr. Brey answered the liability is built into the plan, which covers a certain number of visitors and if they exceed that, they will settle up at the end of the year. If we estimate 40,000 and they have 60,000 come thru they pay the difference. The hours will be 10 a.m. to 11 p.m. with potential of different hours during event. They will also install fencing and create every possible measure to best keep the structure protected from easy access. It will also be lite. Their season will be March thru November depending on the weather. Mr. Brey concluded that the structure itself is Michigan made from Allegan Michigan.

Council Member Yorke asked if Mr. Brey had ever utilized this project on public land before. Mr. Brey admitted they had not, and hope to make this a model.

Council Member Washington informed the group that she had asked Mr. Kaschinske about the lease amount and was informed that if the lease went over 5 years it will go to Council. Therefore if the Committee approves the ACT-6-2015 now they are approving no matter what the lease amount is.

Committee Members and Mr. Brey discussed the actual zip line process, structure, harnesses, safety and adaptive harnesses for participants with disabilities. Mr. Kaschinske confirmed that maintenance and upkeep along with restoration will be in the contract.

Mr. Brey lastly informed the Committee that they have an agreement with a retail facility on Center Street to house their equipment, and offer restrooms. There is also parking on that site. Council Member Washington asked if there would be bike racks at the structure. Mr. Kaschinske stated he would check for bike racks at the River Trail parking.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR ACT-6-2015 FOR CAPITOL ZIP LLC. MOTION CARRIED 3-0.

Council Member Washington informed the applicants, group and public present that the following agenda items are to set the required public hearings, and therefore their presentations can be done at the public hearings themselves.

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RESOLUTION – Ordinance Introduction and Setting Public Hearing; Payment in Lieu of Taxes (PILOT) Saboury Building Apartments; 1113 N Washington

Mr. Lapka on behalf of Mr. Saboury outlined the project for 24 units of affordable housing, 1-2 bedrooms, and 30%-60% medium income, with 1st floor commercial space. The project will be a 37 year pilot. Council Member Washington asked Mr. Lapka if they had been before the Committee with a PILOT before, and it was confirmed they had however they did not score well and so it was re-written, underwritten and went thru MSHDA.

Council Member Washington asked if the property had been taken care since it still sits vacant. Mr. Johnson confirmed the lot is maintained, the property is secure and it is in decent condition. Council Member Washington asked if there any other PILOT's on the property, and Mr. Johnson stated no. Council Member Washington asked if it would be senior housing and Mr. Lapka stated it would be family housing. Council Member Washington then referenced a past development known as Ferris Development at which point it was stated that the only PILOTs Council can grant are for senior housing. Mr. Lapka asked for Committee consideration since they have housing authority application dues in April.

Council Member Washington then spoke to everyone in the room referencing agenda item 4.D)-Z-1-2016; stated that in the future as Committee Chairperson she will make determinations on the agenda and she will not rush items thru because the applicants are not prepared. It is not fair to Council to be rushed into a decision to have items come to Committee in 3 days.

Council Member Brown Clarke asked what decision making matrix was used to make sure it will be affordable or fair market housing. Mr. Lapka noted it will be affordable housing first and not market rate. So they obtained a market study at the site to see if they could lease at those rates. With affordable housing rates and the equity they can keep the rates at the 30-50% level, and to get rent to make the project viable. The market rate study rents were not high enough to support the debt. Affordable housing in that area will fill up and stay rented. Council Member Washington stated her understanding that this site is now a prime site for affordable housing.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO INTRODUCE THE ORDINANCE FOR THE PILOT FOR 1113 N WASHINGTON AND SET THE PUBLIC HEARING FOR FEBRUARY 29, 2016. MOTION CARRIED 3-0.

Council Member Washington referenced map information provided by Mr. Johnson's office along with a recent spreadsheet that listed PILOTS in Lansing. It was also noted that not only do PILOT's not pay taxes, but also church properties, school properties, governments, hospitals and any tax abatement. Council Member Brown Clarke asked for an additional graphic on the PILOT list that would show any low income housing. Council Member Yorke recalled MSU doing a study on this with maps. Council Member Washington agreed, but wondered if that was only for senior housing. There needs to be a study on apartments in the City and research their rental rates. Council Member concluded stating that the City does not have a lot of market rate, and almost no high end.

RESOLUTION – Set Public Hearing; Brownfield Plan #64; South Edge Lofts Project; 616 S. Washington Avenue Properties LLC

Ms. Allum introduced Ms. DeBone and Mr. Thornburg. The location of the site is the corner of St. Joseph and Washington. There are 4 parcels which were recently combined. Those consisted of a former parking lot, an apartment building and office building and an additional surface lot. In the occupied spaces the tenants are paying a month to month lease. In the

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existing surface parking lot items were identified so soil will have to be managed, taken to a type two landfill and they will install a surface cover. This process makes the project Brownfield eligible.

Mr. Thornburg details the project of new office at 13,000 square ft. and 45000 residential. Based on a residential market rate study, they will be studios, one bedroom, two bedrooms and lofts. Council Member Yorke complimented the applicant on how their plans are to maintain the historical structures and build around them. Mr. Thornburg confirmed the residential structures will be wood build, and the office will be steel.

Council Member Washington asked if the applicant had done any community outreach to the surrounding neighborhoods. It was confirmed they had met with the Reo Town Association and received their supported. Council Member Yorke offered her assistance to coordinate an outreach event since it is in her Ward.

Ms. Stachowiak informed the Committee that since the project will also be going thru a rezoning the public hearing for the Planning Board will reach everyone within 300 feet. A portion was rezoned a few years back to G-1 so this will be a partial rezoning.

Council Member Washington asked if the applicant had reached out to the local labor and if it will be an open bid. The applicants stated they have a partner in the project that is a general contractor, but when they do open bid for subcontractors their list is 50/50 of open shop and union labor.

Council Member Yorke referenced page 6 & 7 of the Brownfield Plan and asked what taxes are currently generated and what it will look like. Ms. DeBone noted that taxes will continue to be generated to taxing jurisdictions on local and school millages at the base taxable value of \$383,400 throughout the duration of the plan totaling approximately \$455,379.

Mr. Dorshimer confirmed that the base value stays the same the Brownfield invests to the new market value and tax value. That will be an increase in taxes in 90% collected. This Brownfield will last 17 years. They will still collected taxes at what the value is now, and they are reinvesting the funds and will be reimbursed from their own money.

Council Member Washington asked Ms. DeBone to provide the specifics and information in writing to Council Member Yorke to report out on February 22, 2016.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR MARCH 14, 2016 FOR BROWNFIELD PLAN #64. MOTION CARRIED 3-0.

Council Member Brown Clarke asked what study was used for the rental rates. It was noted that they looked at the corridor study and drew conclusions that there were enough low income in the City, but the City needed more multi rate and low income single family.

RESOLUTION – Set Public Hearing; Z-1-2016; TWG Development; 635 W Willow to DM-4 Residential; 656 W. Maple to DM-1 Residential

Ms. Stachowiak informed the Committee there are three parcels with this development however the Abigail property was already rezoned to DM-1 for this type of use. One parcel is 656 W. Maple, which is the former high school and will be used for 18 affordable senior housing units. These would then be combined into one parcel all DM-1.

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The parcel at 635 W. Willow will be affordable housing with no age restriction, and will require the highest residential zoning. These will be kept separate for tax purposes, but function as one site. If Council were to factor density in, the two parcels total is lower density. The density on the property on Willow is currently the same density at Willow Vista.

Mr. Ashley stated there was lots of neighborhood support.

Council Member Washington asked what happens if the rezoning passes but the project doesn't happen. Ms. Stachowiak noted that the property can be used up to the density in which it is located and affordable housing has no effect on the zoning, we can restrict income levels.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RSOLUTION TO INTRODUCE THE ORDINANCE FOR Z-1-2016 AND SET THE PUBLIC HEARING FOR MARCH 14, 2016. MOTION CARRIED 3-0.

OTHER

City Attorney Update on Ownership of SkyVue

Mr. Abood stated that the Office of the City Attorney's understanding is that the ownership consists of Lansing Property 1 LLC, which represents EdR Corp. and Rise Development Corp.. It is our further understanding that predicated upon anticipated performance, EdR Corp. and Rise Development Corp. will be 50/50 share-holders or stakeholders in the project. This ownership information satisfies Law. Council President Brown Clarke asked who was localized on the project, and Mr. Abood stated his understanding that the oversight of the project is Edr and Rise, but they do not know if those individuals are local.

Ingham County Lead Poisoning Information

Council Member Washington noted that the entire discussion will occur at the March 10th regular Committee meeting. Council Member Yorke distributed additional information referencing Detroit and also a sheet of problems and solutions. Council Member Washington noted that the discussion at the March 10th meeting will also be do discuss the appropriate referral of the item to the Ad Hoc on Land Contracts and Rental Housing, Committee on Public Safety or the Committee of the Whole. Council Member Yorke pointed out in the examples she provided of Rochester where the municipality educated residents how to prepare for the inspections with lead remediation. Council Member Brown Clarke encourage the Committee to move towards a viable example, scenarios and research what other communities did so that when it is referred to the other Committee there are Committee on Development and Planning recommendations on findings, examples and solutions. Council Member Washington agreed that the item needed to be passed along as a complete package on how Council can address it not how they can't do anything. This could include a presentation at Committee of the Whole by Ingham County Health on the problems and potential solutions.

Adjourn at 4:50 p.m.

Submitted by,

Sherrie Boak, Recording Secretary,
Lansing City Council

Approved by the Committee on _____

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MINUTES

**Committee on Development and Planning
Thursday, March 10, 2016 @ 3:00 p.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 3:00 p.m.

ROLL CALL

Council Member Jody Washington, Chair

Council Member Jessica Yorke, Vice Chair- arrived at 3:03 p.m.

Councilmember Judi Brown Clarke, Member.

OTHERS PRESENT

Sherrie Boak, Council Staff

Mark Mello

Marty Polack, TriTerra

Bruce Stiles

Chris Strallwood, FLC

Dave VanHaaren, TriTerra

Eric O'Leary, LC Consultants

Marc Krantz

Fred Frederickson

J. B. Curry, TWG

Elizabeth Whitsett, TWG

Joe Whitsett, TWG

Kevin Roragen, TWG

Kurt Keahulik, Stiiles

Rich Baker, Stiles

Julie Powers, GLHC

Tom Edmiston, Cinnaire

Mary Eclainskewia

Sue Stachowiak, Planning & Neighborhood Development

Robert Johnson, Planning & Neighborhood Development

Karl Dorshimer, LEAP

Gabriella Allum, LEAP

Steve Willobee, LEAP

Brad Brandent

Glen Freeman

Tim Damon, Chamber of Commerce

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Mary Elaine Keener
Austin Ashley

MINUTES

Moved to the next meeting.

Council Member Washington amended the agenda to remove item J. since PILOT's will be discussed at the March 21, 2016 Committee of the Whole meeting. Item K. Transparency on Bidding and Opening of Bids to the first item.

Council Member Washington then reminded the Committee that when two (2) people of a Committee hold discussions outside of a posted meeting is a quorum, out of order and should not happen. It does not matter if in a leadership manner, and she concluded by stating that as Chair of this Committee she would like notification and the public should notify of those communications.

DISCUSSION/ACTION

Transparency in Bidding and Opening of Bids (2013 Draft Ordinance)

Council Member Washington noted that the ordinance in 2013 was approved by the City Attorney office but was voted down at Council that year. Council needs to know when they hand out approval of projects what they have to follow. The Committee should review the draft ordinance from 2013.

Mr. Mello spoke in support of the skilled trades in the Tri-County area, but have a concern they are not getting a chance to bid.

Council President Brown Clarke noted they will have to review the process and why the timeline stopped on the ordinance in 2013 and why there was no public hearing.

Mr. Krantz asked if Council would consider the thought of responsible bidder contracting, and then he submitted fair contracting information from the National Alliance for Fair Contracting website.

Mr. Fredrickson stated his opinion that Council needs to know who is bidding on the jobs and who is getting the jobs.

Mr. Brandent spoke in support of the transparency policy.

Council Member Washington noted that as it states now, the development does not have to or is required to hire local but she wants to make sure local contractors have the opportunity to bid.

Mr. Freeman spoke on behalf of local workers who want a chance to bid on the jobs, and wishes to speak to the developers before it goes out to bid.

Council Member Washington asked that all representatives are present at the table for future discussions.

Mr. Damon asked to be included for an interest in hearing what the issues are.

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Council Staff was asked to forward the 2013 Draft to the Committee. Council Member Wood stated she would provide history information. Council Member Washington noted that since there has been a gap in time, the Committee should review the complete document. Mr. Whitsett noted it that it is not difficult to ask for local contractors to bid on the projects.

Z-6-2015; Ordinance for 203 S Clipper from "A" Residential to "E-1" Apartment Shop District

Council Member Yorko and Brown Clarke noted that at the public hearing at Council there was no public input. Council Member Washington asked if this rezoning was part of the Red Cedar project. Mr. Willobee noted that they development is under agreement, but if the deal does not happen with Ferguson and Continental then this would still be a favorable rezoning for the City to remarket. Ms. Stachowiak added that "A" was appropriate for a park of golf course, however "E-1" allows mixed use to the highest density along with commercial and office and that is what is being proposed. This will also allow a height of 100' and reduced setbacks.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE ORDINANCE FOR Z-6-2015 FOR THE REZONING OF 203 CLIPPERT FROM "A" RESIDENTIAL TO "E-1" APARTMENT SHOP DISTRICT. MOTION CARRIED 3-0.

RESOLUTION- SLU 6-2015; PARKING LOT AT 830/836 E JOLLY; COMMUNITY MENTAL HEALTH AUTHORITY

Ms. Stachowiak noted that the CMH is currently in the site plan review process to expand their facility and increase services to this is logical expansion to the east.

Council Member Yorko noted that at the public hearing at Council the residents that spoke were happy with the plans, however there was an issue with the direction the cars would be facing in the lot, and they didn't want headlights facing the houses. Council Member Washington confirmed she had visited the site and was also concerned, and asked that the work on a buffer that will address this. The applicants reviewed the plans and layout with the Committee and agreed to put fencing up, meet with residents and also make the existing fence of solid material.

MOTION TO BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION FOR SLU 6-2015; PARKING LOT AT 830 & 836 E. JOLLY. MOTION CARRIED 3-0.

Council Member Wood asked for a timeline from the applicants. The applicants stated they would work with Spartan Fence on a site visit and quote over the next 45 days. Council Member Washington accepted that option.

RESOLUTION- SLU 7-2015; PARKING LOT AT 1434 E. JOLLY ROAD

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR SLU-7-2015 FOR THE PARKING LOT AT 1434 E JOLLY ROAD. MOTION CARRIED 3-0.

RESOLUTION – SET THE PUBLIC HEARING FOR BROWNFIELD #65; POTTER FLATS REDEVELOPMENT PROJECT

Mr. Dorshimer confirmed that the developer will be at the public hearing. Ms. Allum outlined the site as the former Knapps warehouse, and plans for a 2 story rehabilitation. This will include the first floor of a salvage store, and 2nd floor as an incubator for trade services and work space.

Representatives from TriTerra outlined the project for the 37,500 square foot building which does include 19 units of lease space. Eligible activities include \$29,750 of environmental costs, \$600,550 of non-environmental costs, with a total estimate of eligible activities at \$738,345.00. Some aspestis was found but there will not be a lot of earth work needed. Most of the cost is for demolition and aspestis removal.

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Mr. Dorshimer noted that with the plan they will only capture the new taxes. Current taxes will be continue to be paid, only the increase in taxes as part of the private development will be reimbursed. With the new value and new taxes at 90%, with 10% estimate at \$124,000 of new taxes, the new taxes to debt is \$80,000. Council Member Yorke asked if the payment gets paid over 20 years, and Mr. Dorshimer confirmed. The breakdown depends on the plan, and in this case it is 1% over the years so you will see a ramp up of value consistent at 1% over time.

Council Member Brown Clarke asked for detail on the time line and verification of location on the river. The representatives planned for summer 2016 as the start date, and a year for the project. There are funds in the budget for clearing and grubbing along the river front.

Council Member Wood asked Mr. Dorshimer if all the taxes had been paid on this project and any other project the developer owns. Mr. Dorshimer confirmed they were paid. Council Member Wood then referenced the signed agreement, but no initial by the developer on the applicant acceptance of notice and reporting requirements and local preferences in hiring, procurement of goods, services, contracting and subcontracting. Mr. Dorshimer stated they will have it done before Council is asked to vote.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR BROWNFIELD #65 FOR MARCH 28TH. MOTION CARRIED 3-0.

Council Member Washington asked for all information from LEAP to be provided by the March 28th hearing.

PAYMENT IN LIEU OF TAXES (PILOT0 SABAOURY BUILDING APARTMENTS, 1113 N WASHINGTON

Council Member Brown Clarke noted to the group that there will be a further discussion on PILOT's on March 21st at a Committee of the Whole meeting. She then asked any action on this be placed on the next Committee agenda on March 24th and then Council on March 28th.

Ms. Powers voiced her frustration with a delay since there are timelines with MSHDA approaching April 1st. Ms. Powers then spoke in support of the project and other projects Dr. Saboury had done in Old Town.

Council Member Washington reminded everyone present that applicants should submit sooner so they would not be concerned with a time crunch. This topic needs to be a regional discussion. Council Member Washington then asked if Mr. Saboury had already been given a Brownfield for the site, and Mr. Dorshimer stated there was no benefit from a Brownfield so he did not. Mr. Saboury with the PILOT because there was a benefit, and there had not been any submission to MSHDA in the past for this.

Council Member Yorke suggested moving it onto Council.

Council Member Washington suggested discharge it to Committee of the Whole then that Committee can move it to Council. There still needs to be discussions.

Council Member Yorke asked Mr. Abood if since the public hearing had been held, and the Committee now has a resolution for adoption in front of them, can it be moved to Council. Mr. Abood stated the action is deemed by the majority of this Committee.

DRAFT

Council Member Washington moved the item to the next Committee meeting on March 24th.

RESOLUTION – ORDINANCE INTRODUCTION AND SETTING PUBLIC HEARING FOR PILOT FOR CAPITOL PARK CENTER

Mr. Johnson informed the Committee that this was the site of Michigan Broadcasting which is being proposed as 48 units of low income on 5.5 acres with a 4% match on the mortgage for 30 years.

Mr. O'Leary introduced himself as representative of the developer who currently has projects going in Grand Rapids, Jackson and Detroit, and this will be their first in Lansing. The site currently has tax credit that will expire within 2 years.

Council Member Washington asked Mr. O'Leary if they would consider paying a higher percentage rate for less years. Mr. O'Leary noted they are open to a reconsideration of the percentage rate, but want the 30 year time frame. Council Member Washington reminded Mr. O'Leary that if they came in at 10% they would not need Council approval.

Council Member Wood gave an overview of the property from when it was sold by the State of Michigan and what the neighborhoods have been promised over the years.

Council Member Washington stepped away at 4:00 p.m. and passed the gavel.

Council Member Wood is opposed to what is being proposed because that is not what the neighborhoods want.

Council Member Washington returned to the meeting at 4:02 p.m. and Council Member Yorke passed the gavel.

Council Member Washington voiced her concern with the project and where the vision of the City is going. She went on to ask if Mr. O'Leary had spoken to the neighbors. Mr. O'Leary confirmed they spoke to the neighbors, but not the neighborhoods.

Council Member Yorke introduced herself to Mr. O'Leary as the Council Member from the Ward where the project is planned, and informed him that this was the first time she had seen the plan. The developer needs to reach out to her and the neighborhood associations.

Mr. Johnson made not to the Committee that this is an example of financial issues, because plans under PILOTs do not get review by the PND for PILOT approval or recommendations.

Mr. O'Leary stated that the process came together quickly in December and they have been working diligently to prioritize. Council Member Washington asked if they could apply again in October, and Mr. O'Leary agreed.

Council Member Yorke stated she would be fine for setting the public hearing on March 28th and she will reach out to the neighborhoods, but she would still need to see more information before then.

Council Member Brown Clarke asked Mr. O'Leary to confirm there was two years left on the tax credit. Mr. O'Leary stated it will expire May 2018, and if they received this PILOT they would submit in April but know until July. Council Member Washington clarified to Mr. O'Leary he needs to obtain neighborhood involvement and reconciliation.

DRAFT

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO INTRODUCE THE ORDINANCE AND SET THE PUBLIC HEARING FOR CAPTIAL PARK CENTER. MOTION FAILED 1-2.

RESOLUTION – ORDINANCE INTRODUCTION AND SETTING PUBLIC HEARING; PILOT TO REPEAL THE EXISTING ABIGAIL ORDINANCE

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO INTRODUCE THE ORDINANCE AND SET THE PUBLIC HEARING FOR MARCH 28TH FOR THE REPEALING THE PILOT ORDINANCE FOR THE EXISTING ABIGAIL. MOTION CARRIED 3-0.

RESOLUTION – ORDINANCE INTRODUCTION AND SETTING PUBLIC HEARING; PILOT FOR WALNUT PARK APARTMENTS

Mr. Johnson informed the Committee that this part of the project is for 72 family units family, of new construction, and they are asking for the 4%. The following item, Abigail, is using the existing buildings. The length of the PILOT is based on the mortgage.

Council Member Washington asked Mr. Whitsett why he won't take higher than 4%. Mr. Whitsett stated that with the recent changes in tax credit law, they have a choice where they can do 4% but cannot do market rate units. They will have 20% of the apartments as family market rate as affordable. If they plan it with 20% of the units that way, they will request 4%. They would be willing to go up to 10% but without market rate.

Mr. Johnson noted there is a bump in the value, if no qualified value, but a 30% boost in the credit value in eligible cost, there is more equity less debt.

Mr. Whitsett informed the Committee he did a census track on the site and to be eligible you have to be at 50%, and track 50% medium income. The proposed does qualify for the census track and the neighborhood is market rate.

Council Member Washington asked that the 3 bedroom units be at market rate. Mr. Whitsett stated that to do market rate units, he would need 4% with 20% of the units at market rate, or all low income and 10% rate. The senior housing units will have 10% of them at market rate. Council Member Washington reiterated that they plan for 10% of the senior units to be market rate, and 20% of the family units at market rate. Mr. Whitsett confirmed.

Mr. Whitsett then asked for the opportunity to have the option to renegotiate with local bidders on the projects. Mr. Freeman was introduced to Mr. Whitsett.

Council Member Washington asked if the hearing was set for March 28th, if he could provide all the information to Council on the market rate by then.

Ms. Keener acknowledged the developer for his openness to listen, and then acknowledged the Committee for taking the initiative to hold the upcoming meeting on March 21 on PILOT's.

Council Member Washington asked Mr. Whitsett what is plans were for the remaining 10 acres. Mr. Whitsett admitted he is not looking at doing affordable housing there, but the acreage does give him options for 20 units of market rate, but will see how these earlier phases go before he determines. He would not committee to affordable housing. Council Member Washington then

DRAFT

asked what his plans for senior housing is if they do not fill all the low income units, and Mr. Whitsett admitted they will have to lower the rents to get them in and keep them there for 30 years. Council Member Washington acknowledged Mr. Whitsett for his discussion and review, then asked how often do they have to perform the census track for qualifications, and Mr. Whitsett acknowledge every year.

Mr. Ashley spoke in support of the TWG development at the Abigail.

Council Member Washington asked that the documents be changed to reflect what was stated by Mr. Whitsett on the 20% market rate in family and 10% market rate in the senior housing and provided to the Committee prior to the public hearing. Mr. Whitsett confirmed he has been diligently working and it can be done. Mr. Abood confirmed it can be done.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO INTRODUCE THE ORDINANCE AND SET THE PUBLIC HEARING FOR MARCH 28TH FOR THE REPEALING THE PILOT ORDINANCE FOR THE EXISTING ABIGAIL. MOTION CARRIED 3-0.

RESOLUTION – ORDINANCE INTRODUCTION AND SETTING PUBLIC HEARING FOR PILOT FOR THE ABIGAIL

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESEOLUTION TO INTRODUCE THE ORDINANCNE AND SET THE PUBLIC HEARING FOR MARCH 28TH FOR THE PILOT FOR THE ABIGAIL. MOTION CARRIED 3-0.

Council Member Washington stated the PILOT for the Abigail and the Repeal for the Abigail along with the PILOT for Walnut Park Apartments will be on the Committee on Development and Planning agenda for March 24th, and if there are no issues at the hearing on March 28th, they will also be up for approval that night.

Council Member Wood asked Mr. Johnson to provide Council with information on how much the City is getting in taxes, and Mr. Johnson stated he would follow up with the Assessor.

Other

Ingham County Lead Poisoning Information

Council Member Washington stated this topic should be handled in public safety with code compliance, and therefore asked Council Member Wood, Committee on Public Safety Chairperson to address it immediately. Council Member Wood stated she would speak to her Committee members about the topic and possibly meeting more frequently.

Council Member Brown Clarke noted they could also collaborate with the Committee on Intergovernmental Relations to pull in other regional partners.

Adjourn at 4:53 p.m.

Submitted by,

Sherrie Boak, Recording Secretary,
Lansing City Council

Approved by the Committee on _____



OFFICE OF THE MAYOR

9th Floor, City Hall
124 W. Michigan Avenue
Lansing, Michigan 48933-1694
(517) 483-4141 (voice)
(517) 483-4479 (TDD)
(517) 483-6066 (Fax)

Virg Bernero, Mayor

TO: City Council President Judi Brown Clarke and Councilmembers

FROM: Mayor Virg Bernero

DATE: 1/21/16

RE: Resolution—Brownfield –Setting Public Hearing and Approval of South Edge
Lofts Project—616 S. Washington Avenue Properties LLC

The attached correspondence is forwarded for your review and appropriate action.

VB/rh
Attachment



AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS AGREEMENT in Consideration of Development Incentives (“Agreement”) is made and entered this 21st day of January, 2016, by and between the City of Lansing, Michigan, a Michigan municipal corporation (“City”), and 616 South Washington Properties LLC, a Michigan Limited Liability Company (“Applicant”), (collectively the “Parties”);

I. STATEMENT OF PURPOSE:

The City of Lansing welcomes new investment and the creation of new jobs. To achieve these goals, the City offers a variety of economic incentives that are designed to facilitate the expansion of existing businesses and the location of new businesses within the City, as well as the rehabilitation of obsolete structures and the reuse of environmentally contaminated sites.

Economic incentives typically do not provide City funds to developers or businesses, but rather encourage new investment and job creation in the City that would not have occurred without the incentive. The purpose of this Agreement is to establish performance expectations, reporting requirements, and preferences for Lansing-based firms, resident employees and union employees in hiring, contracting, subcontracting and procurement related to the acceptance of economic incentives by the Applicant.

Economic incentives are beneficial to both the City and the Applicant. The approval of incentives must be a transparent and public process that produces a clear agreement between the Parties regarding the responsibilities of both the City and the Applicant. This public process does not end with the approval of the incentive, but continues until the commitments made by the Applicant under this Agreement are met.

II. DEFINITIONS

As used in this Agreement, the definitions herein shall be the mutually understood meaning of the following terms:

“*Incentive*” means a reduction in City taxes levied on real or personal property, or other financial benefit to Applicant, for a limited number of years as specified in this Agreement, and which may include, but is not limited to, those tax reductions or other

financial benefits authorized by the Obsolete Property Rehabilitation Act (Public Act 146 of 2000, as amended), Neighborhood Enterprise Zone Act (Public Act 147 of 1992, as amended), Brownfield Redevelopment Financing Act (Public Act 381 of 1996, as amended), Plant Rehabilitation and Industrial Development Districts (Public Act 198 of 1974, as amended) and the New Personal Property Tax Exemption authorized by Public Act 328 of 1998.

“*Lansing-based firm*” means an incorporated business entity that owns or leases an office, warehouse, distribution center, or wholesale or retail store located within the corporate limits of the City of Lansing.

“*Full-time Equivalent Employees (FTE)*” means a combination of full-time and part-time employees that represents all employees as a comparable number of full-time employees.

III. RECITALS:

A. APPLICANT/PROJECT INFORMATION

Name of Project: South Edge Lofts Project

Business Name of Applicant (if applicable): 616 South Washington Properties LLC

Name of Parent Company (if applicable): _____

List Managing Partner and all other Partners, including percentage ownership interest of each partner:

<u>A&A Equities LLC (Roger Thornburg)</u>	<u>50</u>	<u>%</u>
<u>Joe Biersbach</u>	<u>50</u>	<u>%</u>
_____	_____	<u>%</u>
_____	_____	<u>%</u>

List City incentive(s) and number of years requested for each:

<u>Act 381 Brownfield Tax Increment Financing (TIF)</u>	<u>17</u>	<u>Years</u>
_____	_____	<u>Years</u>
_____	_____	<u>Years</u>

List all Federal, State or other incentives and their estimated value that may be part of this project:

State Approval of Act 381 Work Plan to Conduct Eligible Environmental and Non-Environmental Eligible Activities with an Estimated Value of \$1,580,328 in TIF.

Michigan Economic Development Corporation's Community Revitalization Program with an Estimated Value of \$2,000,000 in combined Grant and Loan funds, subject to State Approval.

Name of Financial Institution(s) funding the Project *(if unavailable upon execution of this Agreement, Applicant agrees to furnish commitment letter(s) from lending institution(s) to the LEDC when available):*

Estimated number of new, permanent full-time equivalent employees (FTE) upon Project Completion *(if applicable):*

42 FTE

Estimated total investment in real and personal property, including acquisition and construction costs, upon Project Completion:

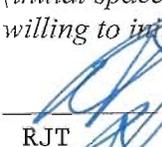
\$ 10,000,000

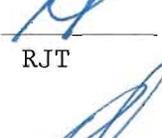
Estimated average hourly wage or annual salary of new, permanent employees *(if applicable):*

\$ _____

B. APPLICANT ACCEPTANCE OF NOTICE AND REPORTING REQUIREMENTS AND LOCAL PREFERENCES IN HIRING, PROCUREMENT OF GOODS AND SERVICES, CONTRACTING AND SUBCONTRACTING

(initial spaces below to indicate acceptance) (on the final executed copy the client needs to be willing to initial each of these)


RJT Applicant agrees to notify the LEDC and City Assessor of any and all partnership or ownership changes during the term of any incentives approved for the Project.


RJT Applicant agrees, and may be required to provide written documentation at the request of the LEDC, to consider and hire as many Lansing residents and Lansing-based firms, including but not limited to consultants, suppliers, contractors and sub-contractors, as reasonably possible.


RJT Applicant agrees, and may be required to provide written documentation at the request of the LEDC, to make good faith efforts to hire contractors and sub-contractors that employ union labor when economically feasible.


RJT

Applicant agrees that all employees, contractors and sub-contractors related to this Project will pay all City individual income tax.


RJT

Applicant agrees to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees as required by law.


RJT

Applicant agrees that all contractors and sub-contractors will report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees as required by law.

C. LEDC STAFF/ADMINISTRATION RECOMMENDATION

Name of Lead Staff Person: Gabriela Allum

Revenue currently paid to the City by the site or project: \$ 7,453 annually

Estimated total revenue to the City upon Project Completion: \$ 45,138 annually

Estimated total value of City Incentive(s): \$ 563,720

Estimated total new net revenue to the City: \$ 214,200

Staff Comments (*indicate reasons for providing Incentive and describe any additional value to the City as a result of approval*):

The Project Area represents an important block in an effort to extend downtown Lansing's vibrancy to the south and connect REO Town to downtown. The Project would involve significant investment in brownfield property, while also acting to infill a sparsely built block in downtown. At the same time, the Project would bring a significant number of new residents and new full-time jobs to the City of Lansing, adding spending power and activity in the immediate area while providing income taxes to increase City tax revenue.

Project Timeline: The project is anticipated to begin in the Summer of 2016 and be completed by mid-2018.

Have all appropriate City Incentive fees been received? YES NO

Staff Recommendation: APPROVE DENY MODIFY

(if DENY or MODIFY please explain in space provided below)

Administration Recommendation: APPROVE DENY MODIFY

(if DENY or MODIFY please explain in space provided below)

D. ADDITIONS:

1. Applicant, in seeking local legislative approval, has made certain representations to the City as more fully set forth herein.

2. The Applicant has applied for Brownfield Tax Increment Financing (TIF) for the purpose of redeveloping the Project Area properties in order to construct a new mixed use residential and office building that preserves and incorporates the facades of existing buildings, including the Blake House. Brownfield eligible investment includes asbestos surveys and abatement, due care activities and extensive demolition activities. The Project is anticipated to create 42 new full-time equivalent employees (FTE), to be employed by the future tenants of the offices and management of the apartments, with a total estimated investment in real property of \$10,000,000 and personal property of \$0, when completed.

3. The Applicant has supplied to the LEDC all application and supporting documentation, including a list of all partners of the Applicant with an ownership interest in the Project, which in turn has been forwarded to the City prior to the approval of the Incentive.

4. The Applicant has provided to the LEDC detailed information including wage and benefit information if known on the projected investment for the Project and new, permanent full-time equivalent employees (FTE) expected to be hired or retained as a result of the Project as described in paragraph D. 2., which in turn has been forwarded to the City prior to approval of the Incentive.

5. The Applicant and the City desire to enter into an agreement whereby the Applicant and City specify and agree on the Project performance measures under which the Incentive is granted, and some of the conditions under which such Incentive can be modified or revoked by the City and/or State of Michigan. Nothing in this Agreement supersedes or diminishes any rights of the City or the State established by Federal, State, or Local law or regulations.

6. The Lansing City Treasurer has verified in writing the Applicant is not delinquent and/or late on any property taxes owed to the City for all properties in which the applicant owns a twenty-five percent (25%) or more interest.

7. The Lansing City Treasurer has verified in writing the Applicant, if an employer in the City, is in compliance with all required City wage withholding and income reporting requirements for all of their employees.

8. The Lansing City Treasurer has verified in writing the Applicant is not delinquent and/or late on any corporate or other business income taxes owed the City, if any.

9. The LEDC has verified that all application fees due have been paid in full by the Applicant.

IV. AGREEMENT:

NOW, THEREFORE, in consideration of the recitals and mutual covenants and agreements herein contained and pursuant to MCL Public Act 381 of 1996, as amended (the "Act"), as amended, the Parties agree as follows:

A. Reliance on Recitals

The Parties acknowledge Applicant has made representations contained within its application, and the recitals and additions above, with the purpose and intent of City's reliance thereon, as well as for compliance with the Act, as amended, and the City relies upon these representations in its determination that the Incentive should be approved.

B. Project Area

The location of the Project is commonly known as 616 South Washington Avenue, but includes three additional parcels, 118 West St. Joseph Street, 617 South Capitol Avenue, and 615 South Capitol Avenue. The four parcels, in their entirety, constitute the ("Project Area"), legally described as follows:

616 South Washington Avenue: 33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

118 West St. Joseph Street: 33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

617 South Capitol Avenue: 33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

615 South Capitol Avenue: 33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

C. Project Timeframe.

The Applicant and City agree the City's approval of the Incentive is based upon completion of the Project within a specific time period ("Project Timeframe"). The Project Timeframe starts July 1, 2016 and ends June 30, 2018.

D. Project Completion

The Applicant and the City agree that for the Project to be considered complete, the Applicant must perform all of the following in the Project Area within the Project Timeframe (“Project Completion”):

1. Use best efforts to create at least 42 new, permanent full-time equivalent employees (FTE) as described in III. D., above.
2. Purchase and/or locate within the Project Area, personal property with a fair market value of \$0. This personal property may not be moved to the Project Area from another location within the City of Lansing.
3. Make improvements to the real property and complete development currently estimated at \$8,500,000 (including infrastructure). Improvements include only hard costs, and exclude architectural and engineering costs.
4. Obtain all necessary building permits and site plan approvals, including payment of all required fees, plus final inspections including a Certificate of Occupancy from the City of Lansing and all other appropriate authorities and agencies.
5. Upon Project Completion, the applicant will provide to the LEDC, upon request, any and all appropriate financial records that are referenced as part of this Agreement.
6. Project Completion must be performed by June 30, 2018.

E. Project Completion Progress Reports

The Applicant shall file an annual report with the LEDC on the Applicant’s progress toward achieving Project Completion. Reports shall be submitted in compliance with all LEDC reporting requirements. Applicant understands and agrees that the information submitted to the LEDC will be available for public viewing, unless prior approval is requested and granted for specific confidential business information that is not subject to disclosure under the Freedom of Information Act (Public Act 442 of 1976, being MCL 15.231 et. seq., as amended). Non-compliance with reporting requirements may result in the modification or revocation of the Incentive.

Lack of performance and compliance with this agreement, may be considered as relevant information in consideration of the approval of all future incentive applications to the LEDC or City by the Applicant or any person or entity with (25%) or more ownership in the Project.

F. Verification of Project Completion

No later than thirty (30) days after the end of the Project Timeframe, the Applicant shall provide in writing to the LEDC a Final Project Completion Report (“Final Report”) with proof of Project Completion. Acceptable forms of proof may include, as directed by LEDC, proof of employment, proof of paid invoices, executed and filed tax documentation, final financing documents and similar material which confirm original financial data, engineering and

architectural “as-built” drawings, photographs, and other like evidence of completion of the Project in the Project Area. If at any time during the Project Timeframe the Applicant completes the Project as agreed upon in Section (4), the Applicant may submit the Final Project Completion Report to the LEDC.

G. Consideration of Applicant’s Compliance with the Agreement.

Within 60 days of receiving the Final Report, or 90 days after the end of the Project Timeframe, the LEDC shall make a preliminary determination if the Applicant has achieved Project Completion. In the event the preliminary determination concludes the Project was completed per this Agreement, written notification of such finding shall be sent from the LEDC to the Applicant and the City of Lansing Finance Director. In the event the LEDC makes the determination the Applicant did not complete the project per this Agreement, the LEDC will forward in writing its findings and a recommended course of action to the Applicant and the City of Lansing Finance Director. Prior to any action that might lead to the modification or revocation of all or part of the Incentive, the City shall offer the Applicant the reasonable opportunity to appear before the Council and be heard. In the event of the revocation of all or part of the Applicant’s Incentive, the City may consider the breach of contract when contemplating the approval of all future Incentive applications to the City by the Applicant or any partners listed as required in the Recitals.

H. Failure of Applicant to Pay Tax Applicable to Personal Property

If any property tax applicable to the personal property that makes up the project is not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may seize and sell the personal property to pay the tax, expenses of sale, and interest on the tax, or may commence civil litigation to recover the amount of tax an interest thereon, in accordance with Michigan law.

I. Failure of Applicant to Pay Tax Applicable to Real Property

If any property tax applicable to the real property that makes up the project is not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may place a lien on the real property. The City may enforce the lien in the same manner as provided by law for the foreclosure in the circuit courts of mortgage liens upon real property, in accordance with Michigan law.

J. City’s Rights under Act

Nothing in this Agreement shall supersede the City’s ability to request the State Tax Commission to revoke the Incentive as otherwise provided, or as may hereafter be provided, under the Act, as amended. Nothing in this Agreement supersedes or diminishes any rights of the City or the State established by Federal, State, or Local law or regulations.

K. Ambiguity

If this Agreement or any of its terms and conditions are determined to be ambiguous, this Agreement and all its terms and conditions shall be considered as if drafted by both parties.

L. Rights and Remedies Cumulative

The Parties shall have all the rights and remedies available at law, in equity or in this Agreement to enforce the rights and obligations under this Agreement. All remedies shall be cumulative and none will be exclusive of any other. The exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

M. Right In Third Parties

This Agreement is not intended nor shall it create any rights, expectations or benefit to any third parties, including any creditor of the parties.

N. Severability

The invalidity of any portion of this Agreement shall not affect the validity of the remainder thereof.

O. Subsequent Waivers

One or more waivers of any provision, covenant, or condition of this Agreement shall not be construed as a waiver of a subsequent breach of the same provision, covenant, or condition, or as a waiver of a subsequent breach of other provisions, covenants, or conditions. The consent or approval to or for any act shall not be deemed to render unnecessary the consent or approval to or for any subsequent similar act.

P. Termination

This Agreement terminates upon verification of project completion by the LEDC, or upon the written agreement of the Parties.

Q. Authority.

The Applicant's execution, delivery and performance of this Agreement have been duly authorized. The Applicant's representative executing this Agreement does so with requisite authority to fully and completely bind the Applicant.

IN WITNESS WHEREOF, the undersigned Parties hereto execute this Agreement as of the day and year first above written.

WITNESSES:



Shannon M. Starkweather

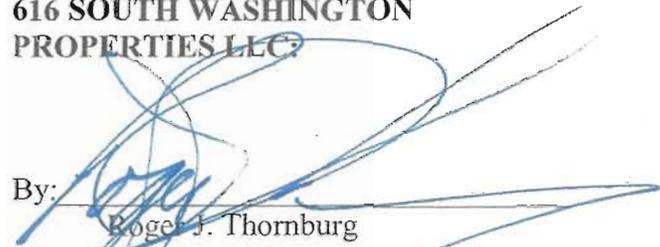


Kristi L. Starkweather

Approved as to form:

Janene McIntyre
City Attorney

**616 SOUTH WASHINGTON
PROPERTIES LLC:**


By: _____
Roger J. Thornburg

Its: Manager

CITY OF LANSING:

By: _____
Virg Bernero

Its: Mayor

**LANSING ECONOMIC
DEVELOPMENT CORPORATION:**

By: _____
Karl R. Dorshimer, Jr.

Its: Representative

I hereby certify that funds are available
in Account No.: _____

City Controller



PROVIDING SERVICES NATIONWIDE

Corporate Headquarters – Lansing Michigan
Toll free: 800-485-0090 – Corporate fax: 877-884-5775

**LANSING BROWNFIELD
REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN #64

January 6, 2016

**FOR THE SOUTH EDGE LOFTS
LOCATED AT 616 SOUTH WASHINGTON AVENUE,
118 WEST ST. JOSEPH STREET, AND
615-617 SOUTH CAPITOL AVENUE,
LANSING, MICHIGAN**

Approved by Lansing Brownfield Redevelopment Authority January 8, 2016

Prepared on Behalf of:

616 South Washington Properties LLC
611 South Capitol Avenue, Suite A
Lansing, Michigan 48933
Contact Person: Mr. Roger Thornburg
Telephone: (517) 487-6600

Prepared By:

PM Environmental, Inc.
3340 Ranger Road
Lansing, Michigan 48906
Contact Person: Jessica DeBone
Telephone: (517) 321-3331

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APPENDICIES

Appendix A	Site Maps
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Appendix F	Estimated Cost of Eligible Activities
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PROJECT SUMMARY

Project Name: South Edge Lofts

Project Location: The property is located at 616 South Washington Avenue, 118 West St. Joseph Street, and 615-617 South Capitol Avenue, Lansing, Michigan

Type of Eligible Property: Property is determined to be a “facility.”

Eligible Activities: Baseline Environmental Site Assessment Activities, Due Care Activities, Demolition, Asbestos Containing Materials Survey and Abatement, Infrastructure Improvements, Site Preparation, and Preparation of a Brownfield Plan and Act 381 Work Plan.

Reimbursable Costs: \$1,580,328 (includes eligible activities and 15% contingency)

Years to Complete Reimbursement : Approximately 17 Years

Estimated Capital Investment: Approximately \$10 million (including Acquisition, Hard and Soft Costs)

Project Overview: This project includes demolition and retrofitting of existing structures and for the development of a new mixed-use office and residential building.

I. INTRODUCTION AND PURPOSE

In order to promote the revitalization of environmentally distressed areas within the boundaries of Lansing (“the City”), the City has established the Lansing Brownfield Redevelopment Authority (LBRA) the “Authority” pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act (PA) 381 of 1996, as amended.

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “Brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties, and will also provide tax incentives to eligible tax payers willing to invest in revitalization of eligible sites, commonly referred to as Brownfields. By facilitating redevelopment of Brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City.

The identification or designation of a developer or proposed use for the eligible property that is subject to this Plan shall not be integral to the effectiveness or validity of this Plan. This Plan is intended to apply to the eligible property identified in this Plan and, to identify and authorize the eligible activities to be funded. Any change in the proposed developer or proposed use of the eligible property shall not necessitate an amendment to this Plan, affect the application of this Plan to the eligible property, or impair the rights available to the Authority under this Plan.

This Plan is intended to be a living document which may be modified or amended as necessary to achieve the purposes of Public Act 381, as amended (“Act 381”). The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Brownfield Plan contains information required by Section 13(1) of Public Act 381, as amended.

II. GENERAL PROVISIONS

A. Description of the Eligible Property (Section 13 (1)(h)) and Project

The Eligible Property has historically consisted of four (4) legal parcels totaling approximately 1.114 acres with a street address of 616 South Washington Avenue, 118 West St. Joseph Street, and 615-617 South Capitol Avenue, Lansing, Ingham County, Michigan (the “Property”).

Property Address	Former Parcel ID	Approximate Acreage
616 South Washington Avenue	33-01-01-16-384-051	.645
118 West St. Joseph Street	33-01-01-16-384-041	.25
615 South Capitol Avenue	33-01-01-16-384-051	.167
617 South Capitol Avenue	33-01-01-16-384-031	.052

The four parcels will be combined under a single ownership entity and parcel number for the purposes of redevelopment.

616 South Washington Avenue, LLC, or any affiliate, or such other developer as approved by the Authority, are collectively the project developer (“Developer”).

The four parcels currently have split zoning. At the request of the City and to better suit the project the entire property will be zoned G-1 – Business. The property is both residential and commercially developed and located along a prominent thoroughfare as you enter Lansing’s downtown. This location serves as a connector between Lansing’s downtown and REO town.

These parcels will comprise the eligible property and is referred to herein as the “Property.”

Property location maps are included in Appendix A, legal descriptions are included in Appendix B.

A description on each parcel and their historical use is provided below.

616 South Washington – PID 33-01-01-16-384-051

Historical sources document that the subject property was developed with four residential dwellings and four associated outbuildings in at least 1898. An additional outbuilding was constructed by 1913. The dwellings and outbuildings were demolished by at least 1951. The property was also occupied by various commercial tenants (i.e. used car sales lot, root beer stand, and/or a restaurant) at varying times between 1929 and 1951. A bank building was constructed in 1951. Various banks occupied the building until at least 1988. The bank building was demolished by 1995. A residential garage was constructed in the northwestern portion of the property by 1961, and was demolished in approximately 2007. The subject property has been used as a surface parking lot since at least 1995.

118 West St. Joseph Street – PID 33-01-01-16-384-041

Historical sources document that a residential dwelling was constructed on the western portion of the property prior to 1898. That building was converted for office use by at least the 1950s and was demolished by 1964. The current building was constructed on the eastern portion of the property in 1903, and has been used for residential purposes with limited professional office use since that time.

615 South Capitol Avenue – PID 33-01-01-16-384-021

Historical sources document that the current building was constructed on the subject property in 1880. Additions were constructed to the northern, eastern, and western portions of the building between 1941 and 1950. A residential garage was constructed northeast of the subject building in 1948. The property was utilized as a residence from initial construction until at least 1955, and was then occupied by various insurance and mortgage companies from at least 1955 until at least 2002. The property was vacant of occupants from at least 2002 until it was demolished in February 2012. The property has since been utilized for surface parking.

617 South Capitol Avenue – PID 33-01-01-16-384-031

Historical sources document that the first developed use of the subject property occurred in 1920 with the construction of the current building. Prior to 1920, the property contained vacant land. The current building was utilized as a residence from initial construction until at least 1955. The building was then occupied by various law and insurance offices from at least 1960 until at least 2010, with the exception of being occupied by the Greater

Lansing Youth for Christ in at least 1964. The property has been vacant of occupants since at least 2010.

The proposed redevelopment includes demolition of the office building located at 617 South Capitol Avenue (2,332 square feet) and the residential building at located at 118 West St. Joseph Street (6,512 square feet), commonly known as the Blake House. The façade of each building will be preserved and incorporated into the new building design.

The new building will consist of mixed-use residential and office space.

The proposed four story residential building will be developed on the western portion of the property along West St. Joseph Street. The apartment units are anticipated to be comprised of 4 studios, 6 lofts, 22 one-bedrooms and 20 two-bedrooms for a total of 52 units (72 beds). The units will range in size from approximately 520 square feet to 940 square feet with a total of approximately 45,000 square feet of residential space. The existing Blake House façade will be preserved and face along West St. Joseph Street, and the existing 617 South Capitol building façade and shell will be preserved and face along South Capitol Avenue on the residential portion of the building.

The proposed two story office space will be developed on the eastern portion of the property at the corner of South Washington Avenue and West St. Joseph Street. The office is anticipated to be comprised of approximately 13,000 square feet of class A office space.

Renovations are anticipated to begin in the summer of 2016 with a slated completion goal of spring/summer 2018. The developer will invest an estimated \$10 million dollars in the redevelopment and create approximately 50 construction jobs, 2 full time equivalent (FTE) jobs associated with the residential management and maintenance and approximately 40 FTE jobs associated with the office space.

Preliminary renderings are included in Appendix C and preliminary site plans are included in Appendix D.

B. Basis of Eligibility (Section 13 (1)(h) and Section 2(o))

The Property is considered “Eligible Property” as defined by Act 381, Section 2 because: (a) in a qualified local governmental unit, (b) a parcel comprising the Property has been determined to be a “facility” as described below.

616 South Washington – PID 33-01-01-16-384-051

On June 18, 2014, PM completed a scope of work consisting of the advancement of five soil borings (SB-1 through SB-5), installation of one temporary monitoring well (TMW-4) and the collection of seven soil and one groundwater sample for laboratory analysis of volatile organic compounds (VOCs), polynuclear aromatic compounds (PNAs), polychlorinated biphenyls (PCBs), metals (arsenic, cadmium, chromium, lead, mercury, selenium), and arsenic to assess the Recognized Environmental Conditions (RECs) identified in PM's June 2014 Phase I Environmental Site Assessment (ESA) Update on the property located at 616 South Washington Avenue. Soil boring locations were determined utilizing ground penetrating radar (GPR) to place is areas of apparent soil disturbance.

Soil analytical results did not identify any concentrations of VOCs, PNAs, PCBs, or asbestos above laboratory method detection limits (MDLs). Various metals were identified in each of the samples collected; however, the concentrations were below the Statewide Default Background Levels (SDBLs) with the exception of arsenic in SB-1, which also exceeds the Part 201 Residential and Nonresidential drinking water protection (DWP) and groundwater surface water interface protection (GSIP) cleanup criteria.

Groundwater analytical results did not identify any concentrations of VOCs, PNAs, arsenic, chromium, lead, mercury, or selenium above laboratory MDLs. The concentration of cadmium is below the most restrictive Part 201 cleanup criteria.

Based upon onsite observations of soil samples and cuttings collected from the soil borings that were advanced at the subject property by PM, the general soil stratigraphy generally consists of medium-stiff to stiff clay to a depth of 20.0 feet below ground surface (bgs), the maximum depth explored. Sandy clay was encountered in SB-1 and SB-4 up to a depth of 4.0 to 6.0 feet bgs. Medium-grained sand was encountered in SB-3 up to a depth of 9.0 feet bgs. Limited, discontinuous groundwater was encountered in sand seams located between 15.0 and 17.0 feet bgs in SB-4.

A location where a hazardous substance is present in excess of the concentrations, which satisfy the requirements of subsection 20120a(1)(a) or (17), is a facility pursuant to Part 201. Section 20120a(1)(a) requirements are the cleanup criteria for unrestricted residential usage.

Contaminant concentrations identified on the subject property indicate exceedances to the Part 201 Residential and Nonresidential DWP and GSIP cleanup criteria. Therefore, the subject property is a facility under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

The Baseline Environmental Assessment (BEA) text, tables, and figures are provided in Appendix E.

Following combination of the four parcels, the property in its entirety will be classified as a facility; however, soil borings and associated sampling completed on the current adjoining parcel known as 118 West St. Joseph, did not identify contamination above the Part 201 cleanup criteria. Therefore the contamination is believed to be limited to the parcel boundary of 616 South Washington, and will be treated as such during development activities and calculation on environmental eligible activities.

C. Summary of Eligible Activities and Description of Costs (Sec. 13 (1)(a-b))

Tax Increment Financing revenues will be used to reimburse the costs of “eligible activities” (as defined by Section 2 of Act 381) as permitted under the Brownfield Redevelopment Financing Act that include: baseline environmental site assessment activities, due care activities, asbestos survey and abatement, demolition, infrastructure improvements, site preparation and preparation of a Brownfield Plan and Act 381 Work Plan. No eligible activities conducted after December 31, 2017 will be reimbursed by the LBRA. A summary of eligible activities is provided below with a complete itemization of these activity expenses included in Appendix F.

The following eligible activities and budgeted costs are intended as part of the development of the property and are to be financed solely by the developer. All activities are intended to be

“Eligible Activities” under the Brownfield Redevelopment Financing Act. The Authority is not responsible for any cost of eligible activities and will incur no debt.

Eligible Activities	Total	MSF Activities	MDEQ Activities
Baseline Environmental Site Assessment Activities	\$9,435		\$9,435
Due Care Activities	\$47,500		\$47,500
Asbestos Activities	\$331,500	\$331,500	
Demolition Activities	\$493,030	\$493,030	
Infrastructure Improvements	\$19,505	\$19,505	
Site Preparation	\$460,546	\$460,546	
Brownfield/Work Plan Preparation	\$16,000	\$8,000	\$8,000
Subtotal	\$1,377,516	1,312,581	\$64,935
15% Contingency*	\$202,812	\$195,687	\$7,125
Developer Subtotal	\$1,580,328	\$1,508,268	\$72,060
LBRA Admin Fee (10% Annually)	\$62,644		
LSRRF (10% Annually)	\$62,644		
State Brownfield Fund	\$86,994		
LBRA EPA Assessment Grant	\$20,855		
Total Eligible Activities Funded	\$1,813,466	\$1,508,268	\$72,060

* 15% contingency excludes the cost of baseline environmental assessment activities and preparation of the Brownfield Plan and Act 381 Work Plan

D. Estimate of Captured Taxable Value and Tax Increment Revenues (Sec. 13 (1)(c))

Incremental taxes on real property included in the redevelopment project will be captured under this Brownfield Plan to reimburse eligible activity expenses. The taxable value of the real property was \$365,945 for the current tax year; no personal property is associated with the site. The estimated taxable value of the completed development is \$2,000,000. This assumes a one-year phase-in for completion of the redevelopment, which has been incorporated into the tax increment financing assumptions for this Plan. An annual increase in taxable value of 1% has been used for calculation of future tax increments in this Plan. Appendix G details the estimate of capture tax increment revenues for each year of the Plan from the eligible property.

E. Method of Financing and Description of Advances by the Municipality (Sec. 13 (1)(d))

Redevelopment activities at the property will be funded by 616 South Washington Properties LLC. Costs for eligible activities funded by 616 South Washington Properties LLC will be repaid under the Michigan Brownfield Redevelopment Financing Program (Michigan Public Act 381, as amended) with incremental taxes generated by future development of the property. The LBRA funded environmental assessments through an EPA Assessment Grant on this property totaling \$20,855 for Phase I and Phase II Environmental Site Assessments (ESAs) and Asbestos Containing Materials Surveys. No additional advances will be made by the LBRA for this project. All reimbursements authorized under this Brownfield Plan, as amended shall be governed by the Reimbursement Agreement.

F. Maximum Amount of Note or Bonded Indebtedness (Sec. 13 (1)(e))

No note or bonded indebtedness will be incurred by any local unit of government for this project.

G. Duration of Brownfield Plan (Sec. 13 (1)(f))

The duration of this Plan should not be less than the period required to reimburse all eligible activities and tax increment revenue intended to be captured by the LBRA for their Local Site Remediation Revolving Loan Fund (LSRRF). In no event, however, shall this Plan extend beyond 17 years from the date of its approval by the Lansing City Council, without the approval of the LBRA and the Lansing City Council.

H. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions (Sec. 13 (1)(g))

The local tax capture shall be applied annually in the following order of priority: 1. Payment of LBRA Administrative Fee, 2. Payment of deposit into LBRA LSRRF, 3. Repayment of LBRA LSRRF or EPA funds used or loaned to the project, 4. Reimbursement of LBRA approved Developer Eligible Activity costs.

Taxes will continue to be generated to taxing jurisdictions on local captured millages and school millages at the base taxable value of \$383,400 throughout the duration of this Plan totaling approximately \$455,379 or \$26,787 annually (\$9,202 school millages; \$17,585 local millages). The table below outlines the new tax revenue that is estimated under this Plan and the associated uses.

Millage	Rate	Taxes Generated for Life of Plan	Tax Increment Revenue Captured by Plan	Capture for Local Tax Units
Ingham County	3.2031	\$ 92,883	\$ 89,379	\$9,769
Airport Authority	0.699	\$ 20,270	\$ 19,505	\$ 2,132
CATA	3.007	\$ 87,197	\$ 83,907	\$ 9,171
CADL - Library	1.5600	\$ 45,237	\$ 43,530	\$ 4,758
Zoo Millage	0.4100	\$ 11,889	\$ 11,441	\$ 1,250
Lansing Operating	19.4400	\$ 563,720	\$ 542,451	\$ 59,289
Lansing Community College	3.8072	\$110,401	\$ 106,235	\$ 11,611
Ingham Intermediate	4.6956	\$ 136,163	\$ 131,025	\$ 14,321
Ingham County Sum	6.3842	\$ 185,129	\$ 178,144	\$ 19,471
Subtotal	43.2061	\$ 1,252,887	\$1,205,616	\$131,771
School Operating	18.0000	\$ 521,963	\$ 455,887	\$ 2,701
SET	6.0000	\$ 173,988	\$ 151,962	\$ 900
Subtotal	24.0000	\$ 695,950	\$ 607,849	\$ 3,601
Lansing Debt	0.2600	\$ 7,539	-	\$ 7,539
Lansing School Debt	2.4000	\$ 69,595	-	\$ 69,595
Subtotal	2.6600	\$ 77,134	\$0	\$ 77,134
Total		\$ 2,025,972	\$ 1,813,466	\$ 212,506

Total Activities Reimbursed by TIF	Estimated Costs
Developer Reimbursement (including a 15% contingency)	\$ 1,580,328
LBRA Administrative Fees (5% of tax increment revenue)	\$ 62,644
LBRA Local Site Remediation Revolving Fund (5% of tax increment revenue)	\$ 62,644
LBRA EPA Assessment Grant Reimbursement	\$ 20,855
3 Mills to State Brownfield Fund	\$ 86,994
Total	\$1,813,466

Tax Increment for Local Tax Units Breakout	Estimated Costs
Non-Capturable Millages	\$ 77,134
10% Capture for Local Tax Units	\$ 125,289
Remaining Tax Increment Estimated in Year 17	\$ 10,083
Total	\$ 212,506

For a complete breakdown of the captured millages and developer reimbursement please see “Table 2” in Appendix G.

I. Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property (Sec. 13 (1)(h))

The legal description of the property included in this plan is attached in Appendix B, property location map is included in Appendix A, and “facility” status documentation is included in Appendix E.

J. Displacement/Relocation of Individuals on Eligible Property (Sec. 13 (1)(i-l))

The existing Blake House structure on 118 West St. Joseph Street has eleven (11) current residents that are on a month to month lease. Under a month to month lease the property management team (MTH Management) has a 30 day notification requirement by law if a lease will not be renewed. The development teams intends to give a 90 day notification to the remaining tenants, who will vacate the property prior to any construction activities taking place. MTH Management will work tenants as needed to determine other housing alternatives in the area. There are no other persons residing on this property and no property will be acquired or cleared by the authority under this Plan.

K. Local Site Remediation Revolving Fund (“LSRRF”) (Sec. 13 (1)(m))

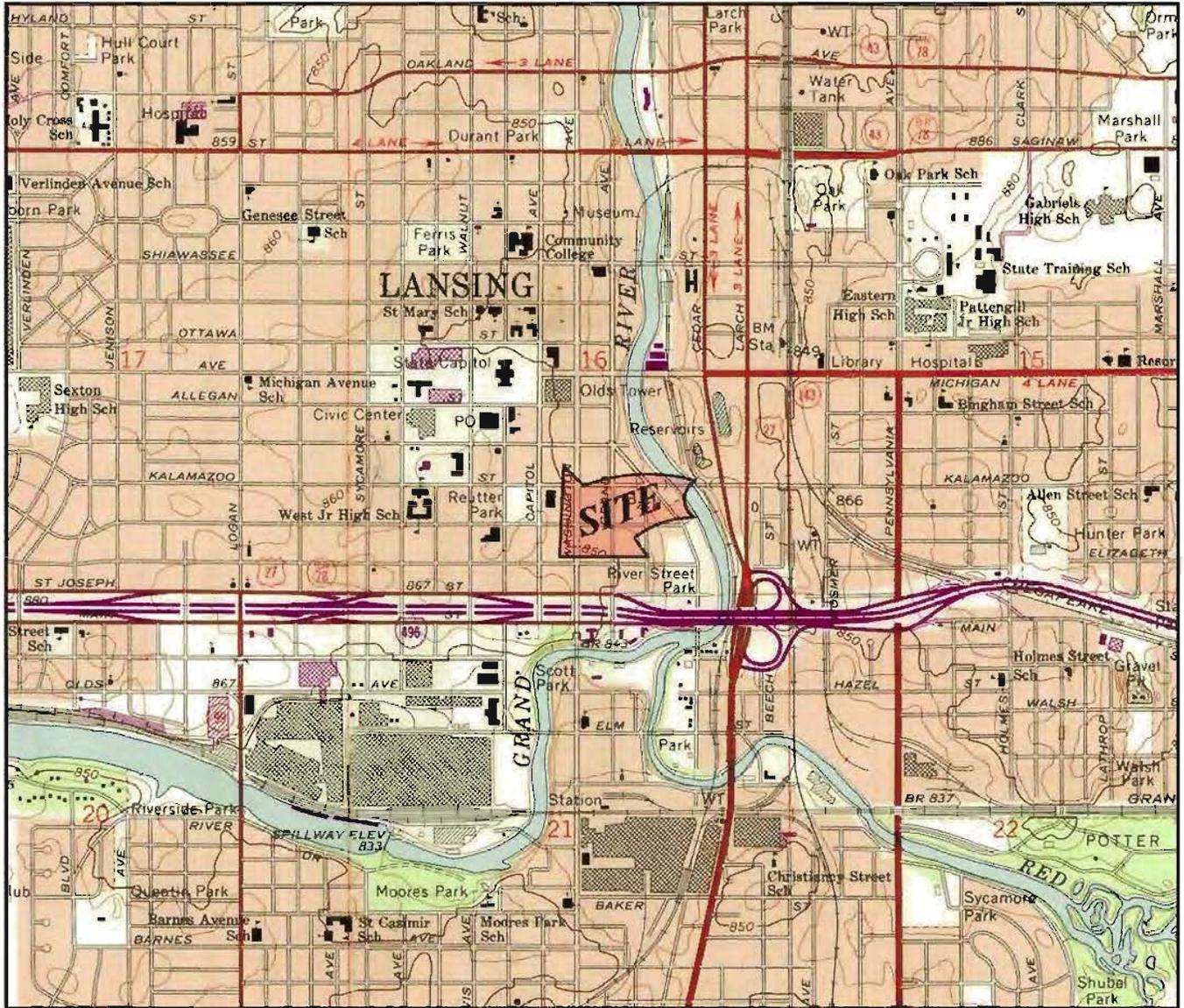
Use of a Local Revolving Loan Fund is not part of the scope of this project.

L. Other Material that the Authority or Governing Body Considers Pertinent (Sec. 13 (1)(n))

None

Appendix A

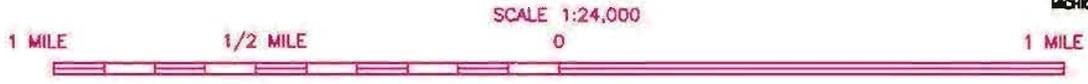




INGHAM COUNTY



MICHIGAN QUADRANGLE LOCATION

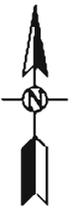


SCALE 1:24,000

FIGURE 1

PROPERTY VICINITY MAP
USGS, 7.5 MINUTE SERIES

LANSING SOUTH, MI QUADRANGLE, 1966. PHOTO REVISED 1973.



PROJ: PARKING LOT
616 SOUTH WASHINGTON AVENUE
LANSING, MI

THIS IS NOT A LEGAL SURVEY
VERIFY SCALE
0 2,000'
IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

DRN BY:	KS	DATE:	6/18/2014
CHKD BY:	CK	SCALE:	1" = 2,000'
FILE NAME:	01-4473-2F01R00		

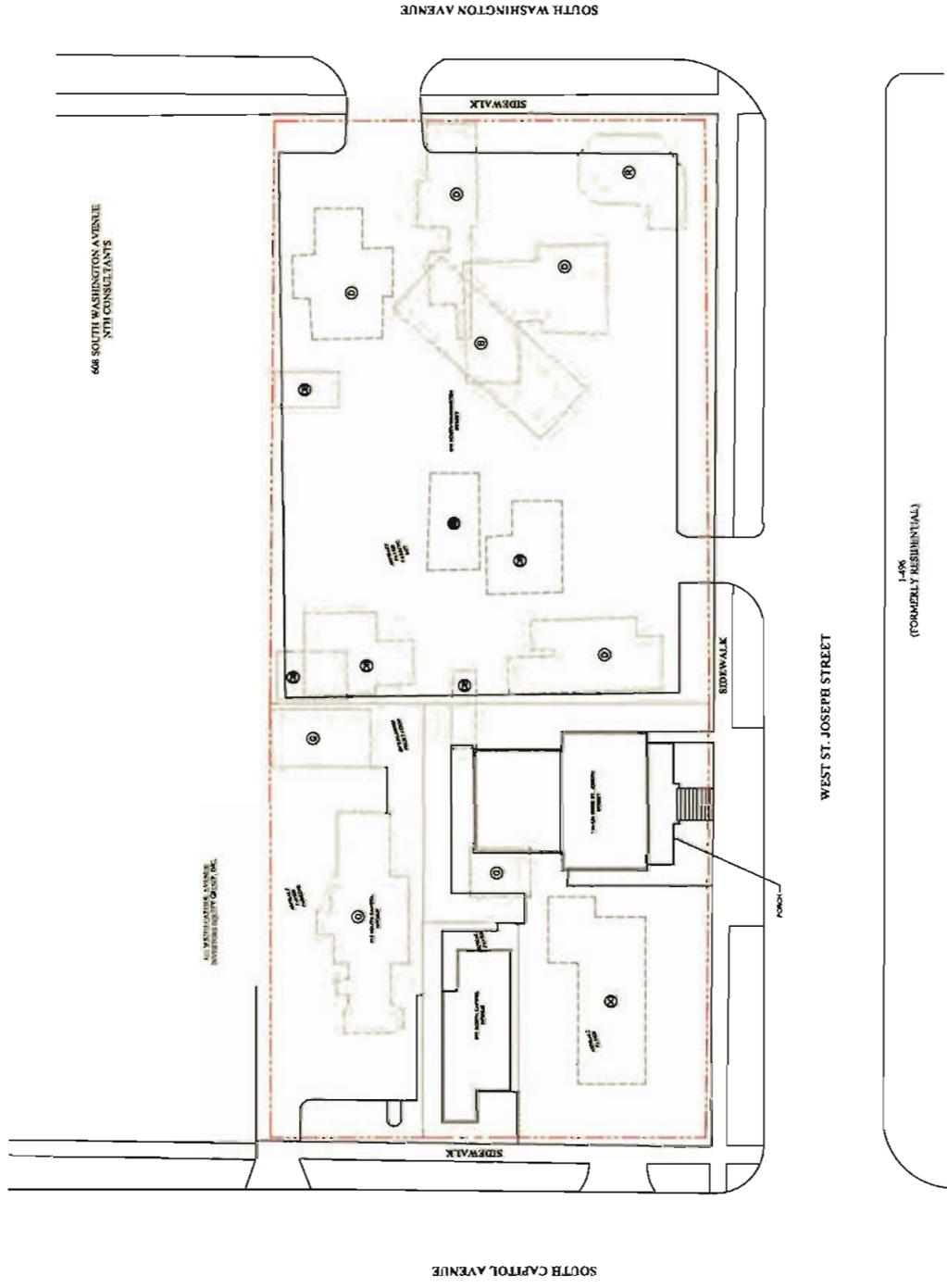


FIGURE 2
GENERALIZED DIAGRAM OF THE SUBJECT PROPERTY AND ADJOINING PROPERTIES

PROJ: OFFICE BUILDINGS/BLAKE HOUSE
616 SOUTH WASHINGTON AVENUE AND
615, 617 SOUTH CAPITOL AVENUE AND
118-120 WEST ST. JOSEPH STREET
ANN ARBOR, MI

YEAR OF MOST A. LEGAL PROPERTY	DATE: 12/2/2015	CS	CHKD BY: CS
VEGET SCALE: 40'	SCALE: 1" = 40'	JD	FILE NAME: 01-4473-3-001F02R00
<small>IF NOT 1" ON THE PLAN, ADJUST PLOT ASSIGNMENT.</small>			

Appendix B



LEGAL DESCRIPTIONS

616 South Washington Avenue

33-01-01-16-384-051

LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

118 West St. Joseph Street

33-01-01-16-384-041

COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO
BEG; BLOCK 158 ORIG PLAT

617 South Capitol Avenue

33-01-01-16-384-031

S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

615 South Capitol Avenue

33-01-01-16-384-021

S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

Appendix C





ST JOE/ WASHINGTON/ CAPITOL MASTER PLAN

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VIEW 1 10/16/2015



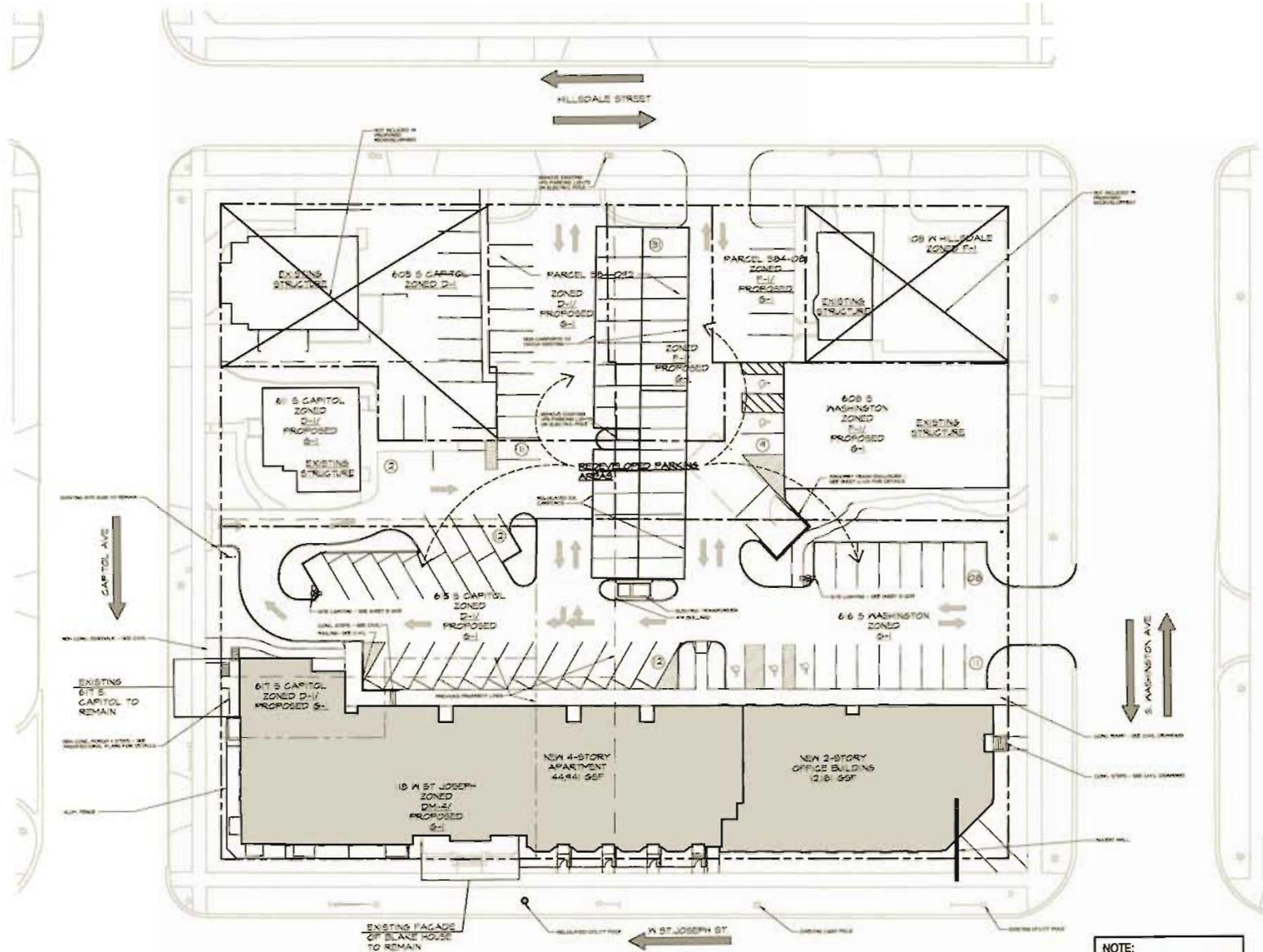
ST JOE/ WASHINGTON/ CAPITOL MASTER PLAN

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VIEW 2 10/16/2015

Appendix D





SOUTH EDGE LOFTS MASTER PLAN

NOTE:
 THIS SITE PLAN IS FOR SHARING
 REFERENCE ONLY - SEE CIVIL
 DRAWINGS FOR SITE PERMITS SCOPE

NOTE:
 SEE SHEET C-209 FOR SITE
 LIGHTING PLAN

PROCESS SET FOR BUDGETING
10/19/15
01/17/16

Copyright 2015 South Edge Properties, LLC

studios
intrigue
ARCHITECTS

MIKE HARTWIGER • JEFFREY W. JAMES • JACOB • MICHAEL • NICK
 3077511 MIAMI • 313.583.0300 • MIAMI@STUDIOINTRIGUE.COM

Project Type
NEW CONSTRUCTION

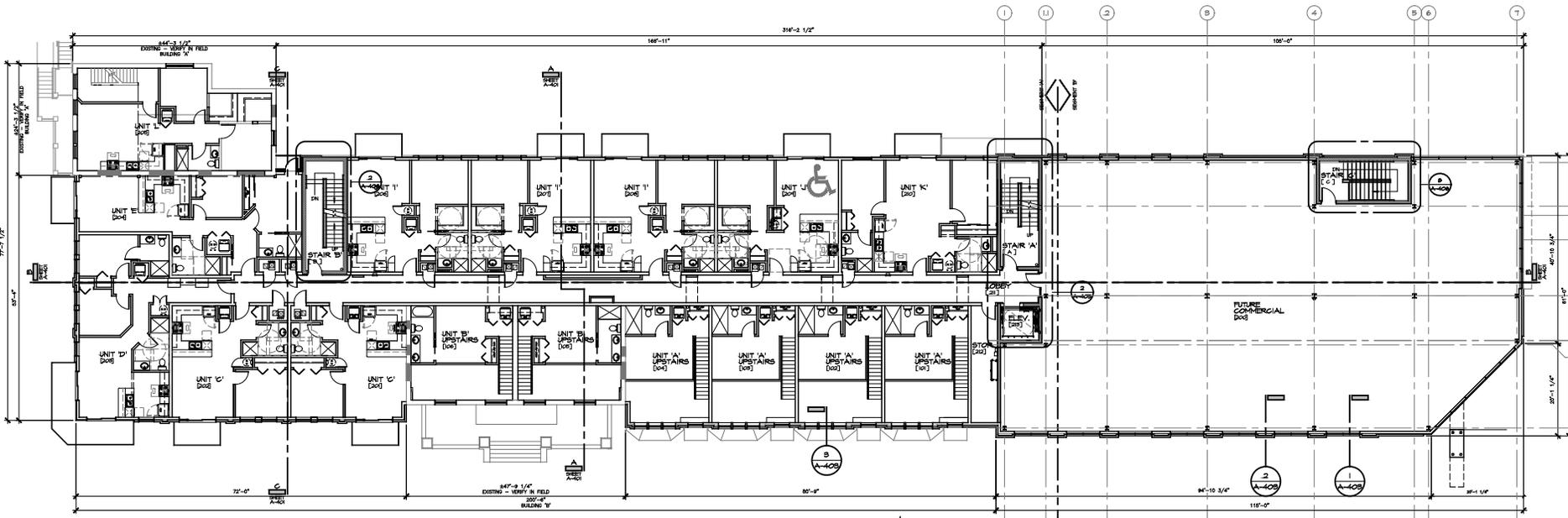
Project
SOUTH EDGE DEVELOPMENT
 616 S WASHINGTON AVE
 LANSING, MICHIGAN 48933

Client
616 South Washington Properties, LLC

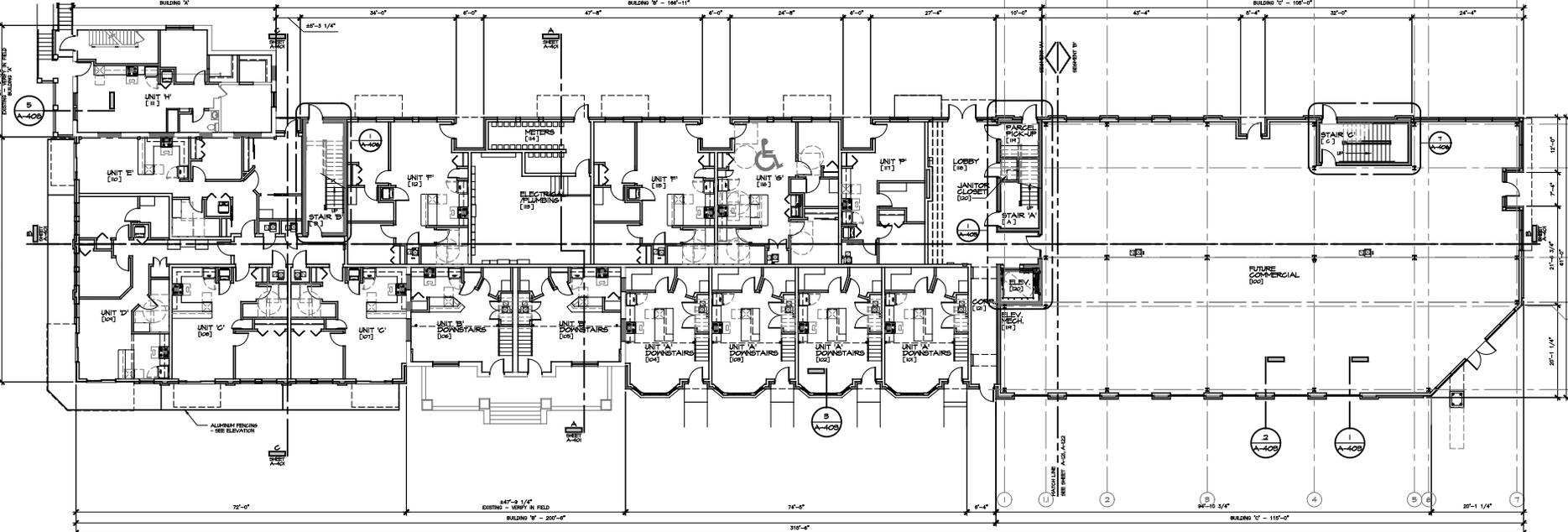
611 S Capitol Ave
 Lansing, Michigan 48933

Project Number
14.053

C-100



COMPOSITE SECOND FLOOR PLAN
 3/32" = 1'-0"



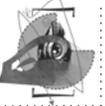
COMPOSITE FIRST FLOOR PLAN
 3/32" = 1'-0"

PROGRESS SET FOR BUDGETING
10/19/15
01/19/16

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115 W. WASHINGTON AVE. • SUITE 100 • LANSING, MICHIGAN • 48201
 313.722.8511 FAX • 313.722.8510 WWW.STUDIOINTGRAT.COM



Project Type: **NEW CONSTRUCTION**

Project: **SOUTH EDGE DEVELOPMENT**

616 S. WASHINGTON AVE.
 LANSING, MICHIGAN 48933

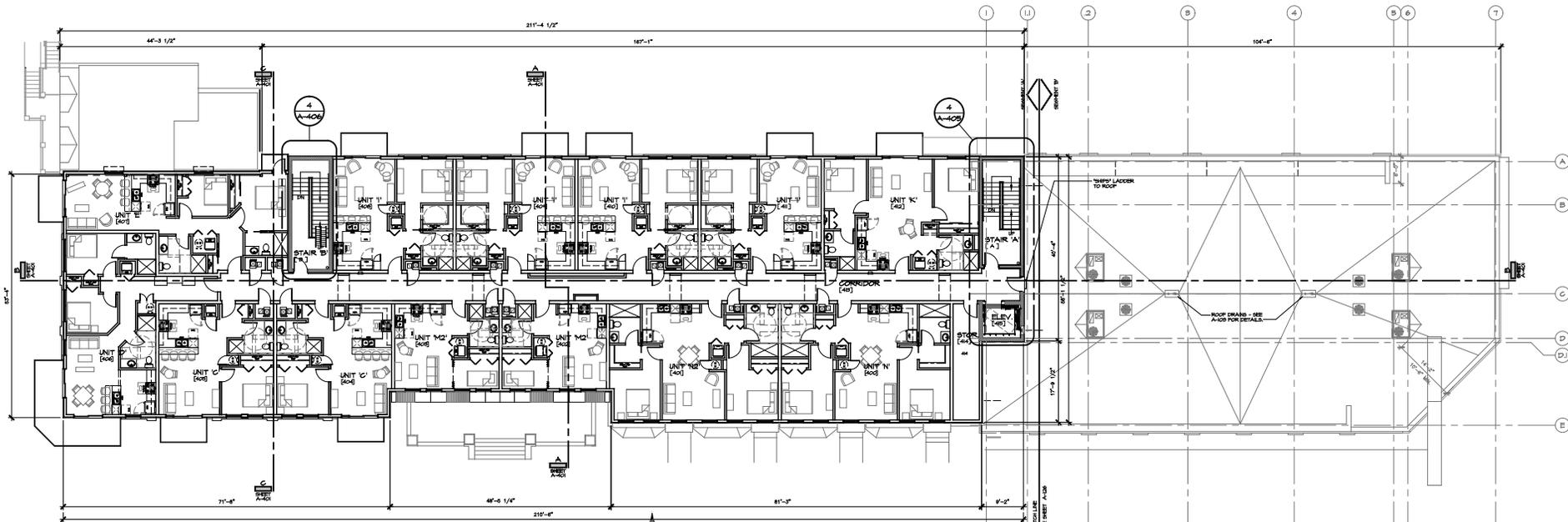
Client: **616 South Washington Properties, LLC**

611 S. Capitol Ave.
 Lansing, Michigan 48933

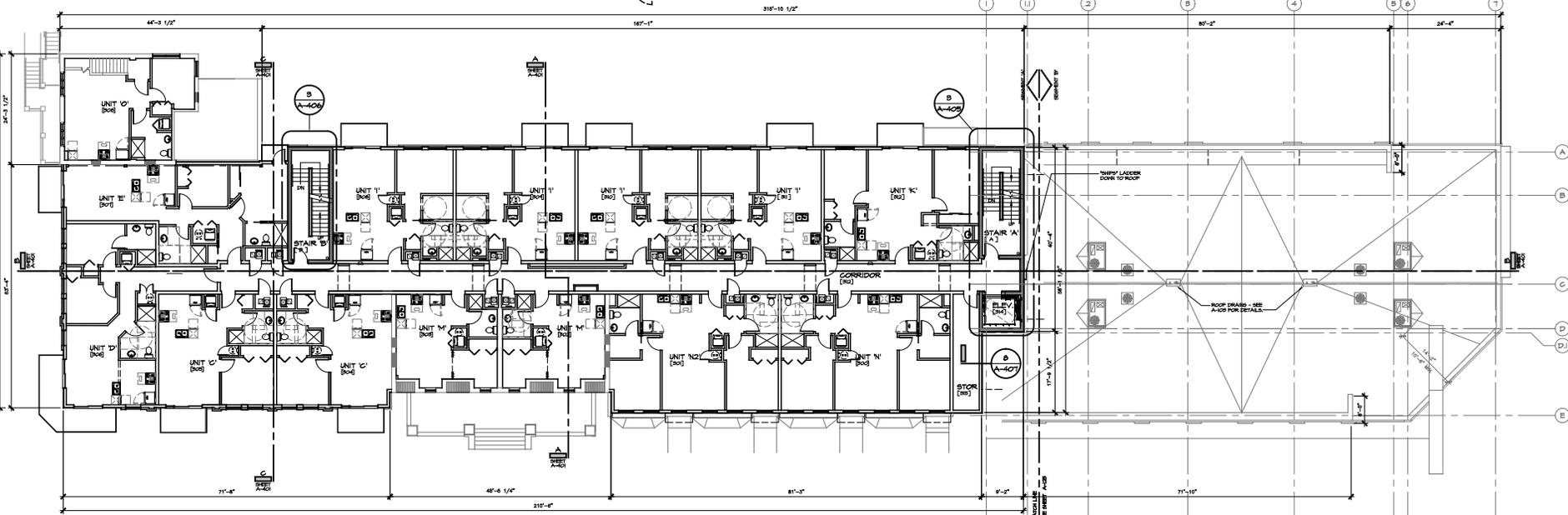
Project Number: **14.053**

Sheet: **A-101**

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COMPOSITE FOURTH FLOOR PLAN
 3/32" = 1'-0"



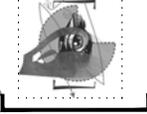
COMPOSITE THIRD FLOOR PLAN
 3/32" = 1'-0"

PROGRESS SET FOR BUDGETING
10/19/15
07/19/16

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ARCHITECTS

1615 WASHINGTON AVE. • SUITE 100 • LANSING, MICHIGAN • 48203
 313.487.1111 FAX • 313.487.1112 WWW.STUDIODESIGNARCH.COM



Project Type
NEW CONSTRUCTION

Project
SOUTH EDGE DEVELOPMENT
 616 S. WASHINGTON AVE
 LANSING, MICHIGAN 48203

Client
616 South Washington Properties, LLC
 611 S. Capitol Ave
 Lansing, Michigan 48933

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Project Number
14.053

Sheet
A-102

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Appendix E





Environmental & Engineering Services Nationwide



ENVIRONMENTAL SERVICES

BUILDING ARCHITECTURE,
ENGINEERING & SCIENCE

INDUSTRIAL HYGIENE SERVICES

BROWNFIELDS & ECONOMIC
INCENTIVES CONSULTING

BASELINE ENVIRONMENTAL ASSESSMENT

616 South Washington Avenue | Lansing, Michigan
PM Project Number 01-4473-2

Prepared for:

616 South Washington Properties, LLC
616 South Washington Avenue
Lansing, Michigan 48933

Prepared by:

PM Environmental, Inc.
3340 Ranger Road
Lansing, Michigan 48906

Know Your Risk.
Take Control.
Work with the Experts.

www.pmenv.com



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Grand Rapids
560 5th Street NW,
Suite 301
Grand Rapids, MI 49504
f: 877.884.6775
t: 616.285.8857

July 24, 2014

District Clerk
Michigan Department of Environmental Quality
Lansing District Office
525 W. Allegan (Constitution Hall, 4th Floor North)
P.O. Box 30242
Lansing, Michigan 48909

**RE: Baseline Environmental Assessment for the Parking Lot Property
Located at 616 South Washington Avenue, Lansing, Michigan
Parcel ID: 33-01-01-16-384-051
PM Environmental, Inc. Project No. 01-4473-2**

Dear District Clerk:

Enclosed is a copy of the Baseline Environmental Assessment prepared for the above referenced subject property in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994 (Part 201), as amended.

If you have any questions regarding the information in this report, please contact us at 248-336-9988.

Sincerely,
PM ENVIRONMENTAL, INC.

Jamie Antoniewicz, P.E.
Project Engineer

Steven E. Price, CHMM
Principal and Vice President of Due Diligence

Enclosure



Detroit
4080 W. 11 Mile Road
Berkley, MI 48072
f: 877.884.6775
t: 248.336.9988

Lansing
3340 Ranger Road
Lansing, MI 48906
f: 877.884.6775
t: 517.321.3331

Grand Rapids
560 5th Street NW,
Suite 301
Grand Rapids, MI 49504
f: 877.884.6775
t: 616.285.8857

July 24, 2014

Roger J. Thornburg
616 South Washington Properties LLC
616 South Washington Avenue
Lansing, Michigan 48933

**RE: Baseline Environmental Assessment for the Parking Lot Property
Located at 616 South Washington Avenue, Lansing, Michigan
Parcel ID: 33-01-01-16-384-051
PM Environmental, Inc. Project No. 01-4473-2**

Dear Mr. Thornburg:

Enclosed is a copy of the above-referenced document prepared in accordance with Section 20126(1)(c) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act (NREPA), P.A. 451 of 1994 (Part 201), as amended.

THIS BASELINE ENVIRONMENTAL ASSESSMENT WAS PERFORMED FOR THE EXCLUSIVE USE OF LANSING ECONOMIC AREA PARTNERSHIP AND 616 SOUTH WASHINGTON PROPERTIES LLC, EACH OF WHOM MAY RELY ON THE REPORT'S CONTENTS.

If you have any questions regarding the information in this report, please contact our office at 248-336-9988.

Sincerely,
PM ENVIRONMENTAL, INC.

Jamie Antoniewicz, P.E.
Project Engineer

Steven E. Price, CHMM
Principal and Vice President of Due Diligence

Enclosure

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FIGURES

- Figure 1: Property Vicinity Map
Figure 2: Generalized Diagram of the Subject Property and Adjoining Properties
Figure 3: Soil Boring/Temporary Monitoring Well Location Map with Soil Analytical Results
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- Table 1: Summary of Soil Analytical Results: VOCs, PNAs, PCBs, Metals, and Asbestos
Table 2: Summary of Groundwater Analytical Results: VOCs, PNAs, and Metals

APPENDICES

- Appendix A: Phase I ESA
Appendix B: Soil Boring Logs
Appendix C: Laboratory Analytical Report
Appendix D: Assessing Information
Appendix E: Professional Qualification Statements

1.0 INTRODUCTION AND DISCUSSION

PM Environmental, Inc. (PM) has completed a Baseline Environmental Assessment (BEA) for the parking lot property (Parcel ID: 33-01-01-16-384-051) located at 616 South Washington Avenue, Lansing, Ingham County, Michigan 48933 (Figure 1). The subject property consists of one 0.65 acre parcel located to the northwest of the intersection of South Washington Avenue and West St. Joseph Street in Lansing, Michigan. The property currently consists of asphalt paved parking (Figure 2).

Standard and other historical sources outlined in PM's June 26, 2014 Phase I Environmental Site Assessment (ESA) Update, documented that the subject property was developed with four residential dwellings and four associated outbuildings in at least 1898. An additional outbuilding was constructed by 1913. The dwellings and outbuildings were demolished by at least 1951. The property was also occupied by various commercial tenants (i.e. used car sales lot, root beer stand, and/or a restaurant) at varying times between 1929 and 1951. A bank building was constructed in 1951. Various banks occupied the building until at least 1988. The bank building was demolished by 1995. A residential garage was constructed in the northwestern portion of the property by 1961, and was demolished in approximately 2007. The subject property has been used as a surface parking lot since at least 1995.

1.1 Owner/Operator Information

616 South Washington Avenue LLC, 616 South Washington Avenue, Lansing, Michigan 48933, intends to purchase the property on August 7, 2014.

1.2 Intended Use of the Subject Property

616 South Washington Avenue LLC intends to redevelop the property with mixed use retail, office, and/or residential space.

1.3 Summary of All Appropriate Inquiry Phase I Environmental Assessment

PM performed a Phase I ESA for the subject property, dated June 26, 2014, in conformance with the scope and limitations of ASTM Practice E 1527-05 and E 1527-13 (i.e., the 'ASTM Standard'). A copy of the June 2014 Phase I ESA, including photographs of the subject property, is included in Appendix A.

The following onsite recognized environmental conditions (RECs) were identified in PM's June 2014 Phase I ESA Update:

- The subject property was occupied by a used car sales lot in at least 1930. Additionally, the subject property has been used as a surface parking lot since at least 1995. The potential exists for spills and/or leaks of general hazardous substances and/or petroleum products to have occurred on the property and negatively impacted the subsurface.
- Several buildings have historically been located on the subject property. It is unknown how the building demolition debris was disposed of. It was not uncommon for building demolition debris to historically have been used as fill material onsite. Therefore, the potential exists for demolition debris containing hazardous substances such as asbestos or lead based paint to be present. Additionally, the presence of demolition debris and/or

buried structures such as former basements could represent a geotechnical engineering concern with future construction.

The following adjoining and/or nearby RECs were identified:

- The east adjoining property, identified as 603 South Washington Avenue, was occupied by a gasoline station from at least 1972 until 1974. Based on the proximity of the former gasoline station building to the subject property (approximately 100 feet east of the subject property), and inconsistent geology and shallow groundwater conditions in the subject property area, the potential exists that a release has occurred on this property and migrated onto the subject property.
- The southeast adjoining property, formerly identified as 703 South Washington Avenue, was occupied by a gasoline service station from at least 1934 until 1966. Historical interior waste streams associated with the former service garage operations would have consisted of general hazardous substances and/or petroleum products. Based on the proximity of the former gasoline service station building to the subject property (approximately 115 feet southeast of the subject property), and inconsistent geology and shallow groundwater conditions in the subject property area, the potential exists that a release has occurred on this property and migrated onto the subject property.

1.3.1 Phase I ESA Exceptions or Deletions

There were no exceptions or deletions from the Federal All Appropriate Inquiry Rule under 40 CFR 312, or the ASTM Standard during the completion of the June 2014 Phase I ESA Update. And no special terms or conditions applied to the preparation of the Phase I ESA Update.

1.3.2 Phase I ESA Data Gaps

PM did not identify any significant data gaps during the completion of the June 2014 Phase I ESA Update.

1.4 Summary of Previous Site Investigations

No previous subsurface site investigations were identified by PM for the subject property. A previous Phase I ESA, dated June 26, 2013, identified similar RECs as presented in the June 2014 Phase I ESA Update. Previous reports may exist for the subject property, however, none were provided to PM by the client or owner of the property, and none were available with the appropriate state regulatory agencies.

1.5 Current Site Investigation

Prior to the commencement of field activities, MISSDIG, a utility locating service, was contacted to locate utilities on or adjacent to the subject property. Utilities were marked by the respective utility companies where they entered or were located adjacent to the subject property. Ground penetrating radar (GPR) was additionally utilized to clear boring locations of private utilities.

On June 18, 2014, PM completed a scope of work consisting of the advancement of five soil borings (SB-1 through SB-5), installation of one temporary monitoring wells (TMW-4) and the collection of seven soil and one groundwater sample for laboratory analysis of volatile organic compounds (VOCs), polynuclear aromatic compounds (PNAs), polychlorinated biphenyls

(PCBs), metals (arsenic, cadmium, chromium, lead, mercury, selenium), and arsenic to assess the RECs identified in PM's June 2014 Phase I ESA Update. Soil boring locations were determined utilizing GPR to place is areas of apparent soil disturbance.

The table below summarizes the Phase II ESA activities including total depth, depth to water, objective of the soil boring, and sample justification.

Description of Soil Boring and Temporary Monitoring Well Locations

Location and Total Depth (feet bgs)	Soil Sample Depth (feet bgs)	TMW Screen and [DTW] (feet bgs)	Analysis	Objectives	Sample Selection (justification)
SB-1 (20.0)	3.0-4.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	Soil: Sample collected from the sandy clay/clay interface based on the lack of field evidence of contamination or fill material. GW: Not encountered.
SB-2 (20.0)	1.0-2.0, 7.0-8.0, and 14.0-15.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill and potential for migration from the east/southeast	Soil: Samples collected from a shallow interval, the stiff clay interface, and a deeper interval to assess potential migration based on the lack of field evidence of contamination or fill material. GW: Not encountered.
SB-3 (15.0)	8.0-9.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	Soil: Sample collected from the sand/clay interface based on the lack of field evidence of contamination or fill material. GW: Not encountered.
SB/TMW-4 (20.0)	5.0-6.0	15.0-20.0 [16.0]	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	Soil: Sample collected from the sandy clay/clay interface based on the lack of field evidence of contamination or fill material. GW: Sampled.
SB-5 (20.0)	4.0-5.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	Soil: Sample collected from the stiff clay interface based on the lack of field evidence of contamination or fill material. GW: Not encountered.

GW – Groundwater

NA – Not Applicable

DTW – depth to water

bgs – below ground surface

PID – photoionization detector

ppm – parts per million

1.5.1 Investigation Techniques and QA/QC Procedures

The soil borings were advanced to the desired depth using a direct push drill rig or stainless steel hand auger. Soil sampling was performed for soil classification, verification of subsurface geologic conditions, and for investigating the potential and/or extent of soil and groundwater contamination at the subject property. Soil samples were generally collected on a continuous basis using a direct push drill rig or stainless steel hand auger.

During drilling operations, the drilling equipment was cleaned to minimize the possibility of cross contamination. These procedures included cleaning equipment with a phosphate free solution

(i.e., Alconox®) and rinsing with distilled water after each sample collection. Drilling and sampling equipment was also cleaned in this manner prior to initiating field activities.

Soils collected from discrete sample intervals were screened using a PID to determine if VOCs were present. Soil from specific depths was placed in plastic bags, sealed, and allowed to volatilize. The headspace within each bag was then monitored with the PID. The PID is able to detect trace levels of organic compounds in the air space within the plastic bag. The PID utilizes a 10.6 electron volts (eV) lamp. Soil samples were collected from the soil borings based upon the highest PID reading, visual/olfactory evidence, a change in geology, surficial soil, and/or directly above saturated soil.

During drilling operations, the drilling equipment was cleaned to minimize the possibility of cross contamination. These procedures included cleaning equipment with a phosphate free solution and rinsing with tap, deionized, or distilled water after each sample collection. Drilling and sampling equipment was cleaned in this manner or with a high-temperature pressure washer, prior to field activities.

Soil samples for VOC analysis were preserved with methanol, in accordance with United States Environmental Protection Agency (USEPA) method 5035. Soil samples were placed in appropriately labeled containers with Teflon lined lids and/or sanitized glass jars, placed in an ice packed cooler, and transported under chain of custody procedures for laboratory analysis within applicable holding times.

A temporary monitoring well was installed in SB-4 to collect a groundwater sample for chemical analysis. New well assemblies were used for the temporary wells, consisting of a 5-foot long, one-inch diameter, 0.010-inch slot, schedule 40, PVC screen and a 1-inch diameter PVC casing. After the screen for the well was set to the desired depth, natural sands were allowed to collapse around the well screen. The wells were developed using either a new disposable 0.9-inch diameter bailer or peristaltic pump equipped with new, chemically inert, 3/8-inch diameter polyethylene and silicon tubing. Well development was performed by purging until clear, turbid free groundwater was observed coming from the well.

Groundwater samples were placed in appropriately labeled containers, placed in an ice packed cooler, and transported under chain of custody procedures for laboratory analysis within applicable holding times.

Upon completion of the investigation, the temporary well material was removed from the soil borings and the soil borings were abandoned by placing the soil cuttings back into the borehole, filling the void with bentonite chips, hydrating the chips, resurfacing and returning the area to its pre-drilling condition.

The following QA/QC samples were collected:

- A-1: Trip blank – soil (methanol)
- A-2: Field Blank
- A-3: Equipment blank – macro-core sampler
- A-4: Co-located soil (SB-4 (5.0-6.0))
- A-5: Co-located groundwater (TMW-4)

No contamination was identified above the laboratory method detection limits (MDLs) in the sample blanks, with the exception of the equipment blank which had a detectable concentration of cadmium. The co-located soil and groundwater samples were consistent with the companion sample.

1.6 Geology and Hydrogeology

Based upon onsite observations of soil samples and cuttings collected from the soil borings that were advanced at the subject property by PM, the general soil stratigraphy generally consists of medium-stiff to stiff clay to a depth of 20.0 feet bgs, the maximum depth explored. Sandy clay was encountered in SB-1 and SB-4 up to a depth of 4.0 to 6.0 feet bgs. Medium-grained sand was encountered in SB-3 up to a depth of 9.0 feet bgs. Limited, discontinuous groundwater was encountered in sand seams located between 15.0 and 17.0 feet bgs in SB-4.

2.0 LOCATION OF CONTAMINATED MEDIA ON THE SUBJECT PROPERTY

The analytical results for the samples collected during site investigation activities conducted by PM were compared with the Michigan Department of Environmental Quality (MDEQ) Generic Cleanup Criteria and Screening Levels as presented in Part 201 Rules 299.1 through 299.50, dated December 30, 2013 entitled "Cleanup Criteria Requirements for Response Activity", in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria. The analytical results are summarized in Tables 1 and 2 and on Figure 3 and 4.

Summary of Analytical Results

Location and Total Depth (feet bgs)	Soil Sample Depth (feet bgs)	TMW Screen and [DTW] (feet bgs)	Analysis	Objectives	Part 201 GCC Exceedances	
					Soil	GW
SB-1 (20.0)	3.0-4.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	DWP/GSIP: arsenic	NA
SB-2 (20.0)	1.0-2.0, 7.0-8.0, and 14.0-15.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill and potential for migration from the south/southeast	NONE	NA
SB-3 (15.0)	8.0-9.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	NONE	NA
SB/TMW-4 (20.0)	5.0-6.0	15.0-20.0 [16.0]	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	NONE	NONE

Location and Total Depth (feet bgs)	Soil Sample Depth (feet bgs)	TMW Screen and [DTW] (feet bgs)	Analysis	Objectives	Part 201 GCC Exceedances	
					Soil	GW
SB-5 (20.0)	4.0-5.0	NA	VOCs, PNAs, PCBs, Metals, asbestos	Assess potential fill related to demolition of former buildings	NONE	NA

DWP: drinking water protection

GSIP: groundwater surface water interface protection

Soil analytical results did not identify any concentrations of VOCs, PNAs, PCBs, or asbestos above laboratory MDLs. Various metals were identified in each of the samples collected; however, the concentrations were below the Statewide Default Background Levels (SDBLs) with the exception of arsenic in SB-1 which also exceeds the Part 201 Residential and Nonresidential DWP and GSIP cleanup criteria.

Groundwater analytical results did not identified any concentrations of VOCs, PNAs, arsenic, chromium, lead, mercury, or selenium above laboratory MDLs. The concentration of cadmium is below the most restrictive Part 201 cleanup criteria.

2.1 Subject Property Facility Status

A location where a hazardous substance is present in excess of the concentrations, which satisfy the requirements of subsection 20120a(1)(a) or (17), is a facility pursuant to Part 201. Section 20120a(1)(a) requirements are the cleanup criteria for unrestricted residential usage.

Contaminant concentrations identified on the subject property indicate exceedances to the Part 201 Residential and Nonresidential DWP and GSIP cleanup criteria. Therefore, the subject property is a facility under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

3.0 PROPERTY INFORMATION

3.1 Legal Description of Subject Property

A copy of the legal description is included in Appendix D as part of the assessing information.

3.2 Map of Subject Property

Refer to Figure 1, Property Location Map; and Figure 2, Generalized Diagram of the Subject Property and Surrounding Area which depicts the property/parcel boundaries.

3.3 Subject Location and Analytical Summary Maps

Figures 3 and 4 provide a scaled map of the subject property with site structures and sampling locations with analytical results.

3.4 Subject Property Location Map

Figures 1 and 2 provide scaled area maps depicting the subject property location in relation to the surrounding area.

3.5 Subject Property Address

As indicated in Section 1.0, the subject property (Parcel ID33-01-01-16-384-051) is located at 616 South Washington Avenue, Lansing, Ingham County, Michigan 48933.

3.6 Subject Spatial Data

As depicted in Figure 1, the subject property is located in township four North (T. 4N), range two West (R. 2W), Section 16, southwest quarter, southeast quarter-quarter, Lansing, Ingham County, Michigan.

According to the MDEQ Groundwater Mapping Project Website, the center of the subject property is located at latitude 42.7266 and a longitude of -84.5528.

4.0 FACILITY STATUS OF SUBJECT PROPERTY

As indicated in Section 2.1, based upon documented exceedances of the Part 201 Residential and Nonresidential DWP and GSIP cleanup criteria in samples collected from the subject property, the subject property is a facility as defined under Part 201 of P.A. 451, as amended, and the rules promulgated thereunder.

4.1 Summary Data Tables

The analytical results were compared with the MDEQ Generic Cleanup Criteria and Screening Levels as presented in Part 201 Rules 299.1 through 299.50, dated December 30, 2013 entitled "Cleanup Criteria Requirements for Response Activity" in accordance with Section 20120a(1) using the Residential and Nonresidential cleanup criteria.

The analytical results for compounds exceeding Part 201 cleanup criteria are summarized in Section 2.0. A summary of the analytical results are included in Tables 1 and 2.

4.2 Laboratory Reports and Chain of Custody Documentation

Samples collected were submitted for chemical analysis under chain of custody procedures and within applicable holding times. Refer to the laboratory analytical report in Appendix C.

5.0 IDENTIFICATION OF BEA AUTHOR

This BEA was conducted on July 24, 2014, by Mr. Jamie Antoniewicz, P.E., Project Engineer, and reviewed by Mr. Steven E. Price, CHMM, Principal and Vice President of Due Diligence, PM Environmental, Inc., which is prior to or within 45 days of purchase. Qualification statements are provided as Appendix E.

We declare that, to the best of our professional knowledge and belief, we meet the definition of *Environmental Professional* as defined in §312.10 of 40 CFR 312 and we have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.



Jamie Antoniewicz, P.E.
Project Engineer



Steven E. Price, CHMM
Principal and Vice President of Due Diligence

6.0 AAI REPORT OR ASTM PHASE I ESA

As indicated in Section 1.3, PM performed a Phase I ESA, dated June 26, 2014, in conformance with the scope and limitations of ASTM Practice E 1527-05 and E 1527-13 of the subject property (Parcel ID: 33-01-01-16-384-051) located at 616 South Washington Avenue, Lansing, Ingham County, Michigan 48933. The scope of the Phase I ESA included consideration of hazardous substances as defined in Section 20101(1)(y) of P.A 451 of 1994, as amended, and constituted the performance of an All Appropriate Inquiry in conformance with the standards and practices set forth in 40 CFR Part 312.

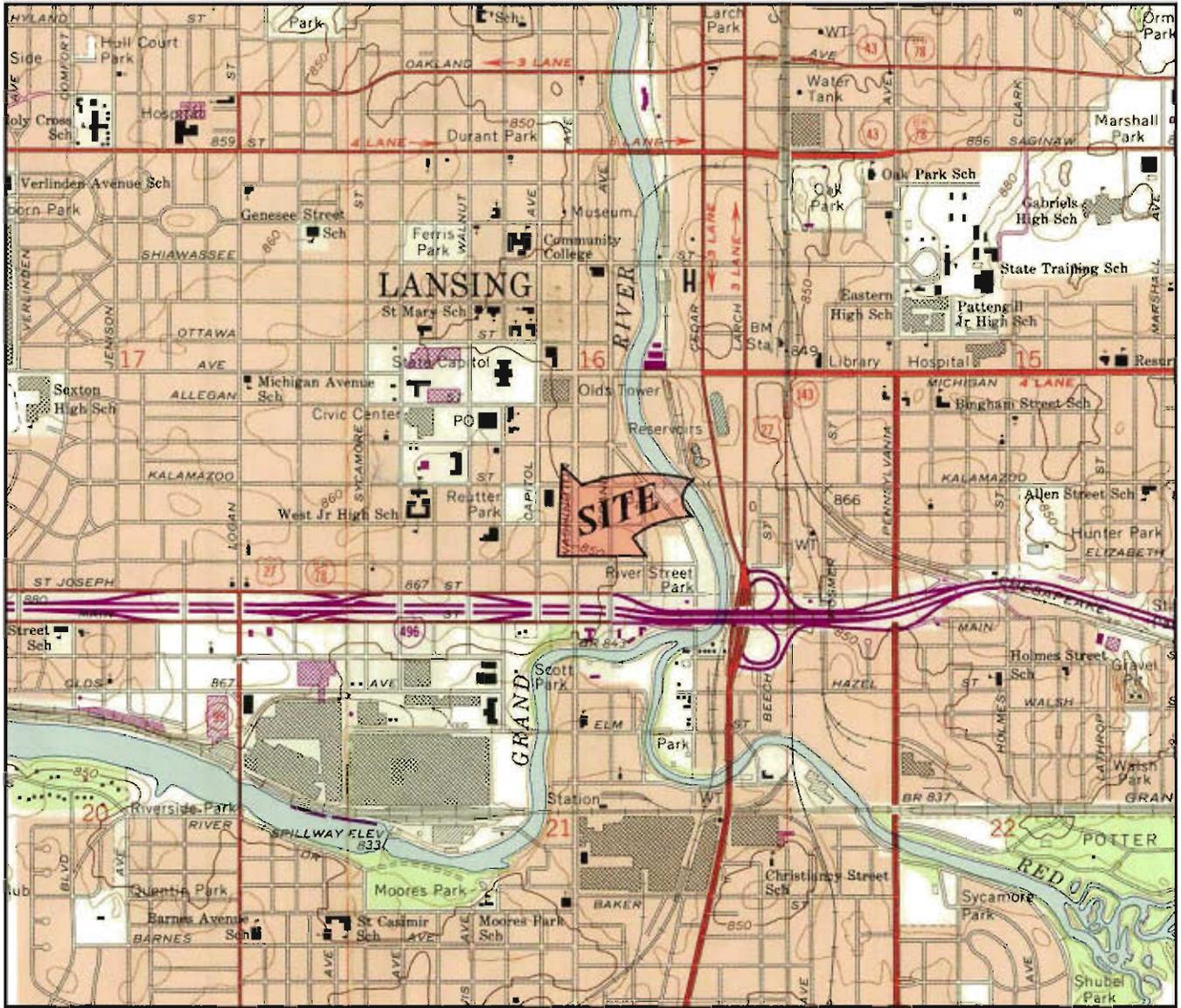
A copy of the June 2014 Phase I ESA is included in Appendix A.

7.0 REFERENCES

- “Part 201 Cleanup Criteria and Part 213 Risk-based Screening Levels,” Revised December 30, 2013 and in accordance with Section 20120a(1);
- MDEQ Operational Memorandum No. 4 “Site Characterization and Remediation Verification – Attachment 10, Peer Review Draft Groundwater Not in an Aquifer,” February 2007;
- MDEQ Operational Memorandum No. 2 “Sampling and Analysis,” October 22, 2004, Revised July 5, 2007;
- MDEQ May 2013 Guidance Document for the Vapor Intrusion Pathway;
- Baseline Environmental Submittal Form (EQP 4025), June 2013; and
- Phase I ESA, June 26, 2014, PM.

Figures





MICHIGAN QUADRANGLE LOCATION

INGHAM COUNTY

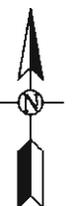


SCALE 1:24,000

FIGURE 1

PROPERTY VICINITY MAP
USGS, 7.5 MINUTE SERIES

LANSING SOUTH, MI QUADRANGLE, 1965. PHOTO REVISED 1973.

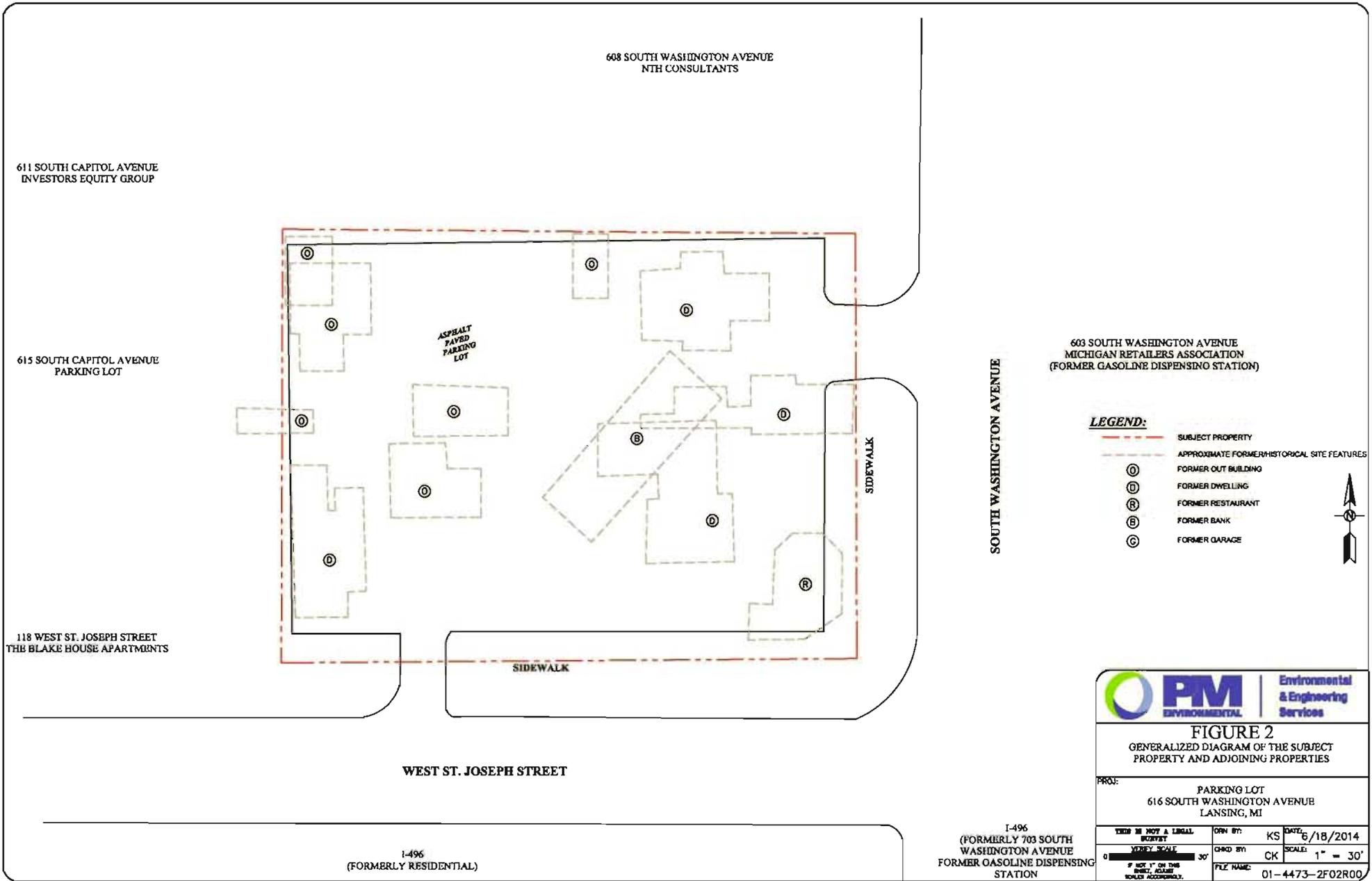


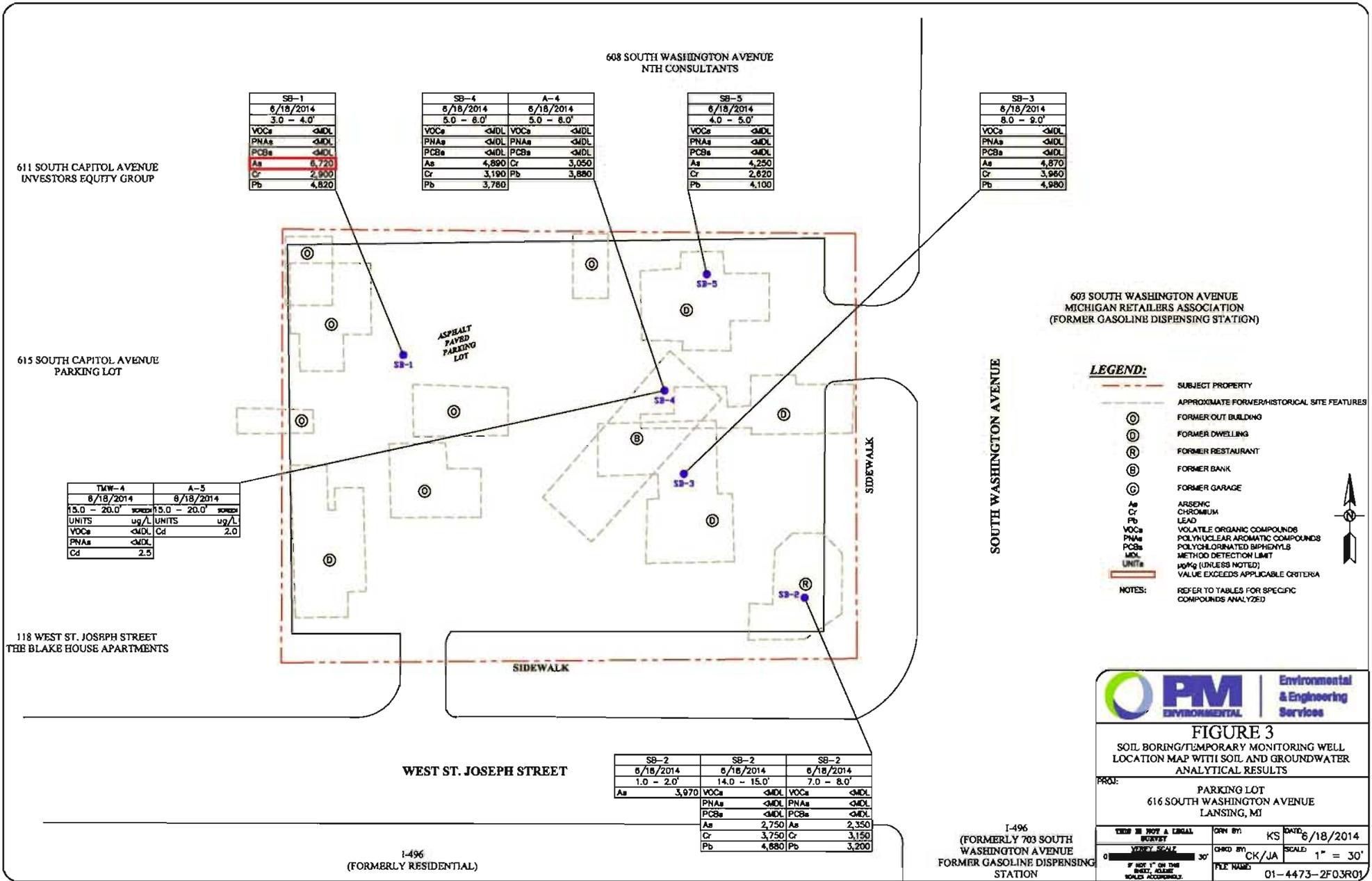
PROJ: PARKING LOT
616 SOUTH WASHINGTON AVENUE
LANSING, MI

THIS IS NOT A LEGAL
SURVEY

VERIFY SCALE
0 2,000'
IF NOT 1" ON THIS
SHEET, ADJUST
SCALES ACCORDINGLY.

DRN BY: KS DATE: 6/18/2014
CHKD BY: CK SCALE: 1" = 2,000'
FILE NAME: 01-4473-2F01R00





SB-1	
6/18/2014	
3.0 - 4.0'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
As	6,720
Cr	2,900
Pb	4,820

SB-4		A-4	
6/18/2014		6/18/2014	
5.0 - 6.0'		5.0 - 6.0'	
VOCs	<MDL	VOCs	<MDL
PNAs	<MDL	PNAs	<MDL
PCBs	<MDL	PCBs	<MDL
As	4,890	Cr	3,050
Cr	3,190	Pb	3,890
Pb	3,780		

SB-5	
6/18/2014	
4.0 - 5.0'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
As	4,250
Cr	2,620
Pb	4,100

SB-3	
6/18/2014	
8.0 - 9.0'	
VOCs	<MDL
PNAs	<MDL
PCBs	<MDL
As	4,870
Cr	3,960
Pb	4,980

TMW-4		A-5	
6/18/2014		8/18/2014	
13.0 - 20.0'		15.0 - 20.0'	
UNITS	ug/L	UNITS	ug/L
VOCs	<MDL	Cd	2.0
PNAs	<MDL		
Cd	2.5		

SB-2			SB-2			SB-2		
6/18/2014			6/18/2014			6/18/2014		
1.0 - 2.0'			14.0 - 15.0'			7.0 - 8.0'		
As	3,970	VOCs	<MDL	VOCs	<MDL			
		PNAs	<MDL	PNAs	<MDL			
		PCBs	<MDL	PCBs	<MDL			
As	2,750	As	2,350					
Cr	3,750	Cr	3,150					
Pb	4,680	Pb	3,200					

LEGEND:

- SUBJECT PROPERTY
- - - APPROXIMATE FORMER/HISTORICAL SITE FEATURES
- ⊙ FORMER OUT BUILDING
- ⊙ FORMER DWELLING
- ⊙ FORMER RESTAURANT
- ⊙ FORMER BANK
- ⊙ FORMER GARAGE
- As ARSENIC
- Cr CHROMIUM
- Pb LEAD
- VOCs VOLATILE ORGANIC COMPOUNDS
- PNAs POLYNUCLEAR AROMATIC COMPOUNDS
- PCBs POLYCHLORINATED BIPHENYLS
- MDL METHOD DETECTION LIMIT
- ug/L (UNLESS NOTED)
- UNIT VALUE EXCEEDS APPLICABLE CRITERIA

NOTES: REFER TO TABLES FOR SPECIFIC COMPOUNDS ANALYZED

PM Environmental & Engineering Services

FIGURE 3
SOIL BORING/TEMPORARY MONITORING WELL LOCATION MAP WITH SOIL AND GROUNDWATER ANALYTICAL RESULTS

PROJECT: PARKING LOT
616 SOUTH WASHINGTON AVENUE
LANSING, MI

DATE: 6/18/2014	DRN BY: KS
SCALE: 1" = 30'	CHKD BY: CK/JA
FILE NAME: 01-4473-2F03R01	

1-496 (FORMERLY 703 SOUTH WASHINGTON AVENUE FORMER GASOLINE DISPENSING STATION)

Tables

TABLE 1
SUMMARY OF SOIL ANALYTICAL RESULTS
VOCs, PNAs, PCBs, METALS, AND ASBESTOS
616 SOUTH WASHINGTON AVENUE, LANSING, MICHIGAN
PM PROJECT #01-4473-2

VOLATILE ORGANIC COMPOUNDS (VOCs), POLYNUCLEAR AROMATIC COMPOUNDS (PNAs), POLYCHLORINATED BIPHENEYLS (PCBs), METALS, AND ASBESTOS (µg/Kg)			VOCs	PNAs	PCBs	Arsenic	Cadmium	Chromium	Lead	Mercury	Selenium	Asbestos
Chemical Abstract Service Number (CAS#)			Various	Various	1336363	7440382	7440439	16065831	7439921	7439976	7782492	NA
Sample ID	Sample Date	Sample Depth (feet bgs)	VOCs	PNAs	PCBs	METALS						Asbestos
SB-1	06/18/2014	3.0-4.0	ND	ND	<330	6,720	<200	2,900	4,820	<50	<400	NAD
SB-2	06/18/2014	1.0-2.0	NA	NA	NA	3,970	NA	NA	NA	<50	<400	NA
SB-2	06/18/2014	7.0-8.0	ND	ND	<330	2,350	<200	3,150	3,200	<50	<400	NAD
SB-2	06/18/2014	14.0-15.0	ND	ND	<330	2,750	<200	3,750	4,880	<50	<400	NAD
SB-3	06/18/2014	8.0-9.0	ND	ND	<330	4,870	<200	3,960	4,980	<50	<400	NAD
SB-4	06/18/2014	5.0-6.0	ND	ND	<330	4,890	<200	3,190	3,760	<50	<400	NAD
A-4			ND	ND	<330	NA	<200	3,050	3,880	NA	NA	NAD
SB-5	06/18/2014	4.0-5.0	ND	ND	<330	4,250	<200	2,620	4,100	<50	<400	NAD
Cleanup Criteria Requirements for Response Activity (R 299.1 - R 299.50)												
Generic Soil Cleanup Criteria Tables 2 and 3: Residential and Non-Residential Part 201 Generic Cleanup Criteria and Screening Levels/Part 213 Risk-Based Screening Levels, December 30, 2013												
Residential (µg/Kg)												
Statewide Default Background Levels	NA	NA	NA	NA	5,800	1,200	18,000	21,000	130	410		NL
Drinking Water Protection (Res DWP)	Various	Various	NLL	4,600	6,000	30,000	7.00E+05	1,700	4,000			NL
Groundwater Surface Water Interface Protection (GSIP)	Various	Various	NLL	4,600	5,900 (G,X)	3,300	5.7E+06 (G,X)	50 (M); 1.2	400			NL
Soil Volatilization to Indoor Air Inhalation (Res SVII)	Various	Various	3.0E+06	NLV	NLV	NLV	NLV	48,000	NLV			NL
Ambient Air Infinite Source Volatile Soil Inhalation (Res VSI)	Various	Various	2.40E+05	NLV	NLV	NLV	NLV	52,000	NLV			NL
Ambient Air Finite VSI for 5 Meter Source Thickness	Various	Various	7.9E+06	NLV	NLV	NLV	NLV	52,000	NLV			NL
Ambient Air Finite VSI for 2 Meter Source Thickness	Various	Various	7.9E+06	NLV	NLV	NLV	NLV	52,000	NLV			NL
Ambient Air Particulate Soil Inhalation (Res PSI)	Various	Various	5.2E+06	7.20E+05	1.70E+06	2.60E+05	—	2.00E+07	1.30E+08			NL
Direct Contact (Res DC)	Various	Various	(T)	7,600	5.50E+05	2.50E+06	4.00E+05	1.60E+05	2.60E+06			NL
Nonresidential (µg/Kg)												
Drinking Water Protection (Nonres DWP)	Various	Various	NLL	4,600	6,000	30,000	7.00E+05	1,700	4,000			NL
Soil Volatilization to Indoor Air Inhalation (Nonres SVII)	Various	Various	1.6E+07	NLV	NLV	NLV	NLV	89,000	NLV			NL
Ambient Air Infinite Source Volatile Soil Inhalation (Nonres VSI)	Various	Various	8.10E+05	NLV	NLV	NLV	NLV	62,000	NLV			NL
Ambient Air Finite VSI for 5 Meter Source Thickness	Various	Various	2.8E+07	NLV	NLV	NLV	NLV	62,000	NLV			NL
Ambient Air Finite VSI for 2 Meter Source Thickness	Various	Various	2.8E+07	NLV	NLV	NLV	NLV	62,000	NLV			NL
Ambient Air Particulate Soil Inhalation (Nonres PSI)	Various	Various	6.5E+06	9.10E+05	2.20E+06	2.40E+05	—	8.80E+06	5.90E+07			NL
Direct Contact (Nonres DC)	Various	Various	(T)	37,000	2.10E+06	9.20E+06	9.0E+5 (DD)	5.80E+05	9.60E+06			NL
Screening Levels (µg/Kg)												
Soil Saturation Concentration Screening Levels (Csat)	Various	Various	NA	NA	NA	NA	NA	NA	NA	NA	NA	NL

█ Criterion/RBSL Exceeded

BOLD Value Exceeds Criterion/RBSL

bgs Below Ground Surface (feet)

ND Non-detected at levels above laboratory method detection limit (MDL)

NA Not Applicable

NL Not Listed

NLL Not Likely to Leach

NLV Not Likely to Volatilize

ID Insufficient Data

NAD No Asbestos Detected

(G) Metal GSIP Criteria for Surface Water Not Protected for Drinking Water Use based on 292 mg/L CaCO3 Hardness: Station ID 330001, Grand River, near Lansing, MI.

TABLE 2
SUMMARY OF GROUNDWATER ANALYTICAL RESULTS
VOCs, PNAs, PCBs, METALS, AND ASBESTOS
616 SOUTH WASHINGTON AVENUE, LANSING, MICHIGAN
PM PROJECT #01-4473-2

VOLATILE ORGANIC COMPOUNDS (VOCs), POLYNUCLEAR AROMATIC COMPOUNDS (PNAs), AND METALS (µg/L)				VOCs	PNAs	Arsenic	Cadmium	Chromium	Lead	Mercury	Selenium
Chemical Abstract Service Number (CAS#)				Various	Various	7440382	7440439	16065831	7439921		
Sample ID	Sample Date	Screen Depth (feet bgs)	Depth to Groundwater (feet bgs)	VOCs	PNAs	METALS					
TMW-4	06/18/2014	15.0-20.0	16.0	ND	ND	<2	2.5	<5	<3	<0.2	<5
A-5				ND	ND	NA	2.0	<5	<3	NA	NA
Cleanup Criteria Requirements for Response Activity (R 299.1 - R 299.50) Generic Groundwater Cleanup Criteria Table 1: Residential and Non-Residential Part 201 Generic Cleanup Criteria and Screening Levels/Part 213 Risk-Based Screening Levels, December 30, 2013											
Residential/Nonresidential (µg/L)											
Residential Drinking Water (Res DW)				Various	Various	10 (A)	5.0 (A)	100 (A)	4.0 (L)	2.0 (A)	50 (A)
Nonresidential Drinking Water (Nonres DW)				Various	Various	10 (A)	5.0 (A)	100 (A)	4.0 (L)	2.0 (A)	50 (A)
Groundwater Surface Water Interface (GSI)				Various	Various	10	4.9 (G,X)	11	32 (G,X)	0.0013	5
Residential Groundwater Volatilization to Indoor Air Inhalation (Res GVII) ²				Various	Various	NLV	NLV	NLV	NLV	56 (S)	NLV
Nonresidential Groundwater Volatilization to Indoor Air Inhalation (Nonres GVII) ²				Various	Various	NLV	NLV	NLV	NLV	56 (S)	NLV
Screening Levels (µg/L)											
Water Solubility				Various	Various	NA	NA	NA	NA	NA	NA
Flammability and Explosivity Screening Level				Various	Various	ID	ID	ID	ID	NL	NL

Criteria/RBSL Exceeded

BOLD Value Exceeds Criteria

bgs Below Ground Surface (feet)

ND Not detected at levels above the laboratory Method Detection Limit (MDL) or Minimum Quantitative Level (MQL)

¹ Rule 323.1057 of Part 4 Water Quality Standards

² Tier 1 GVII Criteria based on 3 meter (or greater) groundwater depth

NA Not Applicable

NL Not Listed

NLL Not Likely to Leach

NLV Not Likely to Volatilize

ID Insufficient Data

{G} Metal GSIP Criteria for Surface Water Not Protected for Drinking Water Use based on 292 mg/L CaCO₃ Hardness: Station ID 330001, Grand River, near Lansing, MI.

Appendix F



Table 1: Estimated Costs of Eligible Activities				
Item/Activity	Total Estimated Cost	MSF Act 381 Eligible Activities	MDEQ Act 381 Eligible Activities	Comments
Baseline Environmental Assessment				
Phase I ESA	\$ 1,800		\$ 1,800	
Phase II ESA	\$ 7,635		\$ 7,635	
Baseline Environmental Assessment Sub-Totals	\$ 9,435		\$ 9,435	
Due Care Activities				
Transport and Disposal of 500 Cubic Yards of Contaminated Soils Associated with Development Activities (elevator pit, footings, utilities, landscaping) on the contaminated portion of the property	\$ 22,500		\$ 22,500	
Oversight, Sampling, Reporting	\$ 25,000		\$ 25,000	
Due Care Activities Sub-Total	\$ 47,500		\$ 47,500	
Asbestos Abatement				
Asbestos Survey, Sampling & Reporting Work	\$ 3,500	\$ 3,500		
Asbestos Abatement	\$ 300,000	\$ 300,000		
Asbestos Oversight and Air Quality Monitoring	\$ 28,000	\$ 28,000		
Asbestos Abatement Sub-Total	\$ 331,500	\$ 331,500		
Demolition				
Building Demolition	\$ 380,000	\$ 380,000		
Disposal of Non-reusable/Non-recyclable Building Elements	\$ 12,000	\$ 12,000		
Foundation Removal	\$ 15,980	\$ 15,980		
Removal of Parking Lots	\$ 15,000	\$ 15,000		
Removal of Curbs and Gutters	\$ 7,550	\$ 7,550		
Removal of Sidewalks	\$ 630	\$ 630		
Fill, Compaction & Rough Grading to Balance Site Where Improvements Were Located	\$ 61,870	\$ 61,870		
Demolition Sub-Total	\$ 493,030	\$ 493,030		
Infrastructure Improvements				
Sidewalks	\$ 6,340	\$ 6,340		
Curbs and Gutters	\$ 6,485	\$ 6,485		
Landscaping within Right of Way	\$ 6,680	\$ 6,680		Accessible by Public
Infrastructure Improvements Sub-Total	\$ 19,505	\$ 19,505		
Site Preparation				
Staking Related to Other Eligible Activities	\$ 8,500	\$ 8,500		
Geotechnical Engineering	\$ 6,000	\$ 6,000		
Clearing and Grubbing and Related Disposal	\$ 10,640	\$ 10,640		
Temporary Construction Access	\$ 2,356	\$ 2,356		
Temporary Traffic Control	\$ 4,500	\$ 4,500		
Temporary Erosion Control	\$ 4,540	\$ 4,540		
Temporary Site Control (fencing, gates, signage, lighting)	\$ 5,000	\$ 5,000		
Cut/Fill and Cut/Export Activities (Non-Contaminated Soils)	\$ 250,000	\$ 250,000		
Grading	\$ 7,710	\$ 7,710		
Relocation of Active Utilities (electrical & storm)	\$ 105,000	\$ 105,000		
Survey, Civil, Architectural (associated only with eligible activities)	\$ 56,300	\$ 56,300		
Site Preparation Sub-Total	\$ 460,546	\$ 460,546		
Preparation of Brownfield Plan and Act 381 Work plan				
Brownfield Plan and Act 381 Work Plan	\$ 16,000	\$ 8,000	\$ 8,000	
Preparation of Brownfield Plan and Act 381 Work plan Sub-Total	\$ 16,000	\$ 8,000	\$ 8,000	
Project Sub Totals	\$ 1,377,516	\$ 1,312,581	\$ 64,935	
15% Contingency	\$ 202,812	\$ 195,687	\$ 7,125	Excludes Brownfield Plan/Act 381 Work Plan and Baseline Environmental Assessments
Total Developer Eligible Activities	\$ 1,580,328	\$ 1,508,268	\$ 72,060	
LBRA Administrative Fee	\$ 62,644			5% annual capture of the local tax increment
TIF Capture for Local Site Remediation Revolving Loan Fund	\$ 62,644			5% annual capture of the local tax increment
State Brownfield Fund	\$ 86,994			
LBRA EPA Assessment Grant Reimbursement	\$ 20,855			
Total Cost of Eligible Activities to be Funded through TIF	\$ 1,813,466	\$ 1,508,268	\$ 72,060	

Appendix G



Tax Increment Financing Estimates
Table 2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Totals	10% Capture for Local Tax Units	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17				
Combined Base Taxable Value	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	\$ 383,400	
Estimated New Taxable Value (estimated increase of 1%/year)	\$ 1,000,000	\$ 2,000,000	\$ 2,020,000	\$ 2,040,200	\$ 2,060,602	\$ 2,081,208	\$ 2,102,020	\$ 2,123,040	\$ 2,144,271	\$ 2,165,713	\$ 2,187,371	\$ 2,209,244	\$ 2,231,337	\$ 2,253,650	\$ 2,276,187	\$ 2,298,948	\$ 2,321,938	\$ 2,345,155	\$ 2,368,600	\$ 2,392,275	
Incremental Difference (New Taxable Value minus Base Taxable Value)	\$ 616,600	\$ 1,616,600	\$ 1,636,600	\$ 1,656,800	\$ 1,677,202	\$ 1,697,808	\$ 1,718,620	\$ 1,739,640	\$ 1,760,871	\$ 1,782,313	\$ 1,803,971	\$ 1,825,844	\$ 1,847,937	\$ 1,870,250	\$ 1,892,787	\$ 1,915,548	\$ 1,938,538	\$ 1,961,755	\$ 1,985,200	\$ 2,008,875	
Local Taxes - Millage																					
Ingham County	3.2031	\$ 1,975	\$ 5,178	\$ 5,242	\$ 5,307	\$ 5,372	\$ 5,438	\$ 5,505	\$ 5,572	\$ 5,640	\$ 5,709	\$ 5,778	\$ 5,848	\$ 5,919	\$ 5,991	\$ 6,063	\$ 6,136	\$ 6,209	\$ 6,283	\$ 6,357	
Airport Authority	0.699	\$ 431	\$ 1,130	\$ 1,144	\$ 1,158	\$ 1,172	\$ 1,187	\$ 1,201	\$ 1,216	\$ 1,231	\$ 1,246	\$ 1,261	\$ 1,276	\$ 1,292	\$ 1,307	\$ 1,323	\$ 1,339	\$ 1,355	\$ 1,371	\$ 1,387	
CATA	3.007	\$ 1,854	\$ 4,861	\$ 4,921	\$ 4,982	\$ 5,043	\$ 5,105	\$ 5,168	\$ 5,231	\$ 5,295	\$ 5,359	\$ 5,425	\$ 5,490	\$ 5,557	\$ 5,624	\$ 5,692	\$ 5,760	\$ 5,829	\$ 5,897	\$ 5,967	
CADL - Library	1.5600	\$ 962	\$ 2,522	\$ 2,553	\$ 2,585	\$ 2,616	\$ 2,649	\$ 2,681	\$ 2,714	\$ 2,747	\$ 2,780	\$ 2,814	\$ 2,848	\$ 2,883	\$ 2,918	\$ 2,953	\$ 2,988	\$ 3,024	\$ 3,059	\$ 3,095	
Zoo Millage	0.4100	\$ 253	\$ 663	\$ 671	\$ 679	\$ 688	\$ 696	\$ 705	\$ 713	\$ 722	\$ 731	\$ 740	\$ 749	\$ 758	\$ 767	\$ 776	\$ 785	\$ 795	\$ 804	\$ 813	
Lansing Operating	19.4400	\$ 11,987	\$ 31,427	\$ 31,816	\$ 32,208	\$ 32,605	\$ 33,005	\$ 33,410	\$ 33,819	\$ 34,231	\$ 34,648	\$ 35,069	\$ 35,494	\$ 35,924	\$ 36,358	\$ 36,796	\$ 37,238	\$ 37,685	\$ 38,137	\$ 38,594	
Lansing Community College	3.8072	\$ 2,348	\$ 6,155	\$ 6,231	\$ 6,308	\$ 6,385	\$ 6,464	\$ 6,543	\$ 6,623	\$ 6,704	\$ 6,786	\$ 6,868	\$ 6,951	\$ 7,035	\$ 7,120	\$ 7,206	\$ 7,293	\$ 7,380	\$ 7,468	\$ 7,557	
Ingham Intermediate	4.8956	\$ 2,895	\$ 7,591	\$ 7,685	\$ 7,780	\$ 7,875	\$ 7,972	\$ 8,070	\$ 8,169	\$ 8,268	\$ 8,369	\$ 8,471	\$ 8,573	\$ 8,677	\$ 8,782	\$ 8,888	\$ 8,995	\$ 9,103	\$ 9,211	\$ 9,320	
Ingham County Sum	6.3842	\$ 3,936	\$ 10,321	\$ 10,448	\$ 10,577	\$ 10,708	\$ 10,839	\$ 10,972	\$ 11,106	\$ 11,242	\$ 11,379	\$ 11,517	\$ 11,657	\$ 11,799	\$ 11,940	\$ 12,084	\$ 12,229	\$ 12,376	\$ 12,524	\$ 12,673	
Total Local Taxes (capturable)	43.2061	\$ 26,641	\$ 69,847	\$ 70,711	\$ 71,584	\$ 72,465	\$ 73,356	\$ 74,255	\$ 75,163	\$ 76,080	\$ 77,007	\$ 77,943	\$ 78,888	\$ 79,842	\$ 80,806	\$ 81,780	\$ 82,763	\$ 83,757	\$ 84,757	\$ 85,763	
New School Capture for Local Tax Units																					
School Operating	18.0000	\$ 11,099	\$ 29,099	\$ 29,459	\$ 29,822	\$ 30,190	\$ 30,561	\$ 30,935	\$ 31,314	\$ 31,696	\$ 32,082	\$ 32,471	\$ 32,865	\$ 33,263	\$ 33,665	\$ 34,070	\$ 34,480	\$ 34,894	\$ 35,312	\$ 35,734	
SET	6.0000	\$ 3,700	\$ 9,700	\$ 9,820	\$ 9,941	\$ 10,063	\$ 10,187	\$ 10,312	\$ 10,438	\$ 10,565	\$ 10,694	\$ 10,824	\$ 10,955	\$ 11,088	\$ 11,222	\$ 11,357	\$ 11,493	\$ 11,631	\$ 11,770	\$ 11,909	
Total School Taxes (not captured)	24.0000	\$ 14,798	\$ 38,798	\$ 39,278	\$ 39,763	\$ 40,253	\$ 40,747	\$ 41,247	\$ 41,751	\$ 42,261	\$ 42,776	\$ 43,295	\$ 43,820	\$ 44,350	\$ 44,886	\$ 45,427	\$ 45,973	\$ 46,525	\$ 47,082	\$ 47,644	
Debt Millages (not capturable)																					
Lansing Debt	0.2600	\$ 160	\$ 420	\$ 426	\$ 431	\$ 436	\$ 441	\$ 447	\$ 452	\$ 458	\$ 463	\$ 469	\$ 475	\$ 480	\$ 486	\$ 492	\$ 498	\$ 504	\$ 510	\$ 516	
Lansing School Debt	2.4000	\$ 1,480	\$ 3,880	\$ 3,928	\$ 3,976	\$ 4,025	\$ 4,075	\$ 4,125	\$ 4,175	\$ 4,226	\$ 4,278	\$ 4,330	\$ 4,382	\$ 4,435	\$ 4,489	\$ 4,543	\$ 4,597	\$ 4,652	\$ 4,707	\$ 4,762	
Total Debt Millages (not capturable)	2.6600	\$ 1,640	\$ 4,300	\$ 4,353	\$ 4,407	\$ 4,461	\$ 4,516	\$ 4,572	\$ 4,627	\$ 4,684	\$ 4,741	\$ 4,799	\$ 4,857	\$ 4,916	\$ 4,975	\$ 5,035	\$ 5,095	\$ 5,157	\$ 5,218	\$ 5,280	
Total Millages	69.8661	\$ 43,079	\$ 112,946	\$ 114,343	\$ 115,754	\$ 117,180	\$ 118,619	\$ 120,073	\$ 121,542	\$ 123,026	\$ 124,523	\$ 126,036	\$ 127,565	\$ 129,108	\$ 130,667	\$ 132,242	\$ 133,832	\$ 135,438	\$ 137,060	\$ 138,697	
Total Available Tax Increment Revenue for Capture	67.2061	\$ 41,439	\$ 108,645	\$ 109,990	\$ 111,347	\$ 112,718	\$ 114,103	\$ 115,502	\$ 116,914	\$ 118,341	\$ 119,782	\$ 121,238	\$ 122,708	\$ 124,193	\$ 125,692	\$ 127,207	\$ 128,737	\$ 130,282	\$ 131,832	\$ 133,397	
LBRA Administrative Fee*		\$ 1,332	\$ 3,492	\$ 3,536	\$ 3,579	\$ 3,623	\$ 3,668	\$ 3,713	\$ 3,758	\$ 3,804	\$ 3,850	\$ 3,897	\$ 3,944	\$ 3,992	\$ 4,040	\$ 4,089	\$ 4,138	\$ 4,188	\$ 4,238	\$ 4,288	
Local Site Remediation Revolving Loan Fund (LSRRLF)**		\$ 1,332	\$ 3,492	\$ 3,536	\$ 3,579	\$ 3,623	\$ 3,668	\$ 3,713	\$ 3,758	\$ 3,804	\$ 3,850	\$ 3,897	\$ 3,944	\$ 3,992	\$ 4,040	\$ 4,089	\$ 4,138	\$ 4,188	\$ 4,238	\$ 4,288	
10% Capture for Local Tax Units		\$ 2,664	\$ 6,985	\$ 7,071	\$ 7,158	\$ 7,247	\$ 7,336	\$ 7,425	\$ 7,516	\$ 7,608	\$ 7,701	\$ 7,794	\$ 7,889	\$ 7,984	\$ 8,081	\$ 8,178	\$ 8,276	\$ 8,376	\$ 8,476	\$ 8,577	
LBRA EPA Assessment Grant Reimbursement		\$ 20,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Annual Available Local Tax Capture		\$ 458	\$ 55,878	\$ 56,589	\$ 57,267	\$ 57,972	\$ 58,685	\$ 59,404	\$ 60,130	\$ 60,864	\$ 61,605	\$ 62,354	\$ 63,110	\$ 63,874	\$ 64,645	\$ 65,424	\$ 66,211	\$ 67,005	\$ 67,806	\$ 68,614	
3 Mills to State Brownfield Fund		\$ 1,850	\$ 4,850	\$ 4,910	\$ 4,970	\$ 5,032	\$ 5,093	\$ 5,156	\$ 5,219	\$ 5,283	\$ 5,347	\$ 5,412	\$ 5,478	\$ 5,544	\$ 5,611	\$ 5,678	\$ 5,747	\$ 5,816	\$ 5,886	\$ 5,956	
Total Annual Available Tax Capture for Developer		\$ 13,406	\$ 89,826	\$ 90,937	\$ 92,060	\$ 93,194	\$ 94,338	\$ 95,495	\$ 96,663	\$ 97,843	\$ 99,034	\$ 100,237	\$ 101,453	\$ 102,680	\$ 103,920	\$ 105,172	\$ 106,437	\$ 107,715	\$ 109,007	\$ 110,303	
Total Cumulative Tax Capture After Admin. Fees		\$ 13,406	\$ 103,232	\$ 194,170	\$ 286,230	\$ 379,423	\$ 473,762	\$ 569,257	\$ 665,920	\$ 763,762	\$ 862,796	\$ 963,034	\$ 1,064,487	\$ 1,167,167	\$ 1,271,087	\$ 1,376,260	\$ 1,482,697	\$ 1,590,411	\$ 1,698,414	\$ 1,806,707	
MSF Reimbursed Expenses																					
Local Taxes		\$ 8,226	\$ 55,115	\$ 55,797	\$ 56,486	\$ 57,181	\$ 57,884	\$ 58,593	\$ 59,310	\$ 60,034	\$ 60,765	\$ 61,503	\$ 62,249	\$ 63,002	\$ 63,763	\$ 64,531	\$ 65,307	\$ 66,090	\$ 66,881	\$ 67,679	
School Taxes		\$ 4,569	\$ 30,615	\$ 30,994	\$ 31,376	\$ 31,763	\$ 32,153	\$ 32,547	\$ 32,945	\$ 33,347	\$ 33,753	\$ 34,164	\$ 34,578	\$ 34,996	\$ 35,419	\$ 35,846	\$ 36,277	\$ 36,711	\$ 37,149	\$ 37,591	
Total		\$ 12,795	\$ 85,730	\$ 86,791	\$ 87,862	\$ 88,944	\$ 90,037	\$ 91,141	\$ 92,255	\$ 93,381	\$ 94,518	\$ 95,667	\$ 96,827	\$ 97,998	\$ 99,182	\$ 100,377	\$ 101,584	\$ 102,801	\$ 104,020	\$ 105,240	
Unreimbursed Eligible Expenses		\$ 1,508,268	\$ 1,495,473	\$ 1,489,743	\$ 1,322,952	\$ 1,235,090	\$ 1,146,146	\$ 1,056,109	\$ 964,968	\$ 872,713	\$ 779,332	\$ 684,814	\$ 589,147	\$ 492,320	\$ 394,322	\$ 295,140	\$ 194,763	\$ 93,180	\$ -	\$ -	\$ -
MDEQ Reimbursed Expenses																					
Local Taxes		\$ 393	\$ 2,833	\$ 2,666	\$ 2,899	\$ 2,732	\$ 2,765	\$ 2,799	\$ 2,834	\$ 2,868	\$ 2,903	\$ 2,938	\$ 2,974	\$ 3,010	\$ 3,046	\$ 3,083	\$ 3,120	\$ 2,862	\$ 2,605	\$ 2,348	
School Taxes		\$ 218	\$ 1,463	\$ 1,481	\$ 1,499	\$ 1,518	\$ 1,536	\$ 1,555	\$ 1,574	\$ 1,593	\$ 1,613	\$ 1,632	\$ 1,652	\$ 1,672	\$ 1,692	\$ 1,713	\$ 1,733	\$ 1,590	\$ 1,447	\$ 1,304	
Total		\$ 611	\$ 4,296	\$ 4,147	\$ 4,398	\$ 4,249	\$ 4,301	\$ 4,354	\$ 4,408	\$ 4,461	\$ 4,516	\$ 4,571	\$ 4,626	\$ 4,682	\$ 4,739	\$ 4,796	\$ 4,853	\$ 4,452	\$ 4,053	\$ 3,652	
Unreimbursed Eligible Expenses		\$ 72,060	\$ 71,449	\$ 67,353	\$ 63,206	\$ 59,008	\$ 54,759	\$ 50,457	\$ 46,103	\$ 41,695	\$ 37,234	\$ 32,718	\$ 28,147	\$ 23,521	\$ 18,839	\$ 14,101	\$ 9,305	\$ 4,452	\$ -	\$ -	

*administrative fees are 5% of the local tax increment
**LSRRLF capture is 5% of the local tax increment

Tax Ratio	Millages	Percentage
Local Tax	43.2061	64.29%
School Tax	24.0000	35.71%
Total	67.2061	100%

Total eligible expense ratio	
MSF	\$ 1,508,268 95.44%
MDEQ	\$ 72,060 4.56%
Local	\$ - 0.00%
Total	\$ 1,580,328 100.00%

Eligible activity school/local reimbursement		
	Local	School
MSF	\$969,650	\$538,618
MDEQ	\$46,327	\$25,733
Total	\$1,015,976	\$564,352



AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS AGREEMENT in Consideration of Development Incentives (“Agreement”) is made and entered this 21st day of January, 2016, by and between the City of Lansing, Michigan, a Michigan municipal corporation (“City”), and 616 South Washington Properties LLC, a Michigan Limited Liability Company (“Applicant”), (collectively the “Parties”);

I. STATEMENT OF PURPOSE:

The City of Lansing welcomes new investment and the creation of new jobs. To achieve these goals, the City offers a variety of economic incentives that are designed to facilitate the expansion of existing businesses and the location of new businesses within the City, as well as the rehabilitation of obsolete structures and the reuse of environmentally contaminated sites.

Economic incentives typically do not provide City funds to developers or businesses, but rather encourage new investment and job creation in the City that would not have occurred without the incentive. The purpose of this Agreement is to establish performance expectations, reporting requirements, and preferences for Lansing-based firms, resident employees and union employees in hiring, contracting, subcontracting and procurement related to the acceptance of economic incentives by the Applicant.

Economic incentives are beneficial to both the City and the Applicant. The approval of incentives must be a transparent and public process that produces a clear agreement between the Parties regarding the responsibilities of both the City and the Applicant. This public process does not end with the approval of the incentive, but continues until the commitments made by the Applicant under this Agreement are met.

II. DEFINITIONS

As used in this Agreement, the definitions herein shall be the mutually understood meaning of the following terms:

“*Incentive*” means a reduction in City taxes levied on real or personal property, or other financial benefit to Applicant, for a limited number of years as specified in this Agreement, and which may include, but is not limited to, those tax reductions or other

financial benefits authorized by the Obsolete Property Rehabilitation Act (Public Act 146 of 2000, as amended), Neighborhood Enterprise Zone Act (Public Act 147 of 1992, as amended), Brownfield Redevelopment Financing Act (Public Act 381 of 1996, as amended), Plant Rehabilitation and Industrial Development Districts (Public Act 198 of 1974, as amended) and the New Personal Property Tax Exemption authorized by Public Act 328 of 1998.

“*Lansing-based firm*” means an incorporated business entity that owns or leases an office, warehouse, distribution center, or wholesale or retail store located within the corporate limits of the City of Lansing.

“*Full-time Equivalent Employees (FTE)*” means a combination of full-time and part-time employees that represents all employees as a comparable number of full-time employees.

III. RECITALS:

A. APPLICANT/PROJECT INFORMATION

Name of Project: South Edge Lofts Project

Business Name of Applicant (if applicable): 616 South Washington Properties LLC

Name of Parent Company (if applicable): _____

List Managing Partner and all other Partners, including percentage ownership interest of each partner:

<u>A&A Equities LLC (Roger Thornburg)</u>	<u>50</u>	<u>%</u>
<u>Joe Biersbach</u>	<u>50</u>	<u>%</u>
_____	_____	<u>%</u>
_____	_____	<u>%</u>

List City incentive(s) and number of years requested for each:

<u>Act 381 Brownfield Tax Increment Financing (TIF)</u>	<u>17</u>	<u>Years</u>
_____	_____	<u>Years</u>
_____	_____	<u>Years</u>

List all Federal, State or other incentives and their estimated value that may be part of this project:

State Approval of Act 381 Work Plan to Conduct Eligible Environmental and Non-Environmental Eligible Activities with an Estimated Value of \$1,580,328 in TIF.

Michigan Economic Development Corporation's Community Revitalization Program with an Estimated Value of \$2,000,000 in combined Grant and Loan funds, subject to State Approval.

Name of Financial Institution(s) funding the Project *(if unavailable upon execution of this Agreement, Applicant agrees to furnish commitment letter(s) from lending institution(s) to the LEDC when available)*:

Estimated number of new, permanent full-time equivalent employees (FTE) upon Project Completion *(if applicable)*:

42 FTE

Estimated total investment in real and personal property, including acquisition and construction costs, upon Project Completion:

\$ 10,000,000

Estimated average hourly wage or annual salary of new, permanent employees *(if applicable)*:

\$.

B. APPLICANT ACCEPTANCE OF NOTICE AND REPORTING REQUIREMENTS AND LOCAL PREFERENCES IN HIRING, PROCUREMENT OF GOODS AND SERVICES, CONTRACTING AND SUBCONTRACTING

(initial spaces below to indicate acceptance) (on the final executed copy the client needs to be willing to initial each of these)

_____ Applicant agrees to notify the LEDC and City Assessor of any and all partnership or ownership changes during the term of any incentives approved for the Project.

_____ Applicant agrees, and may be required to provide written documentation at the request of the LEDC, to consider and hire as many Lansing residents and Lansing-based firms, including but not limited to consultants, suppliers, contractors and sub-contractors, as reasonably possible.

_____ Applicant agrees, and may be required to provide written documentation at the request of the LEDC, to make good faith efforts to hire contractors and sub-contractors that employ union labor when economically feasible.

_____ Applicant agrees that all employees, contractors and sub-contractors related to this Project will pay all City individual income tax.

_____ Applicant agrees to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees as required by law.

_____ Applicant agrees that all contractors and sub-contractors will report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees as required by law.

C. LEDC STAFF/ADMINISTRATION RECOMMENDATION

Name of Lead Staff Person: Gabriela Allum

Revenue currently paid to the City by the site or project: \$ 7,453 annually

Estimated total revenue to the City upon Project Completion: \$ 45,138 annually

Estimated total value of City Incentive(s): \$ 563,720

Estimated total new net revenue to the City: \$ 214,200

Staff Comments (*indicate reasons for providing Incentive and describe any additional value to the City as a result of approval*):

The Project Area represents an important block in an effort to extend downtown Lansing's vibrancy to the south and connect REO Town to downtown. The Project would involve significant investment in brownfield property, while also acting to infill a sparsely built block in downtown. At the same time, the Project would bring a significant number of new residents and new full-time jobs to the City of Lansing, adding spending power and activity in the immediate area while providing income taxes to increase City tax revenue.

Project Timeline: The project is anticipated to begin in the Summer of 2016 and be completed by mid-2018.

Have all appropriate City Incentive fees been received? YES NO

Staff Recommendation: APPROVE DENY MODIFY

(if DENY or MODIFY please explain in space provided below)

Administration Recommendation: APPROVE DENY MODIFY

(if DENY or MODIFY please explain in space provided below)

D. ADDITIONS:

1. Applicant, in seeking local legislative approval, has made certain representations to the City as more fully set forth herein.

2. The Applicant has applied for Brownfield Tax Increment Financing (TIF) for the purpose of redeveloping the Project Area properties in order to construct a new mixed use residential and office building that preserves and incorporates the facades of existing buildings, including the Blake House. Brownfield eligible investment includes asbestos surveys and abatement, due care activities and extensive demolition activities. The Project is anticipated to create 42 new full-time equivalent employees (FTE), to be employed by the future tenants of the offices and management of the apartments, with a total estimated investment in real property of \$10,000,000 and personal property of \$0, when completed.

3. The Applicant has supplied to the LEDC all application and supporting documentation, including a list of all partners of the Applicant with an ownership interest in the Project, which in turn has been forwarded to the City prior to the approval of the Incentive.

4. The Applicant has provided to the LEDC detailed information including wage and benefit information if known on the projected investment for the Project and new, permanent full-time equivalent employees (FTE) expected to be hired or retained as a result of the Project as described in paragraph D. 2., which in turn has been forwarded to the City prior to approval of the Incentive.

5. The Applicant and the City desire to enter into an agreement whereby the Applicant and City specify and agree on the Project performance measures under which the Incentive is granted, and some of the conditions under which such Incentive can be modified or revoked by the City and/or State of Michigan. Nothing in this Agreement supersedes or diminishes any rights of the City or the State established by Federal, State, or Local law or regulations.

6. The Lansing City Treasurer has verified in writing the Applicant is not delinquent and/or late on any property taxes owed to the City for all properties in which the applicant owns a twenty-five percent (25%) or more interest.

7. The Lansing City Treasurer has verified in writing the Applicant, if an employer in the City, is in compliance with all required City wage withholding and income reporting requirements for all of their employees.

8. The Lansing City Treasurer has verified in writing the Applicant is not delinquent and/or late on any corporate or other business income taxes owed the City, if any.

9. The LEDC has verified that all application fees due have been paid in full by the Applicant.

IV. AGREEMENT:

NOW, THEREFORE, in consideration of the recitals and mutual covenants and agreements herein contained and pursuant to MCL Public Act 381 of 1996, as amended (the "Act"), as amended, the Parties agree as follows:

A. Reliance on Recitals

The Parties acknowledge Applicant has made representations contained within its application, and the recitals and additions above, with the purpose and intent of City's reliance thereon, as well as for compliance with the Act, as amended, and the City relies upon these representations in its determination that the Incentive should be approved.

B. Project Area

The location of the Project is commonly known as 616 South Washington Avenue, but includes three additional parcels, 118 West St. Joseph Street, 617 South Capitol Avenue, and 615 South Capitol Avenue. The four parcels, in their entirety, constitute the ("Project Area"), legally described as follows:

616 South Washington Avenue: 33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

118 West St. Joseph Street: 33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

617 South Capitol Avenue: 33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

615 South Capitol Avenue: 33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

C. Project Timeframe.

The Applicant and City agree the City's approval of the Incentive is based upon completion of the Project within a specific time period ("Project Timeframe"). The Project Timeframe starts July 1, 2016 and ends June 30, 2018.

D. Project Completion

The Applicant and the City agree that for the Project to be considered complete, the Applicant must perform all of the following in the Project Area within the Project Timeframe (“Project Completion”):

1. Use best efforts to create at least 42 new, permanent full-time equivalent employees (FTE) as described in III. D., above.
2. Purchase and/or locate within the Project Area, personal property with a fair market value of \$0. This personal property may not be moved to the Project Area from another location within the City of Lansing.
3. Make improvements to the real property and complete development currently estimated at \$8,500,000 (including infrastructure). Improvements include only hard costs, and exclude architectural and engineering costs.
4. Obtain all necessary building permits and site plan approvals, including payment of all required fees, plus final inspections including a Certificate of Occupancy from the City of Lansing and all other appropriate authorities and agencies.
5. Upon Project Completion, the applicant will provide to the LEDC, upon request, any and all appropriate financial records that are referenced as part of this Agreement.
6. Project Completion must be performed by June 30, 2018.

E. Project Completion Progress Reports

The Applicant shall file an annual report with the LEDC on the Applicant’s progress toward achieving Project Completion. Reports shall be submitted in compliance with all LEDC reporting requirements. Applicant understands and agrees that the information submitted to the LEDC will be available for public viewing, unless prior approval is requested and granted for specific confidential business information that is not subject to disclosure under the Freedom of Information Act (Public Act 442 of 1976, being MCL 15.231 et. seq., as amended). Non-compliance with reporting requirements may result in the modification or revocation of the Incentive.

Lack of performance and compliance with this agreement, may be considered as relevant information in consideration of the approval of all future incentive applications to the LEDC or City by the Applicant or any person or entity with (25%) or more ownership in the Project.

F. Verification of Project Completion

No later than thirty (30) days after the end of the Project Timeframe, the Applicant shall provide in writing to the LEDC a Final Project Completion Report (“Final Report”) with proof of Project Completion. Acceptable forms of proof may include, as directed by LEDC, proof of employment, proof of paid invoices, executed and filed tax documentation, final financing documents and similar material which confirm original financial data, engineering and

architectural “as-built” drawings, photographs, and other like evidence of completion of the Project in the Project Area. If at any time during the Project Timeframe the Applicant completes the Project as agreed upon in Section (4), the Applicant may submit the Final Project Completion Report to the LEDC.

G. Consideration of Applicant’s Compliance with the Agreement.

Within 60 days of receiving the Final Report, or 90 days after the end of the Project Timeframe, the LEDC shall make a preliminary determination if the Applicant has achieved Project Completion. In the event the preliminary determination concludes the Project was completed per this Agreement, written notification of such finding shall be sent from the LEDC to the Applicant and the City of Lansing Finance Director. In the event the LEDC makes the determination the Applicant did not complete the project per this Agreement, the LEDC will forward in writing its findings and a recommended course of action to the Applicant and the City of Lansing Finance Director. Prior to any action that might lead to the modification or revocation of all or part of the Incentive, the City shall offer the Applicant the reasonable opportunity to appear before the Council and be heard. In the event of the revocation of all or part of the Applicant’s Incentive, the City may consider the breach of contract when contemplating the approval of all future Incentive applications to the City by the Applicant or any partners listed as required in the Recitals.

H. Failure of Applicant to Pay Tax Applicable to Personal Property

If any property tax applicable to the personal property that makes up the project is not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may seize and sell the personal property to pay the tax, expenses of sale, and interest on the tax, or may commence civil litigation to recover the amount of tax an interest thereon, in accordance with Michigan law.

I. Failure of Applicant to Pay Tax Applicable to Real Property

If any property tax applicable to the real property that makes up the project is not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may place a lien on the real property. The City may enforce the lien in the same manner as provided by law for the foreclosure in the circuit courts of mortgage liens upon real property, in accordance with Michigan law.

J. City’s Rights under Act

Nothing in this Agreement shall supersede the City’s ability to request the State Tax Commission to revoke the Incentive as otherwise provided, or as may hereafter be provided, under the Act, as amended. Nothing in this Agreement supersedes or diminishes any rights of the City or the State established by Federal, State, or Local law or regulations.

K. Ambiguity

If this Agreement or any of its terms and conditions are determined to be ambiguous, this Agreement and all its terms and conditions shall be considered as if drafted by both parties.

L. Rights and Remedies Cumulative

The Parties shall have all the rights and remedies available at law, in equity or in this Agreement to enforce the rights and obligations under this Agreement. All remedies shall be cumulative and none will be exclusive of any other. The exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

M. Right In Third Parties

This Agreement is not intended nor shall it create any rights, expectations or benefit to any third parties, including any creditor of the parties.

N. Severability

The invalidity of any portion of this Agreement shall not affect the validity of the remainder thereof.

O. Subsequent Waivers

One or more waivers of any provision, covenant, or condition of this Agreement shall not be construed as a waiver of a subsequent breach of the same provision, covenant, or condition, or as a waiver of a subsequent breach of other provisions, covenants, or conditions. The consent or approval to or for any act shall not be deemed to render unnecessary the consent or approval to or for any subsequent similar act.

P. Termination

This Agreement terminates upon verification of project completion by the LEDC, or upon the written agreement of the Parties.

Q. Authority.

The Applicant's execution, delivery and performance of this Agreement have been duly authorized. The Applicant's representative executing this Agreement does so with requisite authority to fully and completely bind the Applicant.

IN WITNESS WHEREOF, the undersigned Parties hereto execute this Agreement as of the day and year first above written.

WITNESSES:

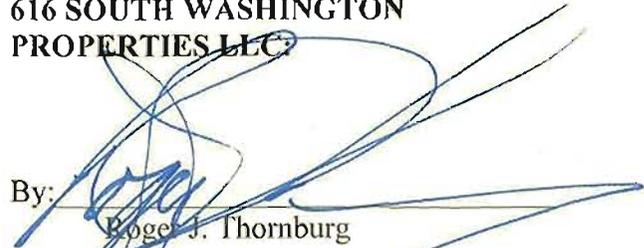


Shannon M. Starkweather



Kristi L. Starkweather

**616 SOUTH WASHINGTON
PROPERTIES LLC:**


By: _____
Roger J. Thornburg

Its: Manager

CITY OF LANSING:

By: _____
Virg Bernero

Its: Mayor

**LANSING ECONOMIC
DEVELOPMENT CORPORATION:**

By: _____
Karl R. Dorshimer, Jr.

Its: Representative

Approved as to form:

I hereby certify that funds are available
in Account No.: _____

Janene McIntyre
City Attorney

City Controller

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING BROWNFIELD PLAN #64
THE SOUTH EDGE LOFTS REDEVELOPMENT PROJECT

WHEREAS, the Brownfield Redevelopment Authority (the 'Authority') of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the 'Act') has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Brownfield Plan #64 – South Edge Lofts Redevelopment Project (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on February 29, 2016 and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on the February 29, 2016, reviewed testimony and evidence regarding the Plan, and found that:

1. the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority,
2. the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property,
3. the Project may result in new private investment of approximately \$10,000,000,
4. the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible activities they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on January 8, 2016, unanimously recommended approval of the Plan, for this Project;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, after having duly considered the Plan, finds it is in compliance with the provisions of the Act and further finds:

- The Plan constitutes a public purpose under the Act;

- The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;
- The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act; and
- The amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable.

IT IS FINALLY RESOLVED that the Lansing City Council hereby approves the LBRA 'Brownfield Plan #64 – South Edge Lofts Redevelopment Project'.

REIMBURSEMENT AGREEMENT

This Brownfield Reimbursement Agreement (the “**Agreement**”) is made as of _____, among the Lansing Brownfield Redevelopment Authority (the “**Authority**”), a public body corporate with offices at 1000 South Washington Avenue, Lansing, MI 48910; and 616 South Washington Properties LLC, a Michigan limited liability company, with a business address of 611 South Capitol Ave., Suite A, Lansing, MI 48933 (the “**Developer**”). The Authority and the Developer, collectively, shall be referred to as the “**Parties**” throughout the Agreement.

RECITALS

A. The Authority was created by the City of Lansing (the “**City**”) pursuant to the Brownfield Redevelopment Financing Act, 1996 P.A. 381, as amended (the “**Act**”), and, pursuant to the Act, the Authority has prepared a Brownfield Plan to include the Property (as defined below) which was duly approved by the City Council on _____, _____ following a public hearing on _____, _____, a copy of which is attached as **Exhibit A** (the “**Brownfield Plan**”).

B. The Developer intends to develop the property in the City of Lansing which is described on the attached Exhibit B (the “**Property**”) and which, due to it being a “facility” as defined by Part 201 of Michigan’s Natural Resources and Environmental Protection Act (P.A. 451, as amended) as described in the Brownfield Plan is “eligible property” and is therefore commonly referred to as a “brownfield.”

C. Provided it obtains any needed zoning and building approvals from the City and others, the Developer plans to develop on the Property certain improvements (the “**Improvements**”) as described in the Brownfield Plan. The Improvements will increase the tax base for the relevant taxing jurisdictions and support the employment base in Lansing. The Improvements include eligible activities as defined by the Act (the “**Eligible Activities**”).

D. In order to make the Improvements on the Property, the Developer will incur costs to complete the Eligible Activities. These costs are more fully described in the Brownfield Plan (“**Eligible Costs**”). It is recognized that the Brownfield Plan is based upon estimated costs and may increase or decrease depending on the nature and extent of the Brownfield conditions and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the Authority from the Property shall be governed by the terms of this Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of this Agreement. The amount reimbursed for eligible activities may be adjusted up or down between the various categories of Eligible Activities, up to the maximum total reimbursement of \$_____.

E. In accordance with Act 381 and the Brownfield Plan, the Parties desire to use the property tax revenues that are generated from an increase in the Property’s taxable value due to the Improvements (“**Tax Increment Revenues**”) to reimburse the Developer for Eligible Costs it incurs in improving the Property.

F. The Parties are entering into this Agreement to establish the terms and conditions and the procedures for such reimbursement with Tax Increment Revenues as they are generated.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the Parties agree as follows:

1. Brownfield Plan. To the extent provisions of the Brownfield Plan conflict with this Agreement, the terms and conditions of the Brownfield Plan control with the following exception: The Authority is

not obligated to reimburse Eligible Activities performed after _____. To the extent provisions of the Brownfield Plan or this Agreement conflict with the Act, then the Act controls.

2. Construction of Development. The Developer shall proceed with due care and diligence to complete the Improvements and undertake and complete the Eligible Activities resulting in the Eligible Costs, all in accordance with this Agreement, the Brownfield Plan, and all applicable laws, rules, regulations, permits, orders, and authorized requirements of any official or agency of competent jurisdiction.

3. Capture of Taxes. The parties agree that this Agreement and the Tax Increment Revenues collected and distributed pursuant to the Brownfield Plan are intended to fund the Eligible Costs and the Authority's costs as described in the Brownfield Plan.

4. Submission of Costs. For those Eligible Costs for which the Developer seeks reimbursement from the Authority, the Developer shall submit to the Authority such of the following as may be required by Authority representatives:

- (a) a written statement detailing the costs,
- (b) a written explanation as to why the amounts requested are subject to reimbursement pursuant to the Brownfield Plan and this Agreement,
- (c) copies of invoices from the consultants, contractors, engineers, attorneys or others who provided such services,
- (d) copies of waivers of liens by the contractors, subcontractors and material suppliers;
- (e) if not already submitted, copies of the contract with the contractor or supplier providing the services or supplies for which reimbursement is sought;
- (f) a statement from the engineer and project manager overseeing the work recommending payment; and
- (g) any other information which may be reasonably required by state authorities or reasonably required by the Authority.

The Developer may submit a reimbursement request including such information whenever it is available even though Tax Increment Revenues for the reimbursement may not be available at the time of submittal. As Tax Increment Revenues become available, the Authority will reimburse the Developer those Eligible Costs which have been approved by the Authority as directed by the Brownfield Plan. The Developer and Authority agree that the Authority may do so but is not obligated to reimburse Eligible Activities conducted after _____.

5. Payments. Payments to the Developer shall be made as follows:

- (a) Within 45 days of its receipt of the materials identified in paragraph 4 above, the Authority shall decide whether the payment request is for Eligible Costs and whether such costs are accurate. If the Authority determines all or a portion of the requested payment is for Eligible Costs and is accurate, it shall see that the portion of the payment request that is for Eligible Costs and is accurate is processed for payment as provided in subparagraph (b) below. If the Authority disputes the accuracy of any portion of any payment request or that any portion of any payment is for Eligible Costs, it shall notify the Developer in writing of its determination and the reasons for its determination. The Developer shall have ninety (90) days from its receipt of the Authority's determination to address the reasons given by the Authority and shall have an opportunity to meet with the Authority's representatives or, if the Authority Board consents, to meet with the Authority's Board to discuss and resolve any remaining dispute. In doing so, the Developer shall provide the Authority a written response to the Authority's decision and the reasons given by the Authority. Within thirty (30) days of receiving the written response from the Developer, except

as otherwise agreed to in writing by the Developer and Authority, the Authority shall make a final determination on the eligibility of the disputed cost(s) and inform the Developer in writing of its determination. The final determination shall be binding upon the Developer unless otherwise determined by a court of competent jurisdiction.

(b) Once it approves any request for payment as Eligible Costs and approves the accuracy of such costs, the Authority shall pay to the Developer the amounts for which submissions have been made pursuant to paragraph 4 of this Agreement as the Authority receives Tax Increment Revenues as directed by the Brownfield Plan, until all of the Authority approved amounts for which submissions have been made have been fully paid to the Developer or the Brownfield Plan obligation to the Developer expires, whichever occurs first. ~~If the amount of Tax Increment Revenues are sufficient to cover all approved payments, the Authority shall pay the Developer within 30 days; if the approved payments exceed the available Tax Increment Revenues, the Authority shall pay those amounts to the Developer within 60 days of the payment of property taxes for the Property.~~

(c) The repayment obligation under this Agreement shall expire upon the payment by the Authority to the Developer of all LBRA approved amounts due the Developer under this Agreement or on _____, whichever occurs first.

(d) The sole source for any reimbursement shall be such Tax Increment Revenues as described in the Brownfield Plan. To the extent permitted by law, such reimbursements, once approved by the Authority under subparagraph (b) above shall be and remain valid and binding obligations of the Authority until paid or until expiration of the time for payment as provided in subparagraph (c).

(1) Payment for Administrative Fees. The Authority will collect a payment for administrative fees annually from Tax Increment Revenues equaling five percent of the amount of tax increment revenue collected each year that is derived from "Local Taxes", as defined by the Act. The purpose of this payment is to cover administrative costs and fees, as defined in section 7(h) of Act 381, that are part of the approval of the Brownfield Plan, an Act 381 Work Plan and any Eligible Activity on an eligible property. The payment is a reimbursable administrative cost subject to Tax Increment Revenues under Section 13(16) and Section 13(19) of the Act, and the satisfaction and performance of the terms of this Agreement. The Developer acknowledges that payment of the administrative fees will be made from Tax Increment Revenues before payments to the LSRRF and before any payments of amounts due to the Developer hereunder.

(2) Payment for Local Site Remediation Revolving Fund (LSRRF). The Authority will collect a payment each year for deposit into the LSRRF. The payment will equal five percent of the amount of tax increment revenue collected each year that is derived from "Local Taxes", as defined by the Act. Collection and use of the payments deposited into the LSRRF will be in accordance with Section 8 and Section 13(5) of the Act. The Developer acknowledges that payment of the LSRRF will be made from Tax Increment Revenues before any payments of amounts due to the Developer hereunder.

It should be noted that the Brownfield Plan allows for the capture of 90% of the new tax increment revenue created by the project but none of the existing taxes currently being paid by the property. Thus 100% of the current property taxes paid on the site and 10% of the new tax revenue from the improvements will be distributed proportionately to all local and state taxing units.

6. Assignment of Future Reimbursement Revenue. The Developer may assign, with the Authority's written approval, all or part of its rights and obligations under this Agreement to any affiliate or successor

in interest. Developer shall, no later than sixty (60) days prior to such assignment, notify the Authority as specified under Subparagraph 10(e).

7. Adjustments. If, due to an appeal of any tax assessment or reassessment or any other reason, the Authority is required to reimburse any Tax Increment Revenues, the Authority may deduct the amount of any such reimbursement from any amounts due and owing the Developer or, if all amounts due the Developer under this Agreement have been fully paid, the Authority may invoice the Developer for the amount of such reimbursement and the Developer shall pay the Authority such invoiced amount within sixty (60) days of the Developer's receipt of the invoice from the Authority. Nothing in this agreement shall limit the right of the Developer to appeal any tax assessment.

8. Obligation to Fund Eligible Activities. The Developer shall pay for the Eligible Costs with their own funds, ~~in addition to plus~~ the use of ~~a loan funds~~ from the LBRA's Fiscal Year 2012 Environmental Protection Agency (EPA) ~~Revolving Assessment Grant Loan Fund (RALF). The Developer shall, and~~ receive reimbursement from the Authority by available Tax Increment Revenues (TIF) as described in the Brownfield Plan. The LBRA EPA ~~RALF Assessment Grant loan funds~~ will have third priority after LBRA administrative and LSRRF costs, and shall be paid back with TIF in full prior to the reimbursement of any Developer-funded Eligible Costs. It is anticipated that there will be sufficient available Tax Increment Revenues to pay for all Eligible Costs under this Agreement. However, if for any reason increased Tax Increment Revenues from the Development do not result in sufficient revenues to satisfy such obligations, the Developer agrees and understands that it will have no claim or further recourse of any kind or nature against the City or the Authority and the Developer shall assume full responsibility for any such loss or costs.

9. Indemnification. The Developer shall defend, indemnify, and hold the City and the Authority, and their agents, representatives, and employees (hereinafter "Indemnified Persons") harmless from any loss, expense (including reasonable legal counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from injuries to persons or property as a result of the ownership, operation, use or maintenance of the Improvements.

10. Miscellaneous.

(a) This is the entire agreement between the parties as to its subject matter. All previous negotiations, statements and preliminary instruments of the parties or their representatives are merged in this Agreement. The Agreement shall not be amended or modified except in writing signed by all the parties. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other provision.

(b) This Agreement and the rights and obligations under this Agreement except as previously noted, are un-assignable and non-transferable without the consent of the other parties. It shall, however, be binding upon any successors or permitted assigns of the parties.

(c) This Agreement shall terminate when all reimbursements required under this Agreement have been made or the Brownfield Plan obligation to the Developer expires, whichever occurs first.

(d) All parties had input into the drafting of this Agreement and all had the advice of legal counsel before entering into this Agreement. In the event any ambiguity of any language in this Agreement arises, such ambiguity shall not be construed against any party.

(e) Notices shall be complete when delivered by personal delivery, by courier or delivery service (such as UPS, FedEx or other service) or by certified mail, return receipt requested to the addresses first written above. If any party refuses to accept delivery when presented, delivery shall be deemed to have occurred at the time of such refusal. Any such notice and communication shall be addressed as follows:

If to Authority: Lansing Brownfield Redevelopment Authority
1000 South Washington Avenue, Suite 201
Lansing, MI 48910
Attn: Karl Dorshimer

If to Developer: 616 South Washington Properties LLC
611 South Capitol Ave., Suite A
Lansing, MI 48933
Attn: Roger J. Thornburg

- (f) This Agreement shall be governed by the laws of the State of Michigan.
- (g) This Agreement may be signed in multiple identical copies, each of which shall be deemed to be an original copy, and each facsimile or electronic copy shall constitute a legally binding, enforceable document.
- (h) The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision in this Agreement.
- (i) Each party shall take all actions required of it hereunder as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties and with any individual, entity or governmental agency regarding the purposes of this Agreement. Each party shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement, including, but not limited to, such documents or agreements as may be required by the Developer's lenders with respect to securing financing from such lenders.

By signing below, all parties represent and warrant their authority to enter into this agreement on behalf of their respective organizations. The parties have signed this Agreement as of the date first written above.

**616 SOUTH WASHINGTON
PROPERTIES LLC**

**LANSING BROWNFIELD
REDEVELOPMENT AUTHORITY**

By: _____
Roger J. Thornburg, Manager

By: _____
Karl R. Dorshimer, LBRA Representative

EXHIBIT A
BROWNFIELD PLAN

See Attached

EXHIBIT B
LEGAL DESCRIPTION OF PROPERTY

The Property is commonly known as 616 South Washington Avenue, but includes three additional parcels, 118 West St. Joseph Street, 617 South Capitol Avenue, and 615 South Capitol Avenue, all in the City of Lansing, Ingham County, Michigan. The four parcels, in their entirety, are legally described as follows:

616 South Washington Avenue: 33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

118 West St. Joseph Street: 33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

617 South Capitol Avenue: 33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

615 South Capitol Avenue: 33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION TO SET A PUBLIC HEARING FOR
BROWNFIELD PLAN #64
SOUTH EDGE LOFTS BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, the Lansing Brownfield Redevelopment Authority has prepared and forwarded an approved Brownfield Plan pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, for property commonly referred to as 616 South Washington Ave Block located in the City of Lansing; and

WHEREAS, prior to Council's action on this request, it is necessary to hold a public hearing on the Plan, to allow for any resident, taxpayer or ad valorem taxing unit the right to appear and be heard;

WHEREAS, maps, plats, and a description of the brownfield plan are available for public inspection at the Lansing Economic Area Partnership, 1000 South Washington, Suite 201, Lansing, MI 48910, and that all aspects of the brownfield plan are open for discussion at the public hearing.

NOW, THEREFORE, BE IT RESOLVED that a public hearing be held in the City Council Chambers of the City of Lansing, 10th Floor, Lansing City Hall, Lansing, Michigan, on February 29, 2016 at 7:00 p.m. on Brownfield Redevelopment Plan #64 – South Edge Lofts under the Brownfield Redevelopment Financing Act, for property more particularly described as:

33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

And that the City Clerk cause notice of such hearing to be published twice in a publication of general circulation, no less than 10 days or more than 40 days prior to the date of the public hearing, and that the City Clerk also cause the legislative body of each taxing unit levying ad valorem taxes on this property, to be notified of Brownfield Redevelopment Plan #64 – South Edge Lofts and the scheduled public hearing.

City of Lansing
Notice of Public Hearing

The Lansing City Council will hold a public hearing on February 29, 2016 at 7:00 p.m. in the City Council Chambers, 10th Floor, Lansing City Hall, Lansing, MI, for the purpose stated below:

To afford an opportunity for all residents, taxpayers of the City of Lansing, other interested persons and ad valorem taxing units to appear and be heard on the approval of Brownfield Redevelopment Plan #64 – South Edge Lofts pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, for property commonly referred to as 2000 East Michigan Avenue located in the City of Lansing, but more particularly described as:

33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

Approval of this Brownfield Plan will enable the Lansing Brownfield Redevelopment Authority to capture incremental tax increases which result from the redevelopment of the property to pay for costs associated therewith. Further information regarding this issue, including maps, plats, and a description of the brownfield plan will be available for public inspection and may be obtained from Karl Dorshimer – Director of Economic Development, Lansing Economic Area Partnership, 1000 South Washington, Suite 201, Lansing, MI 48910, (517) 702-3387.

City of Lansing
Notice of Public Hearing

The Lansing City Council will hold a public hearing on March 14, 2016 at 7:00 p.m. in the City Council Chambers, 10th Floor, Lansing City Hall, Lansing, MI, for the purpose stated below:

To afford an opportunity for all residents, taxpayers of the City of Lansing, other interested persons and ad valorem taxing units to appear and be heard on the approval of Brownfield Redevelopment Plan #64 – South Edge Lofts pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, for property commonly referred to as 2000 East Michigan Avenue located in the City of Lansing, but more particularly described as:

33-01-01-16-384-051 LOTS 3 & 4 ALSO E 2 R LOTS 5 & 6 BLOCK 158 ORIG PLAT

33-01-01-16-384-041 COM SW COR LOT 5, TH E 132 FT, N 83.9 FT, W 63 FT, S 33 FT, W 69 FT, S 50.9 FT TO BEG; BLOCK 158 ORIG PLAT

33-01-01-16-384-031 S 8 FT OF W 69 FT LOT 6 & N 25 FT OF W 69 FT LOT 5 BLOCK 158 ORIG PLAT

33-01-01-16-384-021 S 55 FT OF N 58 FT OF W 132 FT LOT 6 BLOCK 158 ORIG PLAT

Approval of this Brownfield Plan will enable the Lansing Brownfield Redevelopment Authority to capture incremental tax increases which result from the redevelopment of the property to pay for costs associated therewith. Further information regarding this issue, including maps, plats, and a description of the brownfield plan will be available for public inspection and may be obtained from Karl Dorshimer – Director of Economic Development, Lansing Economic Area Partnership, 1000 South Washington, Suite 201, Lansing, MI 48910, (517) 702-3387.

If you are interested in this matter, please attend the public hearing or send a representative. Written comments will be accepted between 8 a.m. and 5 p.m. on City business days if received before 5 p.m., Monday, March 14, 2016 at the City Clerk's Office, Ninth Floor, City Hall, 124 West Michigan Ave., Lansing, MI 48933 or email city.clerk@lansingmi.gov.

Chris Swope, Lansing City Clerk

www.lansingmi.gov/Clerk

www.facebook.com/LansingClerkSwope

**ECONOMIC DEVELOPMENT CORPORATION
LANSING CITY TREASURER APPROVAL FORM
BUSINESS**

Business Name: 616 South Washington Properties, LLC
Business Contact Person: Roger Thornburg
Phone Number: (517) 881-0084

Project Location: 616 South Washington Ave., 118 West St. Joseph Street, and 615-617 South Capitol Ave., Lansing MI 48933

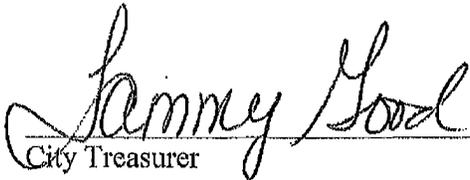
Type of EDC Service: Brownfield Plan

EDC Contact Person Name: Gabriela Allum

Email: gabriela@purelansing.com Phone Number: 517-643-1564

Due Date: As soon as possible

Approval:



City Treasurer

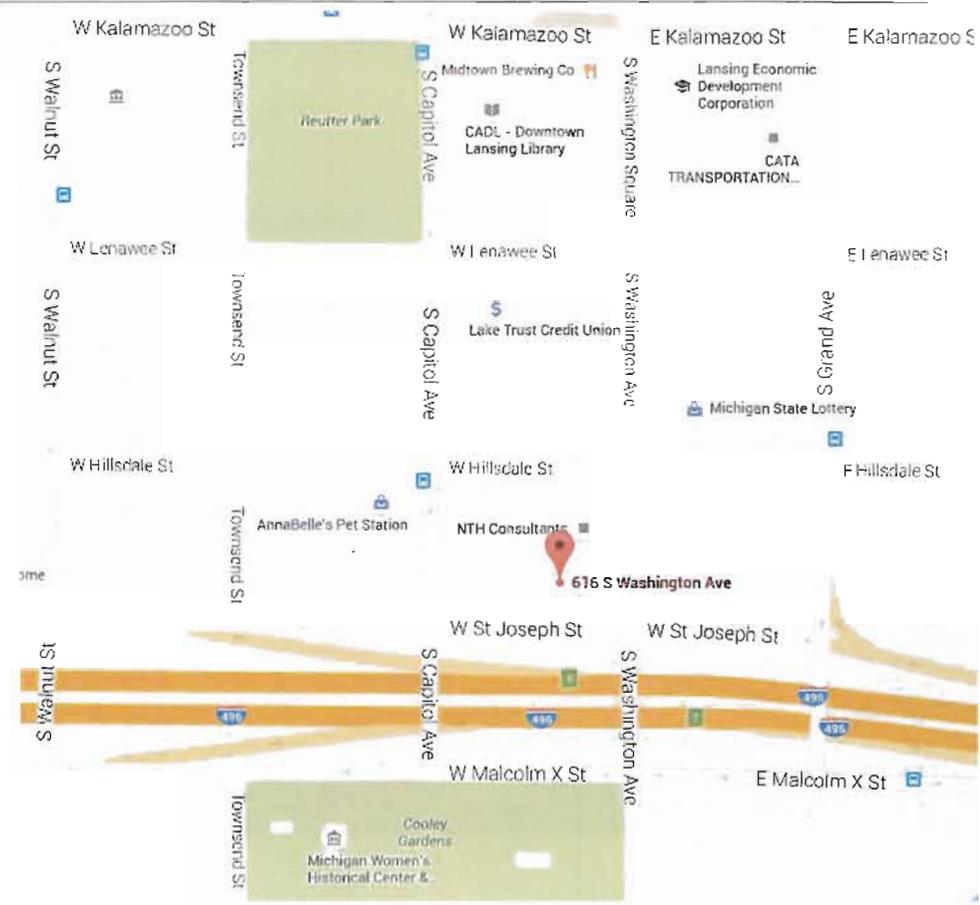
South Edge Lofts



submitte & mty

Project Location

- NW Corner S Washington & E St. Joseph Street
- Addresses of;
616 S Washington,
118 West St. Joseph
Street, 615 South Capitol
Avenue, 617 South Capitol
Avenue
- Application to combine
the four parcels was
submitted November 23,
2015



Project Location Cont.



616 South Washington

- .645 Acre Surface Parking Lot
- Prior uses; 4 residential dwellings, used car sales, restaurant, bank
- Surface parking since 1995
- Property identified as a “facility”



118 West St. Joseph

- Current residential building operating on month-to-month leasing
- History of residential and office use



617 South Capitol

- Currently an underutilized office building
- History of residential and office use since 1920



615 South Capitol

- Currently utilized for surface parking
- History of residential and office uses



Project Overview

- 616 S Washington Properties LLC is the developer
- Development of a new office and residential building
 - Office Portion
 - Located at corner of Washington and St. Joseph
 - 2 – Story, approximately 13,000 square feet
 - Class A office space
 - Residential Portion
 - Will continue along St. Joseph towards S. Capitol
 - 4 – Story, approximately 45,000 square feet
 - 4 Studios, 22 1-bd, 20 2-bd, 6 lofts (52 units total, 72 beds total)
 - Includes incorporation of the Blake House façade and the building at 617 S. Capitol
- \$10 Million Total Investment
- 50 Construction Jobs
- 2 FTE Jobs Associated with the Residential Portion
- 40 FTE Jobs Associated with the Office Portion

Project Renderings



Project Renderings Cont.



Project Renderings Cont.



Brownfield Plan Request

- \$1,813,466 Funded by TIF Capture
 - \$1,580,328 for developer eligible expense reimbursement
 - \$62,644 LBRA Administrative Fees
 - \$62,644 LBRA LSRRF
 - \$20,855 LBRA EPA Assessment Grant Reimbursement
 - \$86,994 State Brownfield Fund
- \$77,134 Non-Capturable Millages
- \$125,289 10% Capture Collected by Local Tax Units
- Taxes will continue to be collected at base taxable value of \$383,400; approximately \$455,379 total
- Reimbursement is anticipated over 17 years

Brownfield Eligible Activities

- Environmental Assessments (\$9,435)
- Due Care Activities (\$47,500)
 - Contaminated Soil Transport and Disposal
- Asbestos Surveys and Abatement (\$331,500)
- Building and Site Demolition (\$493,030)
- Infrastructure Improvements (\$19,505)
 - Sidewalks, Curbs/Gutters, Landscaping in ROW
- Site Preparation (\$460,546)
 - Staking, Geotechnical, Temp. Controls/Access, Cut/Fill, Grading, Relocation of Utilities etc.
- Brownfield Plan Preparation (\$16,000)
- 15% Contingency on allowed expenses (\$202,812)



Thank you!



studio
[Intrigue]
ARCHITECTS

ST JOE/ WASHINGTON/ CAPITOL MASTER PLAN

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VIEW 1 10/16/2015

submitted 10/16/15



ST JOE/ WASHINGTON/ CAPITOL MASTER PLAN

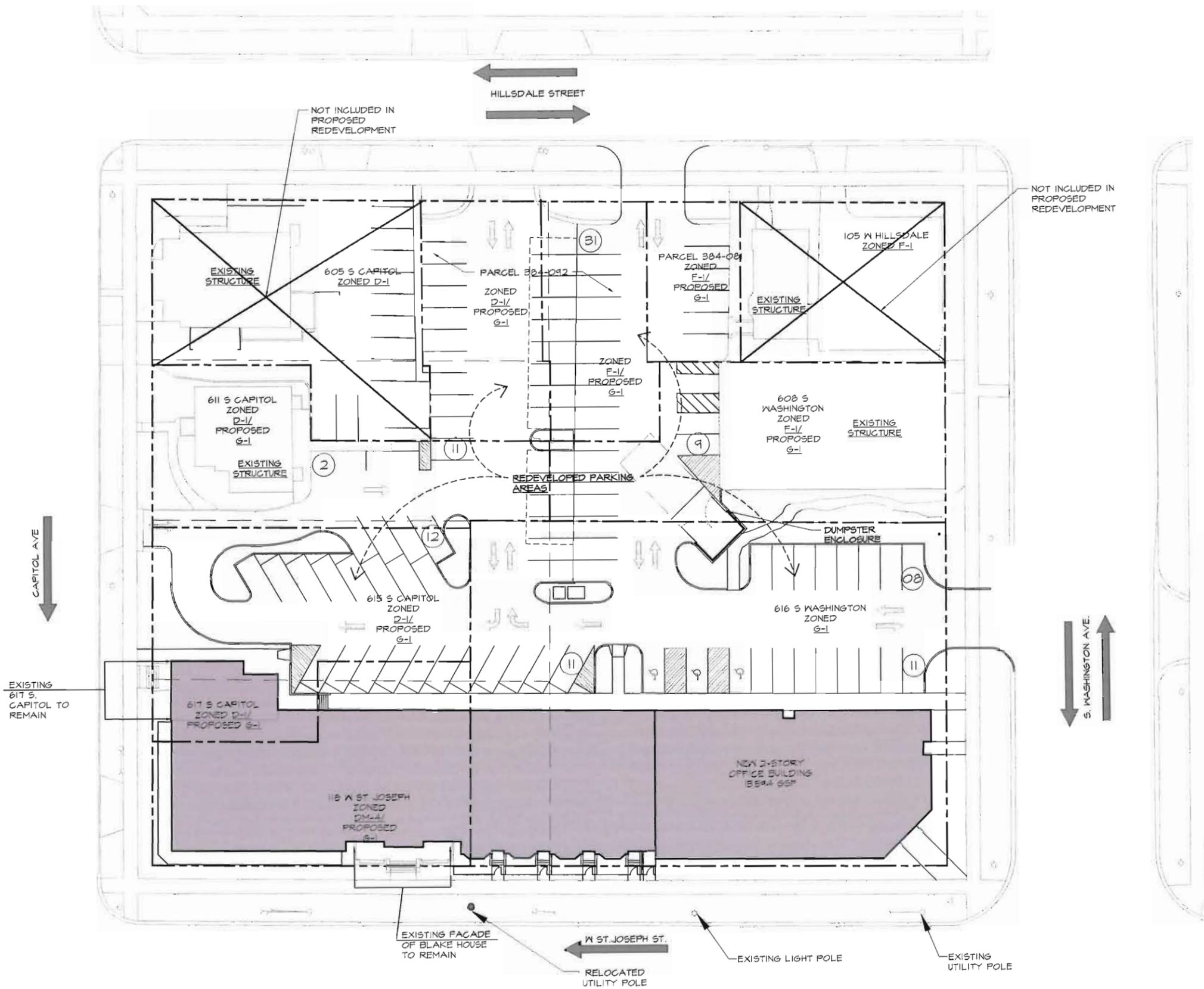
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VIEW 2 10/16/2015

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ST. JOE / WASHINGTON / CAPITOL MASTER PLAN
1" = 20'

PROGRESS SET
10/19/15

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114 S. WASHINGTON AVE. ■ SUITE 100 ■ LANSING ■ MICHIGAN ■ 48201
57.272.8804 PHONE ■ 57.272.8805 FAX ■ WWW.STUDIOINTRIGUE.COM

Project Type **NEW CONSTRUCTION**

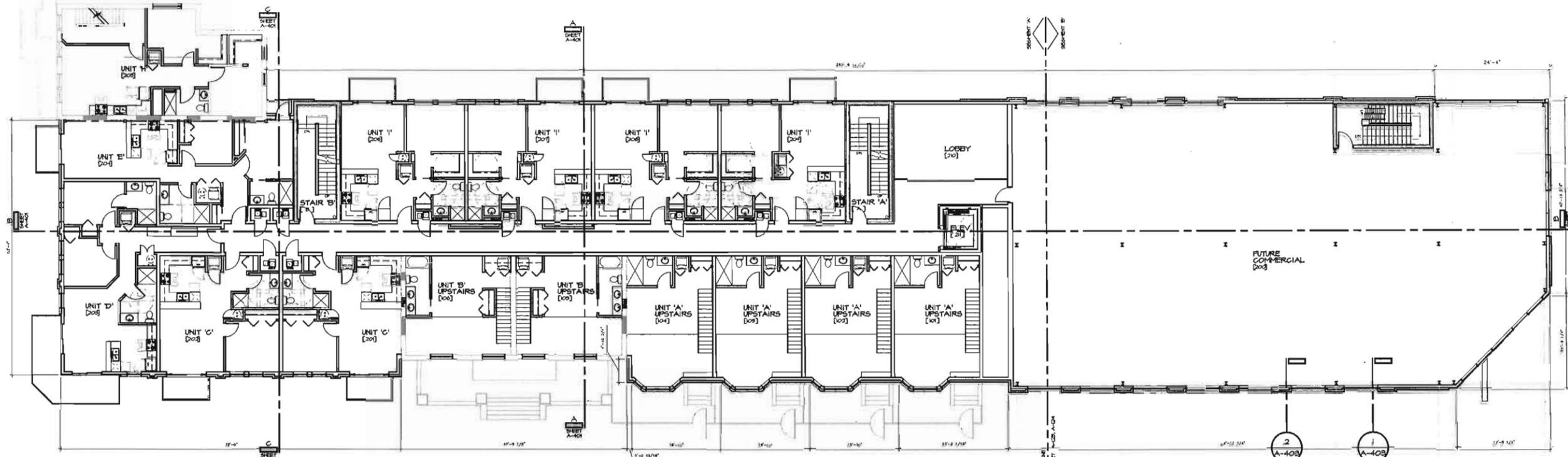
Project **ST. JOE / WASH CAPITOL MASTER PLAN**
LANSING, MICHIGAN

Client **A & A EQUITIES**
611 S. Capitol Ave
Lansing, Michigan 48933

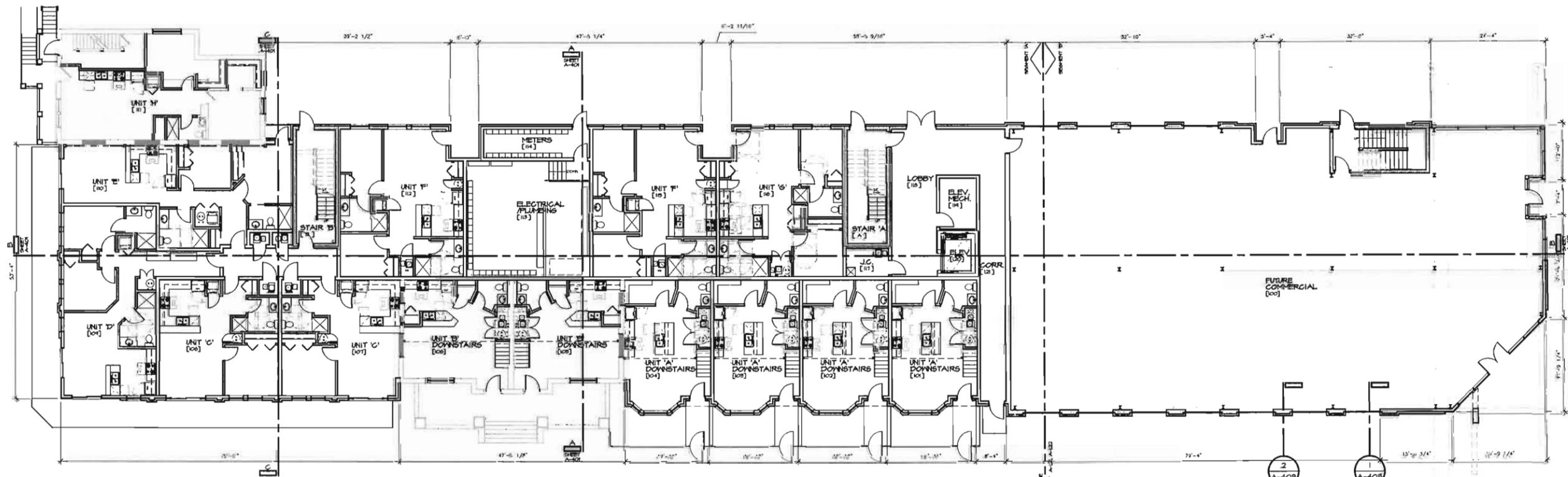
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Project Number **14.053**

Sheet **C-100**



COMPOSITE SECOND FLOOR PLAN
 3/32" = 1'-0"



COMPOSITE FIRST FLOOR PLAN
 3/32" = 1'-0"

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DIMENSION NOTES
 F.O.S. = FACE OF SHEATHING

WALL LEGEND	
	EXISTING
	NEW CONSTRUCTION

LEGEND	
	WALL CONSTRUCTION DESIGNATION
	WINDOW DESIGNATION
	DOOR DESIGNATION

PRECEDENCEART
 02/09/15

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Project Type
NEW CONSTRUCTION

Project
ST. JOE / WASH CAPITOL MASTER PLAN
 LANSING, MICHIGAN

Client
A & A EQUITIES

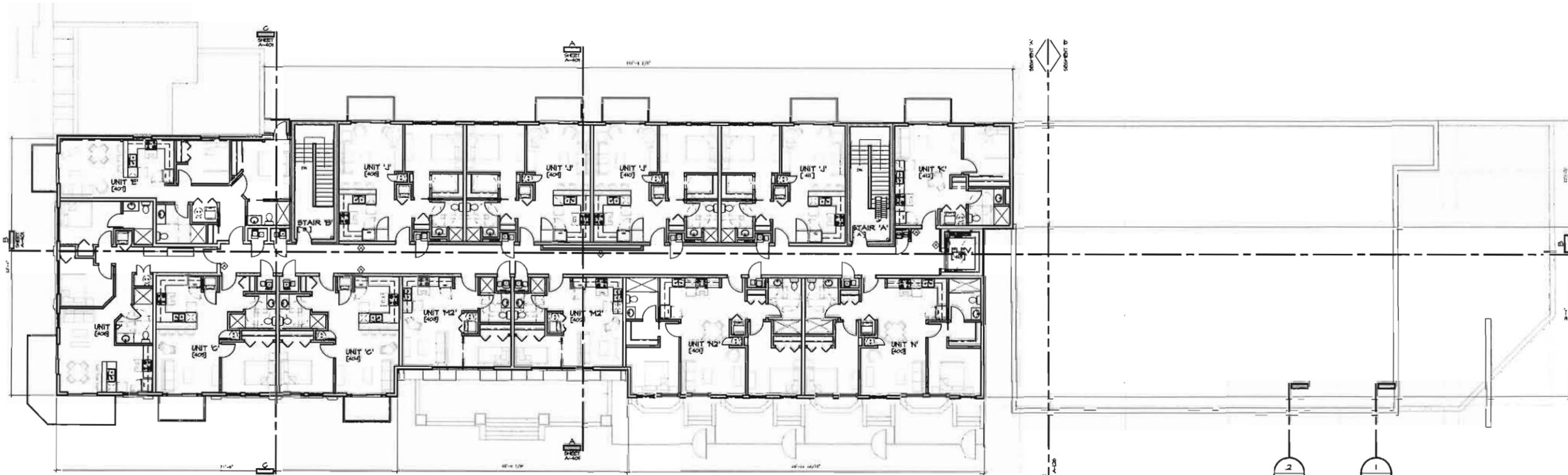
611 S. Capitol Ave
 Lansing, Michigan 48933

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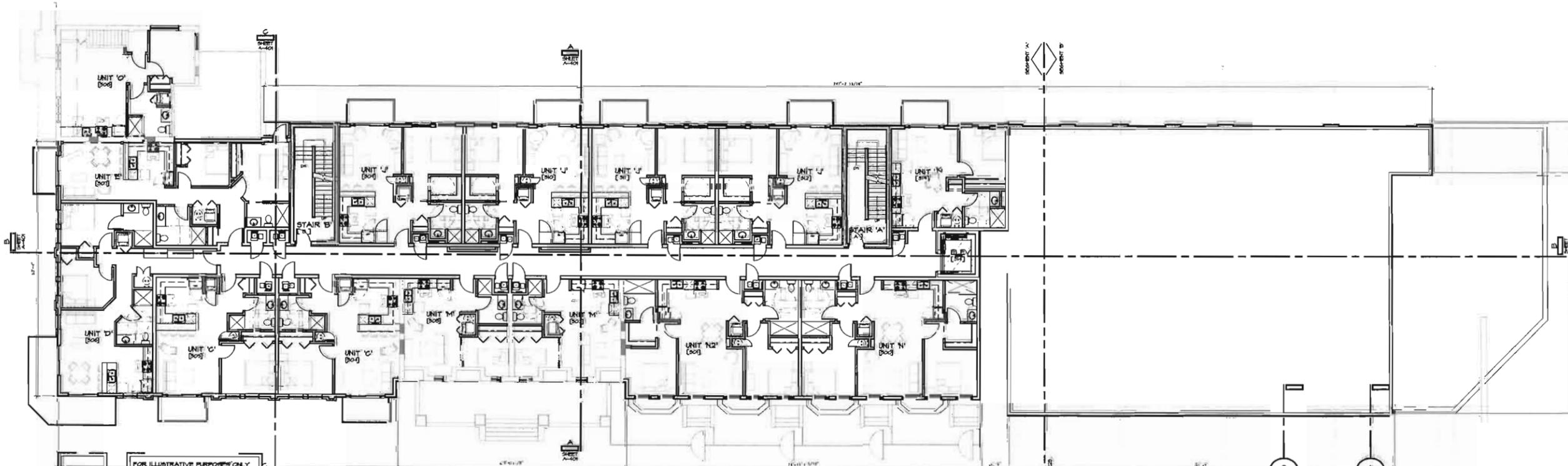
Project Number
14.053

Sheet
A-101

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COMPOSITE FOURTH FLOOR PLAN
 3/32" = 1'-0"



COMPOSITE THIRD FLOOR PLAN
 3/32" = 1'-0"

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CONSTRUCTION**

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PREPARED BY: SBT
DATE: 02/02/15

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Project Type
NEW CONSTRUCTION

Project
**ST. JOE / WASH
CAPITOL
MASTER PLAN**
 LANSING, MICHIGAN

Client
**A & A
EQUITIES**

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 Lansing, Michigan 48933

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Project Number
14.053

Sheet
A-102

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GENERAL INFORMATION

APPLICANT: TWG Development, LLC
333 N. Pennsylvania Street, Suite 100
Indianapolis, IN 46204

OWNERS: 635 W. Willow Street: Preservation Nonprofit Housing Corp.
1118 S. Washington Avenue
Lansing, MI 48910

656 W. Maple Street: Ingham County Land Bank
3024 Turner Street
Lansing, MI 48906

REQUESTED ACTION: 635 W. Willow Street: Rezone from "B" Residential to "DM-4"
Residential

656 W. Maple Street: Rezone from "B" Residential to "DM-1"
Residential

EXISTING LAND USE: Former Michigan School for the Blind High School (656 W.
Maple Street) and auditorium (635 W. Willow Street)

EXISTING ZONING: "B" Residential District

PROPOSED ZONING: 635 W. Willow Street: "DM-4" Residential District
656 W. Maple Street: "DM-1" Residential District

PROPERTY SIZE & SHAPE: 635 W. Willow Street: 2.43 acres
656 W. Maple Street: 1.74 acres

SURROUNDING LAND USES: N: Single & Multi-Family Residential/Vacant MI School for
the Blind Abigail Building
S: Single Family Residential/Vacant MI School for the Blind
Abigail Building
E: Vacant/Neighborhood Empowerment Center
W: Vacant MI School for Blind Abigail
Building/Mid-Michigan Leadership Academy

SURROUNDING ZONING: N: "B", "C" & "DM-1" Residential Districts
S: "DM-1" & "C" Residential Districts
E: "B" Residential & "D-1" Professional Office District
W: "B" & "DM-1" Residential District

MASTER PLAN DESIGNATION: The Design Lansing Comprehensive Plan designates the subject property for "Community Facilities". W. Maple Street is designated as a local road and W. Willow Street is designated as a collector road.

SPECIFIC INFORMATION

This is a request by TWG Development, LLC, to rezone the property at 635 W. Willow Street from "B" Residential to "DM-4" Residential and to rezone the property at 656 W. Maple Street from "B" Residential to "DM-1" Residential. The purpose of the rezoning is to permit multiple family residential use of the subject properties.

The applicant proposes to demolish the existing auditorium building at 635 W. Willow Street and construct a 4-story, 72 unit (18 1-bedroom, 36 2-bedroom & 18 3-bedroom units), affordable, multi-family residential apartment building. The building at this location will also include 2,400 square feet of lobby and amenity space, 1,100 square feet of community space and a 600 square foot police substation. 128 parking vehicular parking spaces and 16 bicycle parking spaces will be provided.

The applicant proposes to rehabilitate the former high school building at 656 W. Maple Street into 18 (9 1-bedroom and 9 2-bedroom) senior citizen apartment units. The building will include 3,200 square feet of lobby and amenity space. 25 parking vehicular parking spaces and 4 bicycle parking spaces will be provided.

BACKGROUND INFORMATION

The original Michigan School for the Blind (MSB) property has been divided into 10 parcels of land. The Mid-Michigan Leadership Academy Charter School owns a 7.05 acre parcel at the west end of W. Maple Street. The vacant 10.56 acre parcel at the westernmost end and the 3 vacant parcels at the northeast corner of the original MSB property are zoned "B" Residential and are currently owned by the Ingham County Land Bank.

The former MSB library building at 600 W. Maple Street has been converted to the Neighborhood Empowerment Center. The former MSB Superintendent's house at 1141 N. Pine Street has been converted into a professional office building. These 2 sites were rezoned in 2009 from "B" Residential to "D-1" Professional Office district.

The 6.8 acre parcel that contains the former, 3-story, 63,000 square foot MSB administration building, commonly referred to as the "Abigail Building" is currently owned by the Preservation Non-Profit Housing Corporation. This property was rezoned from "B" Residential to "DM-1" Residential in 2006. The current development proposal for the site includes rehabilitation of the "Abigail" building for 42 (20 1-bedroom & 22 2-bedroom units) affordable, senior citizen

apartment units. The building will include 5,100 square feet of lobby and amenity space. 62 vehicular parking spaces and 10 bicycle parking spaces will also be provided. Since this site is already zoned for multiple family residential use, administratively site plan review is all that will be required for rehabilitation of the building and site improvements.

The remaining 2 parcels are the subject of this rezoning request. These include the former 1.74 acre MSB high school property at 656 W. Maple Street and the former 2.43 acre MSB auditorium building property at 635 W. Willow Street.

AGENCY RESPONSES:

BWL:

Building Safety: The BSO has no objections. Site Plan Review and Building Construction Reviews will be required.

Development:

Fire Marshal:

Parks & Recreation: No comments.

Public Service:

Transportation: The Transportation and Non-Motorized Section of the Public Service Department has no comments or requirements related to the rezoning request. Driveway locations onto Willow Street may need to be moved to maximize sight distance through the curve at the west drive of the proposed parking lot and eliminate interlocking left turns on Willow Street at the proposed east driveway. These issues will be addressed during the site plan review process.

ANALYSIS

COMPATIBILITY WITH SURROUNDING LAND USE

The character of the site and hence, its compatibility with the surrounding area, will remain virtually unchanged as a result of the proposed development. The proposed development involves adaptive reuse of the "Abigail" building at 715 W. Willow Street for 42 units of senior citizen housing, adaptive reuse of the former high school buildings at 656 W. Maple Street for 18 units of senior citizen housing and construction of a new building in the same location as the former auditorium building at 635 W. Willow Street that would contain 72 units of affordable, non-age restricted housing. The addition of 60 units of senior housing in existing buildings will only serve to enhance an area that is already characterized by a diverse land use pattern consisting of schools, offices, recreational facilities and residential uses of varying densities. In fact, senior

housing is the least intensive use that could occupy the buildings at 715 W. Willow and 656 W. Maple Street. Senior citizen housing typically generates a very low volume of traffic, noise and other potential nuisances as compared to other types of multiple-family housing facilities or even single family developments. The proposed 72 unit, affordable, non-senior housing building on the property at 635 W. Willow Street, will have a density of 30 dwelling units per acre and will also be compatible with the area in which it will be located. In fact, there is a multiple family residential, non-senior housing complex located at 608 W. Willow Street, just 150 feet to the northwest of the proposed development that also has a density of 30 dwelling units per acre.

The applicant's proposal includes 3 separate parcels of land (635 W. Willow, 715 W. Willow and 656 W. Maple Street). The applicant intends to combine the 2 parcels (715 W. Willow and 656 W. Maple Street) that will be used for senior citizen housing into one parcel. For tax purposes, the 635 W. Willow Street parcel that will contain affordable, non-age restricted housing will continue to be a stand-alone parcel. Although there will ultimately be 2 separate parcels of land, the development will function as one site. While the proposed density (approximately 30 dwelling units per acre) for the former MSB auditorium parcel at 635 W. Willow Street is much higher than that of the other 2 parcels (6-10 dwelling units per acre), the total density for all 3 existing parcels combined is only 12 dwelling units per acre which is quite low for a multiple family residential development and will not be disruptive to the character of the neighborhood or the quality of life for its current residents.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the entire Michigan School for the Blind property for "community facilities". The community facility role is fulfilled on the site through the Neighborhood Empowerment Center at 600 W. Maple Street and the Mid-Michigan Leadership Academy at 730 W. Maple Street.

The applicant's proposal accomplishes a primary goal of the City's comprehensive plan which is to rehabilitate and make use of historically and architecturally significant buildings. There are three historically significant building on the Michigan School for the Blind site, including the superintendent's house that has been converted to professional offices, the "Abigail" building at 715 W. Willow Street that has already been rezoned to "DM-1" to accommodate multiple family residential use and the high school building at 656 W. Maple Street that is part of this rezoning request. While the buildings are not in a local historic district, the applicant is committed to preserving the historical and architectural character of both the "Abigail" and the high school buildings.

The intent of the Design Lansing Comprehensive Plan is, among other things, to concentrate higher density residential uses close to non-local roads and to encourage designs that maximize green space. The applicant's proposal accomplishes both of these goals. All traffic from the proposed new, 72 unit apartment building at 635 W. Willow Street and the reuse of the "Abigail" building for 42 residential units will be accessed solely from W. Willow Street which is collector road. Only the 18 units that will be in the former high school building will be accessed via a local street (W. Maple Street). In addition, the proposed development will be designed to maximize green space on the site to greatest extent possible. The new building at 635 W. Willow will be

located at the south end of that parcel with the parking to its north. From a planning standpoint, it is typically far more desirable to have a building located at or near the front property/street line with the parking in the rear. In this case, however, the proposed design is far more desirable as it will preserve the courtyard/park in the center of the property which is one of the most significant assets of the former MSB property. Placing a large parking lot between the building and the existing courtyard/park would make the building seem detached from the courtyard/park area and diminish its peaceful, pedestrian-oriented and passive recreational atmosphere. The building on the MSB high school property is already located at the north end of that parcel adjacent to the courtyard/park with the future parking lot proposed to be located to its south. As evidenced by the attached site plan, the proposed development will be designed in a manner that maximizes green space, preserves the courtyard/park in the center of the site and has the least amount of impact on the surrounding area from a traffic, environmental and general compatibility standpoint.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

No negative impacts on vehicular or pedestrian traffic are anticipated to result from the proposed rezoning/development. The traffic associated with the proposed senior citizen housing at 715 W. Willow (Abigail Building) and the former high school building at 656 W. Maple Street is anticipated to be minimal. Senior citizen housing typically generates less traffic than housing for other age groups. Furthermore, all traffic associated with the proposed development, with the exception of the former high school building property, will be directly to and from W. Willow Street which is a collector road designed to carry a relatively high volume of traffic. The only traffic that will impact the local roads is the traffic from the proposed 18 units in the former high school building. Access to this site will be from W. Maple Street. While W. Maple Street is designated as a local road, there is already a strong presence of nonresidential traffic on this street from the Mid-Michigan Leadership Academy and the Neighborhood Empowerment Center.

ENVIRONMENTAL IMPACT

Given the amount of human intervention already occurring on the site, no negative environmental impacts are anticipated to result from this request. Construction of the new building and related site improvements at 635 W. Willow as well as the rehabilitation of the existing buildings with related site improvements will require administrative site plan review. As part of this process, a storm-water management plan must be submitted for review and approval by the City Public Service Department.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

As described in the preceding paragraphs of this staff report, the proposed development will be compatible with the surrounding area in all respects including use, density and site design. Thus, the proposed project/rezoning will set a positive pattern for future development/zoning in the area including the remaining vacant portion of the MSB site to the west of the subject properties.

SUMMARY

This is a request by TWG Development, LLC, to rezone the property at 635 W. Willow Street from "B" Residential to "DM-4" Residential and to rezone the property at 656 W. Maple Street from "B" Residential to "DM-1" Residential. The purpose of the rezoning is to permit multiple family residential use of the subject properties.

The proposed rezoning complies with the intent and purpose of the Design Lansing Comprehensive Plan. The request is also compatible with the mixed land use composition of the area. Furthermore, no adverse impacts on vehicular and pedestrian traffic, the environment or future patterns of development are anticipated to result from approval of this rezoning.

RECOMMENDATION

Staff recommends that Z-1-2016 be approved to rezone the property at 635 W. Willow Street from "B" Residential District to "DM-4" Residential District and to rezone the property at 656 W. Maple Street from "B" Residential to "DM-1" Residential District, based on the findings of fact as outlined in this staff report.

Respectfully Submitted,

**Susan Stachowiak
Zoning Administrator**

NAME OF CURRENT OWNERS

Parcel C and D Owner

Preservation Nonprofit Housing Corporation
1118 S. Washington Ave.
Lansing, MI 48910
417-364-8907

Parcel E, F, and G Owner

Ingham County Land Bank Fast Track Authority
3024 Turner Street
Lansing, MI 48906
517-267-5221

NARRATIVE

This petition for re-zoning desires to rezone five (5) total parcels on the former Michigan School for the Blind Campus. TWG Development, LLC currently has these five (5) parcels under contract with the current owners, including the Preservation Nonprofit Housing Corporation and Ingham County Land Bank Fast Track Authority.

It is requested that Parcel C, which is currently zoned "B", be zoned "DM-4" allowing for the new construction of 72 affordable multi-family housing units. The construction on Parcel C will include a four-story structure with a 49' height (measured from ground to parapet midpoint). The unit mix will be: 18 one-bedrooms, 36 two-bedrooms, and 18 three-bedrooms. The structure will also include 2,400 square feet of lobby and amenity space, 1,100 square feet of community space, and 600 square feet designated as a police substation. Parcel C will include 128 parking spaces (6 spaces accessible) and 16 bicycle spots.

It is requested that Parcels E, F, and G, which are currently zoned "B", be zoned "DM-4". Per the attached site plan, no construction is scheduled to occur on Parcels E, F, and G. "DM-4" zoning would allow similar future development as that proposed for Parcel C.

It is requested that Parcel D, which is currently zoned "B", be zoned "DM-1" allowing for the rehabilitation of the High School building into 18 affordable senior housing units. The unit mix will be: 9 one-bedrooms, 9 two-bedrooms, and 18 three-bedrooms. The High School will include 3,200 square feet of lobby and amenity space. Parcel D will include 25 parking spaces (3 spaces accessible) and 4 bicycle spots.

No re-zone is being sought for Parcel B. Parcel B is currently zoned "DM-1", which allows for the rehabilitation of the Abigail building into 42 affordable senior housing units. The Abigail will include: 20 one-bedrooms, and 22 two-bedrooms. 5,100 square feet of lobby and amenity space will be included. The Abigail will feature 62 parking spaces (4 accessible) and 10 bicycle spots.

APPLICANT CONTACT INFORMATION

TWG Development, LLC
333 N. Pennsylvania Street, Suite 100
Indianapolis, IN, 46204

Attention:
J.B. Curry
Phone 317-653-3083
Email jcurry@twgdev.com

PARCEL C, E, F AND G (3.78 ACRES)
 PID: 33-01-01-08-427-041
 715 W. WILLOW ST.

CURRENTLY ZONED "B"
 REQUESTING ZONE "DM-4"

DEMO OF AUDITORIUM AND NEW CONSTRUCTION
 FOUR STOREY STRUCTURE, 48' TALL
 (FROM GROUND TO PARAPET MIDPOINT)
 SETBACKS TO MEET ZONING REQUIREMENTS

AFFORDABLE MULTI-FAMILY HOUSING (100%)
 72 UNITS: 18 ONE BDRM, 36 TWO BDRM, 18 THREE BDRM
 2,400 SF OF LOBBY AND APARTMENT AMENITY SPACE
 1,100 SF OF COMMUNITY SPACE AND 600 SF POLICE SUBSTATION

128 PARKING SPOTS (25% ACCESSIBLE)
 18 BICYCLE PARKING SPOTS
 PARKING LOT DESIGN AND LANDSCAPE TO MINIMIZE CAR NOISE AND LIGHT
 LANDSCAPED BUFFER STRIP ALONG WILLOW STREET AND PARKING ENTRANCES

PARCEL E, F AND G
 CURRENTLY ZONED "B"
 REQUESTING ZONE "DM-4"
 (COMBINE WITH PARCEL C)

PARCEL B (6.8 ACRES)
 PID: 33-01-01-08-427-031
 715 W. WILLOW ST.

CURRENTLY ZONED "DM-1"
 (NEW USE FITS ZONING)

REHABILITATION OF AERIAL BUILDING

AFFORDABLE SENIOR HOUSING (100%)
 42 UNITS: 20 ONE BDRM, 22 TWO BDRM
 5,100 SF OF LOBBY AND APARTMENT AMENITY SPACE

62 PARKING SPOTS (20% ACCESSIBLE)
 10 BICYCLE PARKING SPOTS
 PARKING LOT DESIGN AND LANDSCAPE TO MINIMIZE CAR NOISE AND LIGHT
 LANDSCAPED BUFFER STRIP ALONG WILLOW STREET AND PARKING ENTRANCES

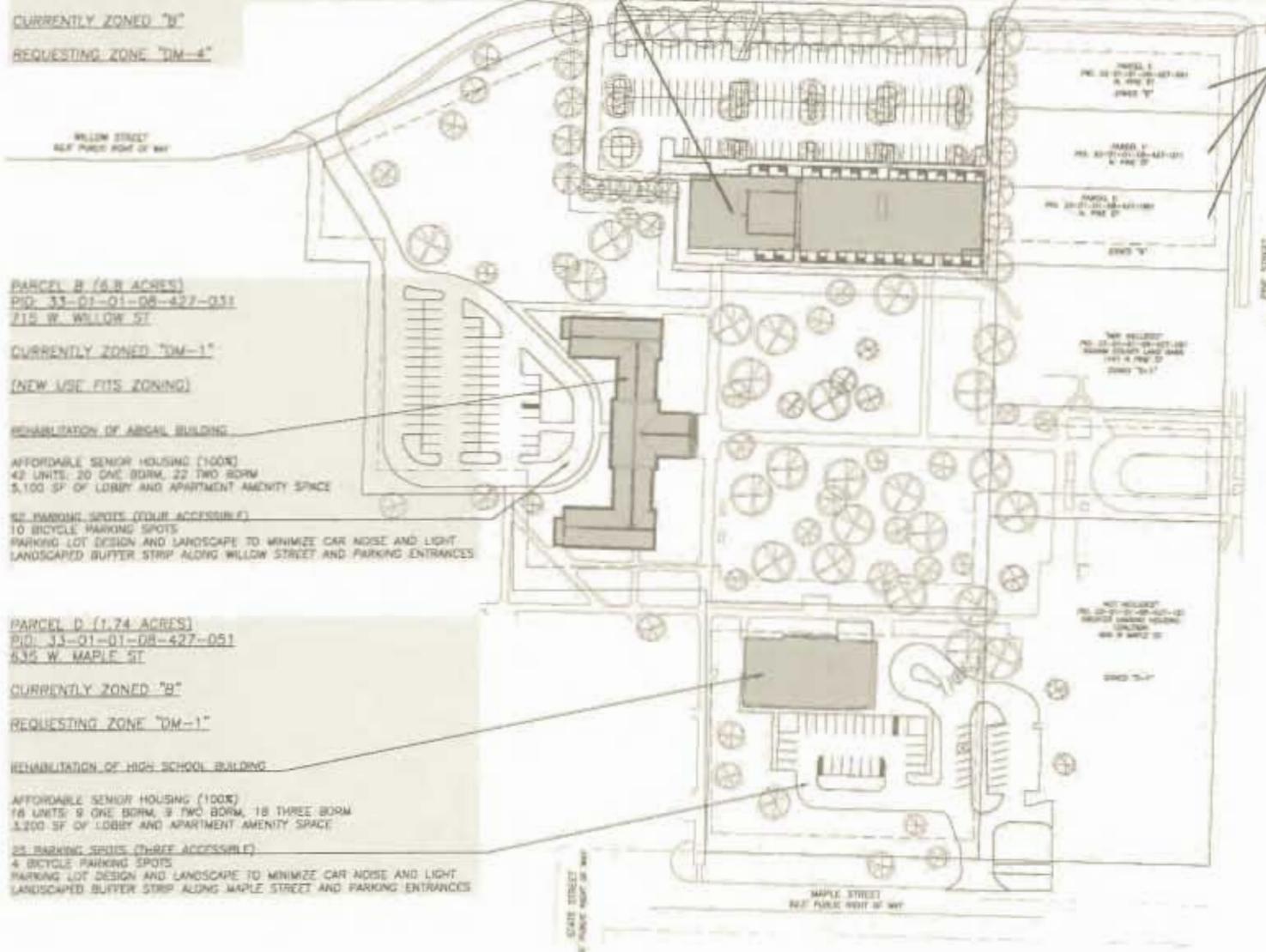
PARCEL D (1.74 ACRES)
 PID: 33-01-01-08-427-051
 532 W. MAPLE ST.

CURRENTLY ZONED "B"
 REQUESTING ZONE "DM-1"

REHABILITATION OF HIGH SCHOOL BUILDING

AFFORDABLE SENIOR HOUSING (100%)
 18 UNITS: 9 ONE BDRM, 9 TWO BDRM, 18 THREE BDRM
 3,200 SF OF LOBBY AND APARTMENT AMENITY SPACE

28 PARKING SPOTS (25% ACCESSIBLE)
 4 BICYCLE PARKING SPOTS
 PARKING LOT DESIGN AND LANDSCAPE TO MINIMIZE CAR NOISE AND LIGHT
 LANDSCAPED BUFFER STRIP ALONG MAPLE STREET AND PARKING ENTRANCES



FORMER LANING SCHOOL FOR
 THE BLIND

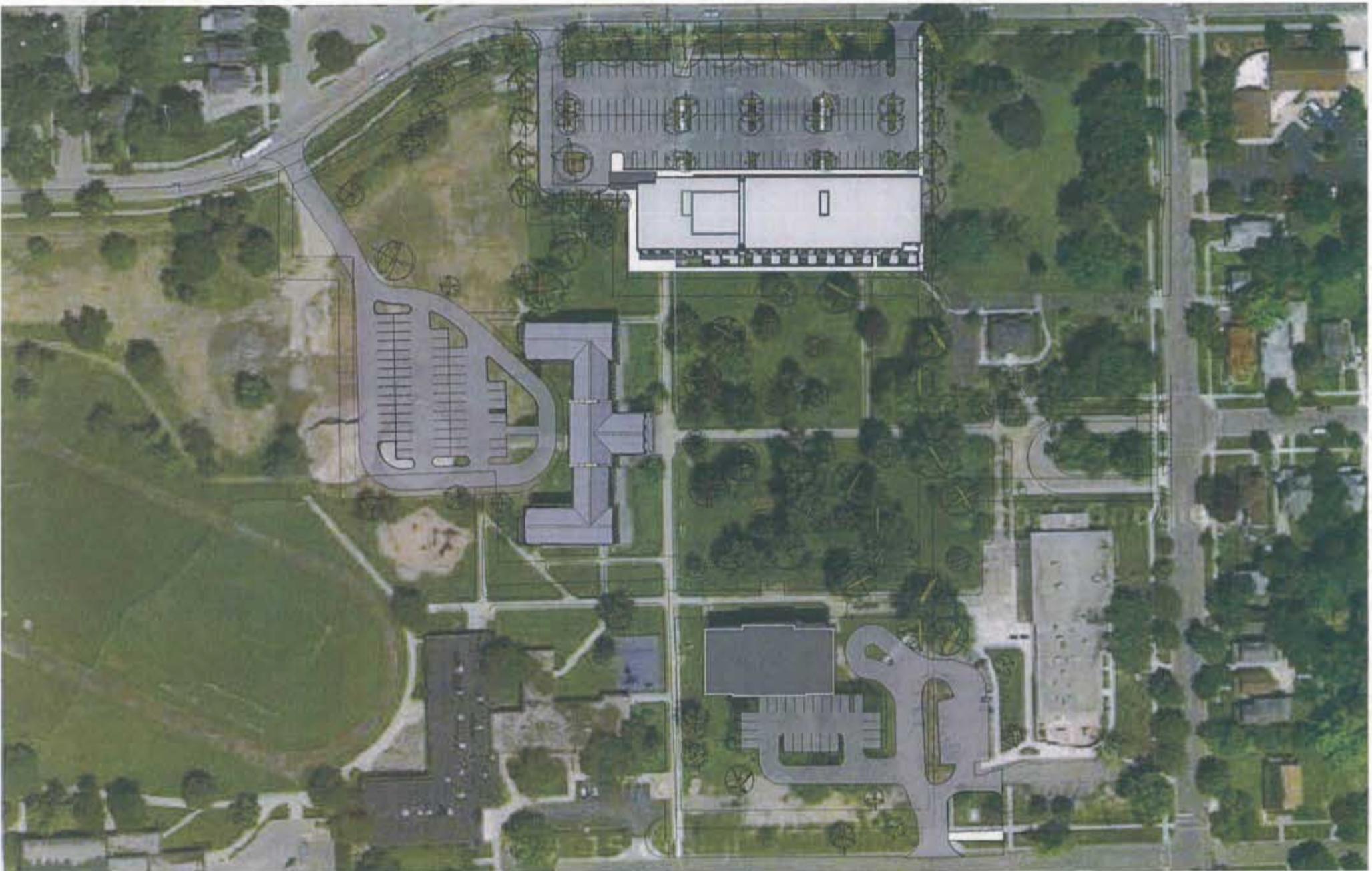
715 West Willow Street
 Lansing, Michigan 48906

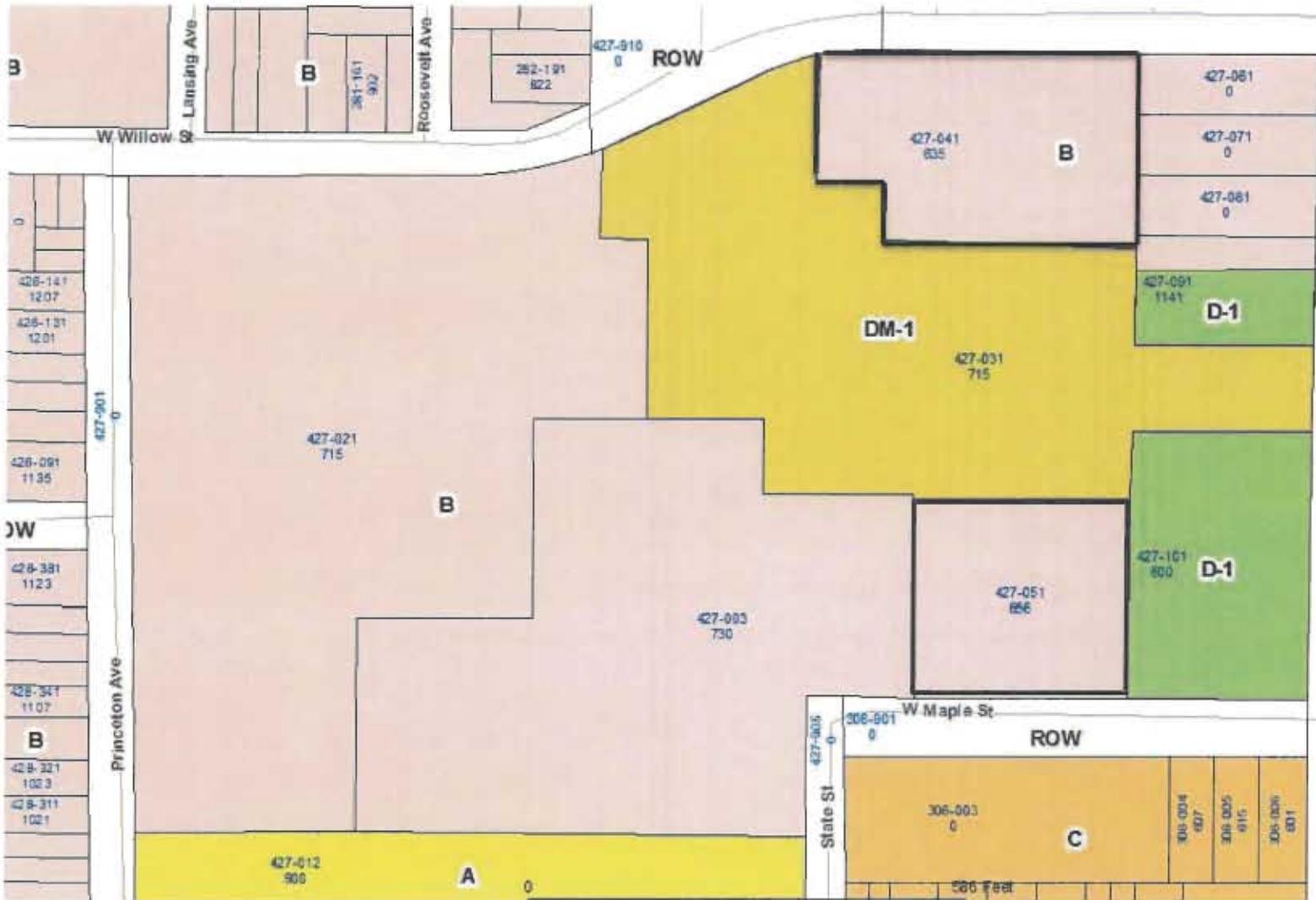
Cornerstone Architects
 1000 East Grand Avenue, Suite 200
 Lansing, Michigan 48906
 Phone: (517) 487-1111
 Fax: (517) 487-1112
 Website: www.cornerstonearchitects.com

NO.	DATE	DESCRIPTION
15.119		SITE PLAN
A100		









Legend

- Parcels
- City Boundary
- Highways
- Streets
- Rivers
- A Residential-Single
- B Residential-Single
- C Residential-2 Unit
- NONE
- CUP Community Uni
- D-1 Professional Offi
- D-2 Residential/Offic
- DM-1 Residential-Mt
- DM-2 Residential-Mt
- DM-3 Residential-Mt
- DM-4 Residential-Mt
- E-1 Apartment Shop
- E-2 Local Shopping
- F Commercial
- F-1 Commercial
- G-1 Business
- G-2 Wholesale
- H Light Industrial
- I Heavy Industrial
- J Parking
- ROW Right of Way

The Lansing Planning Board, at its regular meeting held on February 2, 2016, voted (4-0) to recommend approval of a request by TWG Development, LLC to rezone 635 W. Willow Street from "B" Residential District to "DM-4" Residential District and to rezone the property at 656 W. Maple Street from "B" Residential to "DM-1" Residential. The purpose of the rezoning is to permit multiple family residential use of the subject properties.

The Planning Board found, based on testimony, evidence and the staff report, that the proposed rezoning will be consistent with the existing land use patterns in the area and with goals of the future land use pattern being advanced in the Design Lansing Comprehensive Plan.

At the Planning Board public hearing held on February 2, 2016, the applicant's representative and 5 other individuals spoke in favor of the request. No other comments were received.

ORDINANCE # _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, PROVIDING FOR THE REZONING OF A PARCEL OF REAL PROPERTY LOCATED IN THE CITY OF LANSING, MICHIGAN AND FOR THE REVISION OF THE DISTRICT MAPS ADOPTED BY SECTION 1246.02 OF THE CODE OF ORDINANCES.

The City of Lansing ordains:

Section 1. That the district maps adopted by and incorporated as Section 1246.02 of the Code of Ordinances of the City of Lansing, Michigan be amended to provide as follows:

To change the zoning classification of the property described as follows:

Case Number: Z-1-2016

Address: 635 W. Willow Street

Parcel Number: PPN: 33-01-01-08-427-041

Legal Descriptions: PARCEL C PART OF THE SOUTHWEST 114 OF SECTION 9, T4N-R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN AND PART OF LOTS 1 & 2 OF BLOCK 26 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN APRIL, 1849 BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, COMMENCING AT A M.A.G. NAIL AT THE INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET WIDE) AND THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SOLD POINT ALSO BEING THE NORTHEAST COMER OF LOT 1, BLOCK 26 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN APRIL, 1849, THENCE N88DEG 10 MIN 25 SEC W, 240-00 FEET ALONG THE SOUTHERLY LINE OF WEST WILLOW STREET TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL THENCE S01DEG 45 MIN 54 SEC W, 262.43 FEET TO THE SOUTHEAST COMER OF LOT 2 BLOCK 26 OF SAID PLAT; THENCE N88DEG 09 MIN 21 SEC W, 337.50 FEET ALONG THE SOUTH LINE OF SAID LOT 2 TO THE SOUTHWEST COMER OF SAID LOT 2, THENCE N01DEG 45 MIN 54 SEC E, 76.74 FEET ALONG THE WEST LINE OF SAID LOT 2, THENCE N86DEG 59MIN 21SEC W, 95.41 FEET, THENCE N01DEG 45 MIN 54 SEC E, 173.08 FEET TO THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), THENCE ALONG THE SOUTH LINE OF WEST WILLOW STREET THE FOLLOWING TWO (2) COURSES., (1) 80.21 FEET ALONG A 341.85 FOOT RADIUS CURVE TO THE RIGHT HAVING A DELTA ANGLE OF 13DEG 26MIN 36 SEC AND A CHORD OF N84DEG 15MIN 51SEC E, 80.02

FEET, (2) S88DEG 10MIN 25SEC E, 353.56 FEET TO THE POINT OF BEGINNING. CONTAINING 2.4 ACRES MORE OR LESS AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER WEST WILLOW STREET. ALSO SUBJECT TO ANY EASEMENTS OF USE OR RECORD, CITY OF LANSING, INGHAM COUNTY, MI, from “B” Residential District to “DM-4” Residential District.

Section 2. All ordinances or parts of ordinances inconsistent with the provisions hereof are hereby repealed.

Section 3. This ordinance was duly adopted by the Lansing City Council on _____, 2016, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

Section 4. This ordinance shall take effect upon the expiration of seven (7) days from the date this notice of adoption is published in a newspaper of general circulation.

ORDINANCE # _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, PROVIDING FOR THE REZONING OF A PARCEL OF REAL PROPERTY LOCATED IN THE CITY OF LANSING, MICHIGAN AND FOR THE REVISION OF THE DISTRICT MAPS ADOPTED BY SECTION 1246.02 OF THE CODE OF ORDINANCES.

The City of Lansing ordains:

Section 1. That the district maps adopted by and incorporated as Section 1246.02 of the Code of Ordinances of the City of Lansing, Michigan be amended to provide as follows:

To change the zoning classification of the property described as follows:

Case Number: Z-1-2016, Part 2

Address: 656 W. Maple Street

Parcel Number: PPN: 33-01-01-08-427-051

Legal Descriptions: PARCEL D PART OF THE SOUTHWEST 1/4 OF SECTION 9, T4N-R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN AND PART OF LOTS 2 & 3 OF BLOCK 27 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN APRIL, 1849 BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; COMMENCING AT A M.A.G. NAIL AT THE INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET) AND THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SOLD POINT ALSO BEING THE NORTHEAST CORNER OF LOT 1, BLOCK 26 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN APRIL, 1849, THENCE S 01DEG 45MIN 54SEC W, 870.00 FEET ALONG THE WEST LINE OF PINE STREET TO THE NORTH LINE OF MAPLE STREET (82.5 FEET) AND THE SOUTH LINE OF LOT 3, BLOCK 27 OF SAID PLOT, THENCE N88DEG 07 MIN 17SEC W, 240.00 FEET ALONG THE NORTH LINE OF MAPLE STREET AND THE SOUTH LINE OF LOT 3, BLOCK 27 OF SAID PLOT TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL THENCE N88DEG 07MIN 17SEC W, 284.83 FEET ALONG THE NORTH LINE OF MAPLE STREET AND THE SOUTH LINE OF LOT 3, BLOCK 27 OF SAID PLOT; THENCE N 00DEG 00MIN 00SEC E, 262.47 FEET TO THE NORTH LINE OF LOT 2, BLOCK 27 OF SAID PLOT, THENCE S 88DEG 08MIN 21 SEC E, 292.91 FEET ALONG THE NORTH LINE OF LOT 2 BLOCK 27 OF SAID PLOT, THENCE S 01DEG 45 MIN 54 SEC W, 262.43 FEET TO THE POINT OF BEGINNING, CONTAINING 1.74 ACRES MORE OR LESS AND SUBJECT TO THE RIGHTS OF THE

PUBLIC OVER NORTH PINE STREET AND MAPLE STREET.
ALSO SUBJECT TO ANY EASEMENTS OR RESTRICTIONS
OF USE OR RECORD., CITY OF LANSING, INGHAM
COUNTY, MI, from "B" Residential District to "DM-1"
Residential District.

Section 2. All ordinances or parts of ordinances inconsistent with the provisions hereof are hereby repealed.

Section 3. This ordinance was duly adopted by the Lansing City Council on _____, 2016, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

Section 4. This ordinance shall take effect upon the expiration of seven (7) days from the date this notice of adoption is published in a newspaper of general circulation.



OFFICE OF THE MAYOR

9th Floor, City Hall
124 W. Michigan Avenue
Lansing, Michigan 48933-1694
(517) 483-4141 (voice)
(517) 483-4479 (TDD)
(517) 483-6066 (Fax)

Virg Bernero, Mayor

TO: City Council President Judi Brown Clarke and Councilmembers

FROM: Mayor Virg Bernero

DATE: 1/21/16

RE: Resolution—Introduction of Ordinance and Setting of Public Hearing— Saboury Building Apartments—PILOT (Payment in Lieu of Taxes)

The attached correspondence is forwarded for your review and appropriate action.

VB/rh
Attachment

INTRODUCTION OF ORDINANCE

The Committee on Development and Planning introduced:

An Ordinance of The City of Lansing, Michigan, to Amend Chapter 888 of the Lansing Codified Ordinances by adding Section 888.33 for the purpose of providing for a service charge in lieu of ad valorem property taxes for no more than twenty-four (24) qualified low or moderate income multi-family dwelling units in a project known as the Saboury Building Apartments, pursuant to the provisions of the State Housing Development Authority Act of 1966, as amended.

The Ordinance is referred to the Committee on Development and Planning

RESOLUTION SETTING PUBLIC HEARING

By the Committee of the Whole

RESOLVED BY THE CITY COUNCIL, CITY OF LANSING, that a public hearing be set for Monday, _____, 2016 at 7:00 p.m. in the City Council Chambers, 10th Floor Lansing City Hall, 124 W. Michigan Ave., Lansing, MI for the purpose of considering an Ordinance of The City of Lansing, Michigan, to Amend Chapter 888 of the Lansing Codified Ordinances by adding Section 888.33 for the purpose of providing for a service charge in lieu of ad valorem property taxes for no more than twenty-four (24) qualified low or moderate income multi-family dwelling units in a project known as the Saboury Building Apartments, pursuant to the provisions of the State Housing Development Authority Act of 1966, as amended.

Interested Persons are invited to attend this Public Hearing.

1 UNDER THIS ACT AT ANY AMOUNT IT CHOOSES NOT TO EXCEED THE TAXES
2 THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT
3 HOUSING FOR PERSONS OF LOW INCOME IS A PUBLIC NECESSITY, AND AS THE
4 CITY WILL BE BENEFITTED AND IMPROVED BY SUCH HOUSING, THE
5 ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX
6 EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE; FURTHER, THAT
7 THE CONTINUATION OF THE PROVISIONS OF THIS ORDINANCE SECTION FOR TAX
8 EXEMPTION AND THE SERVICE CHARGE IN LIEU OF ALL AD VALORUM
9 PROPERTY TAXES DURING THE PERIOD CONTEMPLATED IN THIS SECTION ARE
10 ESSENTIAL TO THE DETERMINATION OF ECONOMIC FEASIBILITY OF THE
11 HOUSING DEVELOPMENT PROJECT WHICH IS TO BE DEVELOPED AND FINANCED
12 IN RELIANCE ON SUCH TAX EXEMPTION AND SERVICE CHARGE.

13 THE CITY ACKNOWLEDGES THAT THE SPONSOR, AS DEFINED IN THIS SECTION, IS
14 A LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP AND HAS
15 OFFERED, SUBJECT TO RECEIPT OF AN ALLOCATION UNDER THE LOW INCOME
16 HOUSING TAX CREDIT (LIHTC) PROGRAM AND/OR A MORTGAGE LOAN, TO
17 CONSTRUCT, OWN, AND OPERATE RENTAL PROPERTIES IDENTIFIED AS THE
18 HOUSING DEVELOPMENT PROJECT LOCATED IN THE CITY TO SERVE PERSONS OF
19 LOW INCOME, AND THAT THE SPONSOR HAS OFFERED TO PAY THE CITY ON
20 ACCOUNT OF THIS HOUSING DEVELOPMENT AN ANNUAL SERVICE CHARGE FOR
21 PUBLIC SERVICE IN LIEU OF ALL AD VALOREM PROPERTY TAXES.

22 (B) DEFINITIONS.

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(1) "ACT" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, ~~BEING~~ MICHIGAN PUBLIC ACT 346 OF 1966, AS AMENDED BEING MCL 125.1401 ET SEQ.

(2) "ANNUAL SHELTER RENT" MEANS THE TOTAL COLLECTIONS DURING AN AGREED ANNUAL PERIOD FROM OR PAID ON BEHALF OF ALL LOW INCOME OCCUPANTS OF A HOUSING DEVELOPMENT REPRESENTING RENT OR OCCUPANCY CHARGES, EXCLUSIVE OF CHARGES FOR UTILITIES AS DEFINED IN THIS SECTION.

(3) "AUTHORITY" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY AS REFERRED TO IN SECTION 21 OF THE ACT, BEING MCL 125.1421.

(4) "CITY" MEANS THE CITY OF LANSING, A MICHIGAN MUNICIPAL CORPORATION.

(5) "COMMENCEMENT OF CONSTRUCTION" MEANS THE COMMENCEMENT OF THE REHABILITATION OF THE HOUSING DEVELOPMENT, AS HEREIN DEFINED.

(6) "HOUSING DEVELOPMENT" MEANS A DEVELOPMENT, AT THE HOUSING DEVELOPMENT LOCATION OF A BUILDING, TO INCLUDE NO MORE THAN TWENTY-FOUR (24) QUALIFIED LOW TO MODERATE INCOME ASSISTED RESIDENTIAL APARTMENT UNITS, ~~WHICH-AND THAT MAY~~ CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR PERSONS OF LOW INCOME AND SUCH ELEMENTS OF HOUSING (OTHER THAN THE HOUSING DEVELOPMENT PROJECT) AND COMMERCIAL, RECREATIONAL, INDUSTRIAL, COMMUNAL, AND

1 EDUCATIONAL FACILITIES AS THE AUTHORITY DETERMINES IMPROVE THE
2 QUALITY OF THE HOUSING DEVELOPMENT PROJECT AS IT RELATES TO HOUSING
3 FOR PERSONS OF LOW INCOME.

4 (7) "HOUSING DEVELOPMENT LOCATION" MEANS 1113 N. WASHINGTON,
5 LANSING, PARCEL NUMBER 33-01-01-09-331-152 , (LOT 3 & LOT 4 & E 145 FT OF N 1/2
6 LOT 5 BLOCK 34 ORIG PLAT)

7 (8) "HOUSING DEVELOPMENT PROJECT" MEANS THE REHABILITATION OF THE
8 BUILDING AFTER COMPLETION OF CONSTRUCTION AND ISSUANCE OF
9 CERTIFICATES OF OCCUPANCY FOR ALL UNITS. THE HOUSING DEVELOPMENT
10 PROJECT DOES NOT INCLUDE ANY ADDITIONAL RESIDENTIAL APARTMENTS OR
11 OTHER SPACE ON THE PARCEL, INCLUDING BUT NOT LIMITED TO COMMERCIAL
12 SPACE.

13 (9) "LOW INCOME PERSONS OR FAMILIES" MEANS LOW INCOME PERSONS OR
14 FAMILIES AS DEFINED IN SECTION 15(A)(7) OF THE ACT.

15 (10) "MORTGAGE LOAN" MEANS A FEDERALLY-AIDED MORTGAGE OR
16 AUTHORITY-AIDED MORTGAGE OR ADVANCE FROM THE AUTHORITY, AS
17 DEFINED IN THE ACT, TO THE SPONSOR FOR THE CONSTRUCTION AND/OR
18 PERMANENT FINANCING OF THE HOUSING DEVELOPMENT PROJECT.

19 (11) "SPONSOR" MEANS PERSON(S) OR ENTITIES THAT HAVE APPLIED TO THE
20 AUTHORITY FOR OR HAVE RECEIVED ~~OR~~ A MORTGAGE LOAN OR AN
21 ALLOCATION UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM TO
22 FINANCE THE HOUSING DEVELOPMENT PROJECT. THE SPONSOR UNDER THIS

1 SECTION OF THE ORDINANCE IS SABOURY OLD TOWN LDHA LIMITED
2 PARTNERSHIP, 1525 CAMBRIA DRIVE, EAST LANSING, MICHIGAN.

3 (12) "UTILITIES" MEANS FUEL, WATER, HEAT, SANITARY SEWER SERVICE AND/OR
4 ELECTRICAL SERVICE FURNISHED TO THE OCCUPANTS WHICH ARE PAID BY THE
5 HOUSING DEVELOPMENT PROJECT.

6 ALL TERMS REFERENCED IN THE ACT BUT NOT DEFINED IN THIS SECTION SHALL
7 HAVE THE MEANINGS GIVEN THEM IN THE ACT.

8 (C) CLASS OF HOUSING DEVELOPMENT. IT IS DETERMINED THAT THE CLASS OF
9 HOUSING DEVELOPMENTS TO WHICH THE TAX EXEMPTION SHALL APPLY AND
10 FOR WHICH A SERVICE CHARGE SHALL BE PAID IN LIEU OF SUCH TAXES SHALL
11 BE HOUSING DEVELOPMENTS WHICH ARE FINANCED OR ASSISTED PURSUANT
12 TO THE ACT. IT IS FURTHER DETERMINED THAT THE HOUSING DEVELOPMENT
13 PROJECT IS OF THIS CLASS.

14 (D) ESTABLISHMENT OF ANNUAL SERVICE CHARGE IN LIEU OF PROPERTY
15 TAXES.

16 (1) SUBJECT TO THE CONDITIONS PRECEDENT IN THIS SECTION, THE HOUSING
17 DEVELOPMENT PROJECT AND THE PROPERTY ON WHICH IT IS SITUATED SHALL
18 BE EXEMPT FROM ALL PROPERTY TAXES FOR AS LONG AS A MORTGAGE LOAN,
19 AS DEFINED ABOVE, REMAINS ON THE HOUSING DEVELOPMENT PROJECT FROM
20 AND AFTER THE COMMENCEMENT OF CONSTRUCTION. THE CITY
21 ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED
22 THE ECONOMIC FEASIBILITY OF THE HOUSING DEVELOPMENT PROJECT IN

1 RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION
2 AND THE QUALIFICATION OF THE HOUSING DEVELOPMENT PROJECT FOR THE
3 EXEMPTION FROM ALL PROPERTY TAXES AND A PAYMENT IN LIEU OF TAXES AS
4 ESTABLISHED IN THIS SECTION, AND IN CONSIDERATION OF THE SPONSOR'S
5 OFFER, SUBJECT TO RECEIPT OF A MORTGAGE LOAN, AND/OR AN ALLOCATION
6 UNDER THE LIHTC PROGRAM ,TO CONSTRUCT, OWN AND OPERATE THE
7 HOUSING DEVELOPMENT PROJECT. THE CITY AGREES TO ACCEPT PAYMENT OF
8 AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF ALL AD
9 VALORUM PROPERTY TAXES, PROVIDED THE SPONSOR FURNISHES THE CITY
10 WITH PROOF OF ITS ANNUAL CERTIFIED VERIFICATION PURSUANT TO THE
11 REQUIREMENTS OF THE ACT AND AT THE REQUEST OF THE CITY, PROOF THAT
12 THE SPONSOR HAS RECEIVED AND IS MAINTAINING ITS ALLOCATION OF LOW
13 INCOME HOUSING CREDITS BY THE AUTHORITY AND THAT THE HOUSING
14 DEVELOPMENT PROJECT UNITS HAVE NOT INCREASED, DECREASED OR BEEN
15 ALTERED IN ANY FORM, UNLESS THE CITY HAS OTHERWISE AMENDED THE
16 PROVISIONS OF THIS SECTION.

17 (2) IN ADDITION TO THE ANNUAL CERTIFIED VERIFICATION REQUIREMENT IN
18 PARAGRAPH (1) OF THIS SUBSECTION, THE TAX EXEMPTION SHALL COMMENCE
19 WHEN THE SPONSOR COMPLIES WITH SECTION 15A OF THE ACT, WHICH
20 PROVIDES: THE OWNER OF A HOUSING DEVELOPMENT PROJECT ELIGIBLE FOR
21 THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER A CERTIFIED
22 NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS
23 PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL

1 BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY
2 THAT THE HOUSING DEVELOPMENT PROJECT IS ELIGIBLE FOR THE EXEMPTION.
3 THE OWNER THEN SHALL FILE, OR CAUSE TO BE FILED, THE CERTIFIED
4 NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER
5 BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE
6 EXEMPTION IS TO BEGIN.

7 (3) THE ANNUAL SERVICE CHARGE SHALL BE EQUAL TO FOUR PERCENT OF THE
8 DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED
9 AND UTILITIES AS DEFINED IN SECTION 11(M) OF THE ACT.

10 (E) LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.
11 NOTWITHSTANDING SUBSECTION (D), THE SERVICE CHARGE TO BE PAID EACH
12 YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT
13 PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW INCOME
14 PERSONS OR FAMILIES SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES
15 THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE
16 HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

17 (F) PAYMENT OF SERVICE CHARGE. THE SERVICE CHARGE IN LIEU OF TAXES AS
18 DETERMINED UNDER THIS SECTION SHALL BE PAYABLE IN THE SAME MANNER
19 AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY AND DISTRIBUTED
20 TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME
21 PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE
22 PREVIOUS CALENDAR YEAR, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE

1 PAID ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH
2 SUCH CHARGE IS CALCULATED. COLLECTION PROCEDURES SHALL BE IN
3 ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT
4 (1893 PA 206, AS AMENDED; MCLA 211.1 ET SEQ).

5 (G) CONTRACTUAL EFFECT OF THIS SECTION. NOTWITHSTANDING THE
6 PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT
7 BETWEEN THE CITY AND THE SPONSOR, WITH THE AUTHORITY AS THIRD-PARTY
8 BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND
9 ACCEPT PAYMENTS IN LIEU OF TAXES, AS PREVIOUSLY DESCRIBED, IS
10 EFFECTUATED BY ENACTMENT OF THIS SECTION.

11 (H) DURATION; COMMENCEMENT OF CONSTRUCTION.

12 (1) THE PROPERTY TAX EXEMPT STATUS OF THE HOUSING DEVELOPMENT
13 PROJECT APPROVED BY THIS SECTION SHALL REMAIN IN EFFECT AND SHALL
14 NOT TERMINATE SO LONG AS THE MORTGAGE LOAN FOR THE HOUSING
15 DEVELOPMENT PROJECT REMAINS OUTSTANDING AND UNPAID, OR FOR SUCH
16 PERIOD AS THE AUTHORITY OR OTHER GOVERNMENTAL ENTITY HAS ANY
17 INTEREST IN THE PROPERTY OR THE PROJECT IS SUBJECT TO INCOME AND RENT
18 RESTRICTIONS UNDER § 42 OF THE INTERNAL REVENUE CODE, AS AMENDED;
19 PROVIDED THAT THE REHABILITATION OF THE HOUSING DEVELOPMENT
20 PROJECT COMMENCES WITHIN ONE YEAR FROM THE EFFECTIVE DATE OF THIS
21 SECTION, THAT THE PROJECT IS IN PART FINANCED BY A MORTGAGE LOAN
22 AND/OR INCOME HOUSING TAX CREDITS FROM THE AUTHORITY AND THAT THE

1 NUMBER OF UNITS AND THE PURPOSES FOR THE HOUSING DEVELOPMENT
2 PROJECT REMAIN UNCHANGED, SUBJECT TO AMENDMENT IN ACCORDANCE
3 WITH THE LAW. IF THE REHABILITATION OF THE HOUSING DEVELOPMENT
4 PROJECT DOES NOT COMMENCE WITHIN ONE YEAR FROM THE EFFECTIVE DATE
5 OF THIS SECTION, THIS SECTION 888. ___ OF THE ORDINANCE SHALL
6 AUTOMATICALLY EXPIRE, TERMINATE AND BE OF NO EFFECT. IF THE SPONSOR
7 FAILS TO OBTAIN WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS SECTION
8 A MORTGAGE LOAN AND/OR LOW INCOME HOUSING TAX CREDITS FROM THE
9 AUTHORITY OR CHANGES THE SCOPE OR PURPOSE OF THE HOUSING
10 DEVELOPMENT PROJECT WITHOUT THE CONSENT OF THE PEOPLE OF THE CITY,
11 BY AND THROUGH ITS REPRESENTATIVES, AND IN ACCORDANCE WITH THE
12 REQUIREMENTS OF THE LAW, THIS SECTION SHALL AUTOMATICALLY EXPIRE,
13 TERMINATE AND BE OF NO EFFECT. NOTWITHSTANDING ANY OTHER PROVISION
14 TO THE CONTRARY, THIS SECTION AND THE TAX EXEMPTION PROVIDED SHALL
15 TERMINATE AND BE OF NO EFFECT AFFECT AFTER THIRTY-SEVEN (37) YEARS.

16 Section 2. Inconsistent Ordinances. All ordinances, resolutions or rules, parts of
17 ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they pertain
18 to the Saboury Building Apartments.

19 Section 3. Severability. Should any section, clause or phrase of this ordinance be declared
20 to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other
21 than the part so declared to be invalid.

22 Section 4. This ordinance shall take effect on the 30th day after enactment unless given
23 immediate effect by the City Council.

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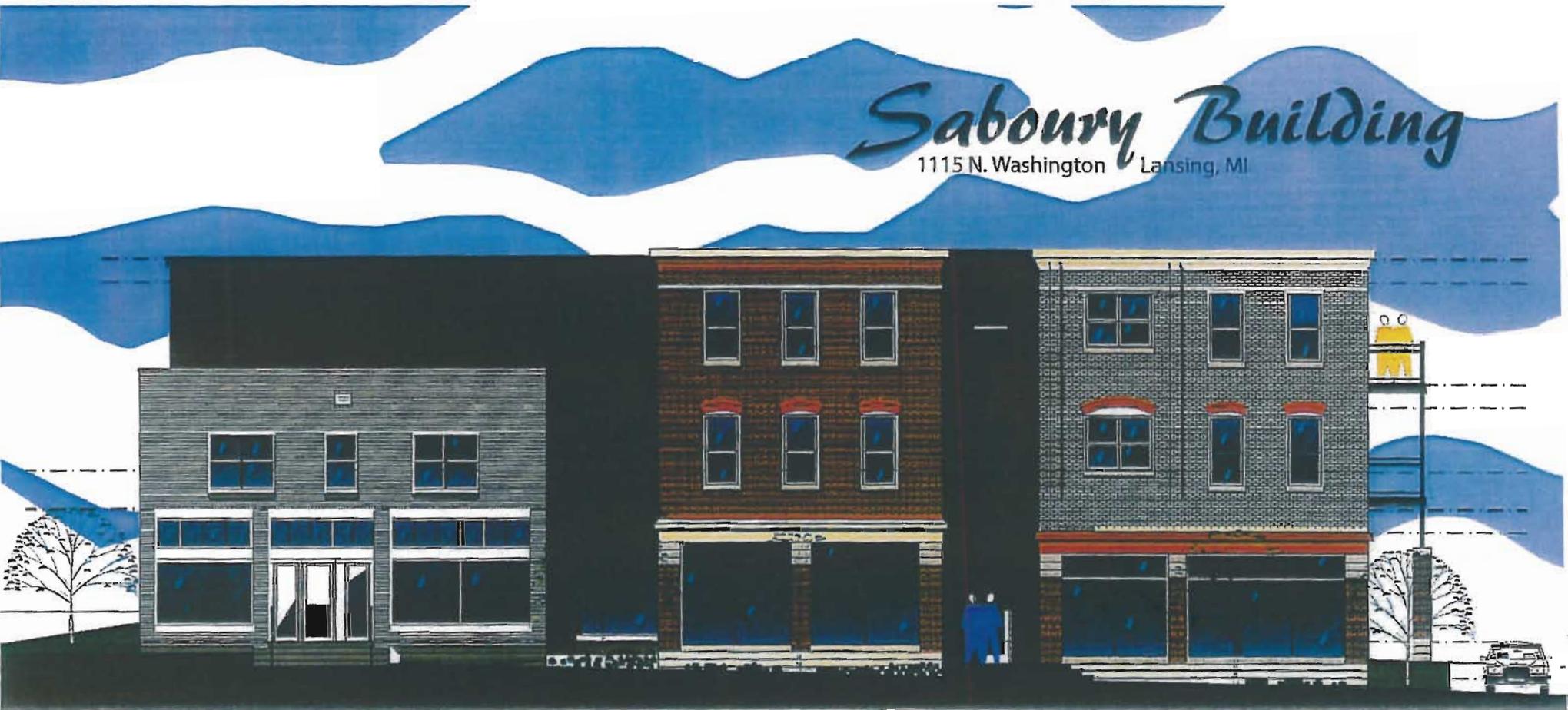
Approved as to form:

City Attorney

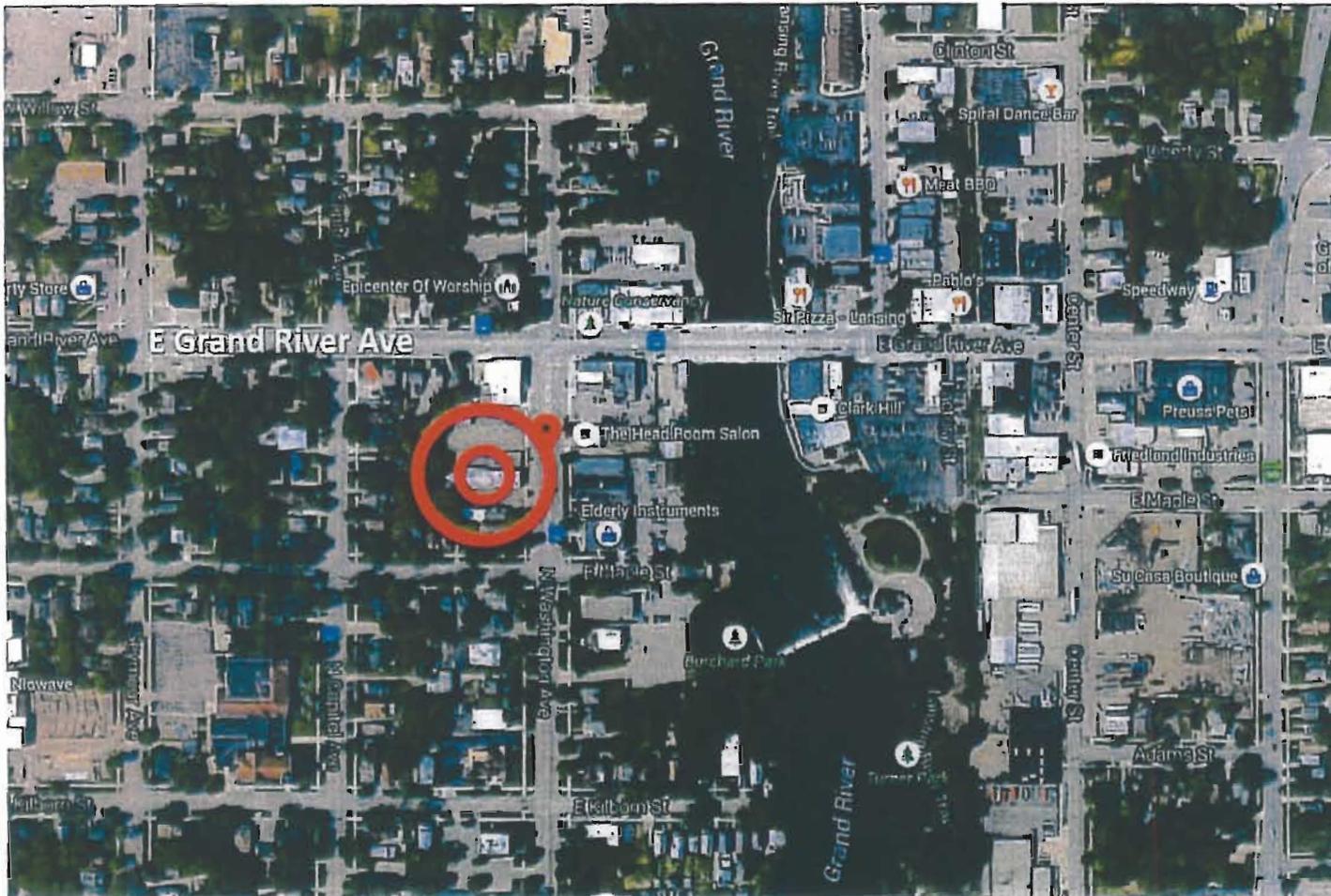
Dated: _____

Saboury Building

1115 N. Washington Lansing, MI



Mixed-Use Community Development
Multi-Story Residential Living & Street Front Commercial Leasing



Project Site:

1115 N Washington
 Lansing, MI
 Old Town Neighborhood

\$3.95-million (estimated)
 30,000+ Square Foot Building

Includes the Renovation of an Existing Historic 2-Story Building

(23) Apartment Units
 (4) Retail Lease Spaces

 <p>Walk Score 80</p>	<p>Very Walkable Most errands can be accomplished on foot.</p>
 <p>Bike Score 92</p>	<p>Biker's Paradise Flat as a pancake, excellent bike lanes</p>

*Courtesy of WalkScore.com 08/31/15



Saboury Building

Current Site Conditions



Existing 2-Story Building – Along N. Washington



Existing 2-Story Building – West (Rear) View

Surrounding Neighborhood Architecture





EAST ELEVATION

SCALE: 1/4" = 1'-0"



Saboury Building

N Washington Street Frontage



WEST ELEVATION

0 2' 4' 8'
SCALE: 1/4" = 1'-0"



Saboury Building

Parking Lot Covered Entries

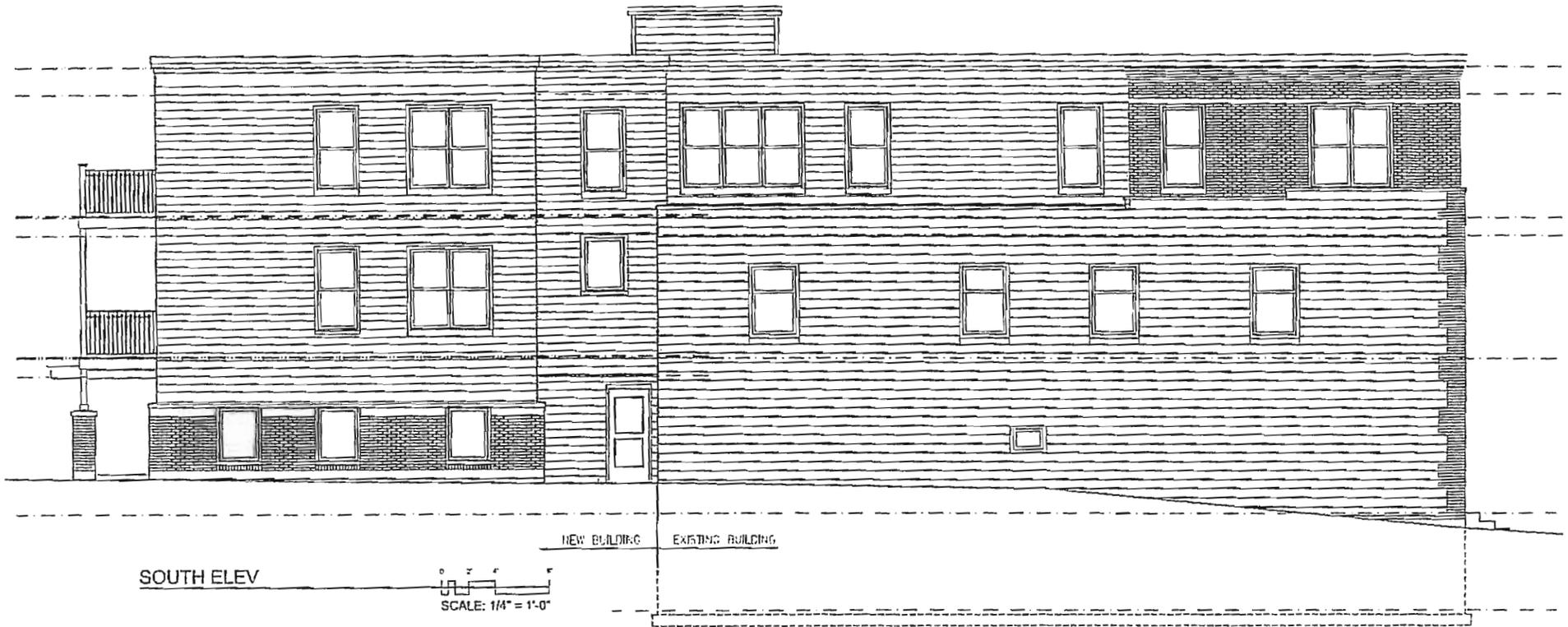


NORTH ELEVATION

0 2 4 6
SCALE: 1/4" = 1'-0"

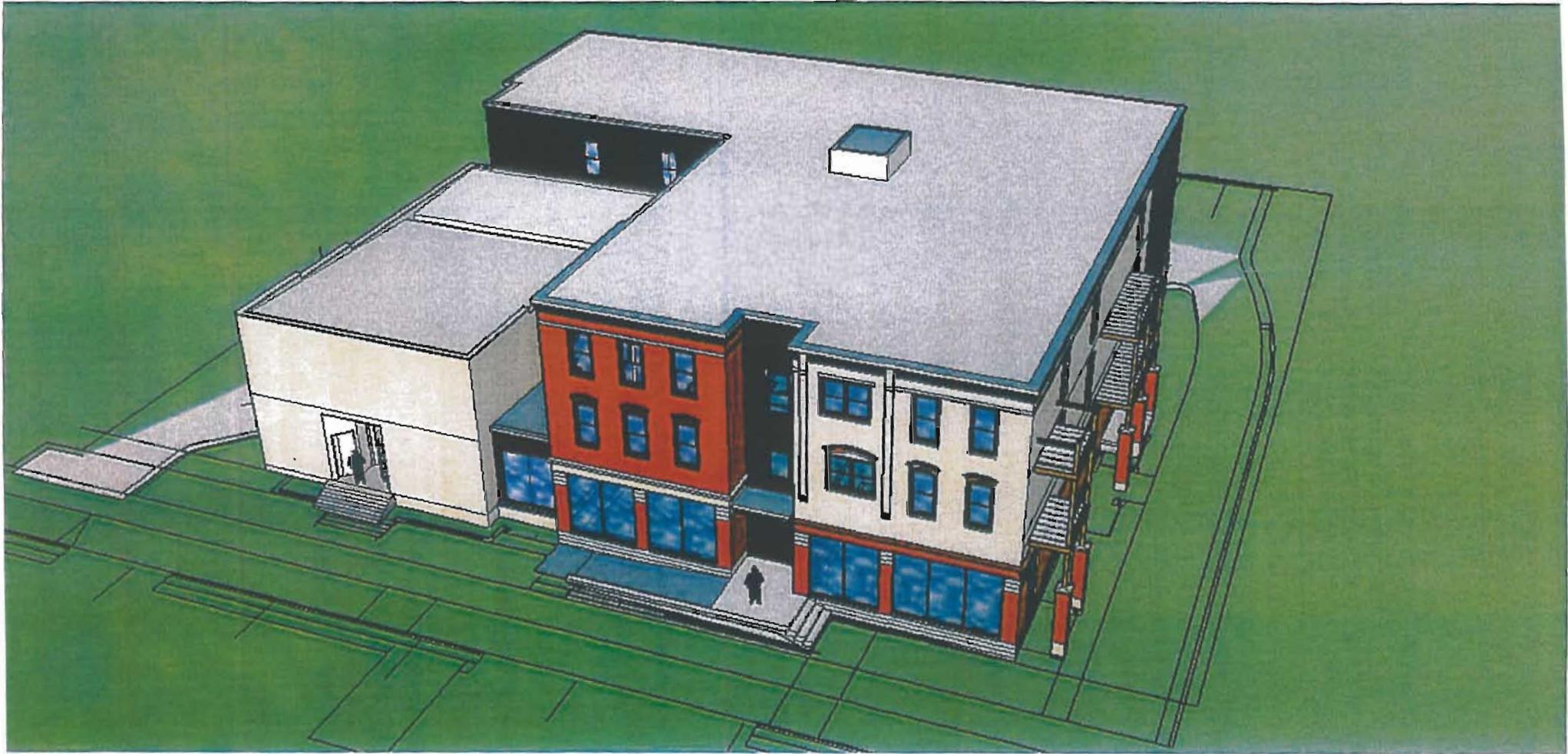


Saboury Building





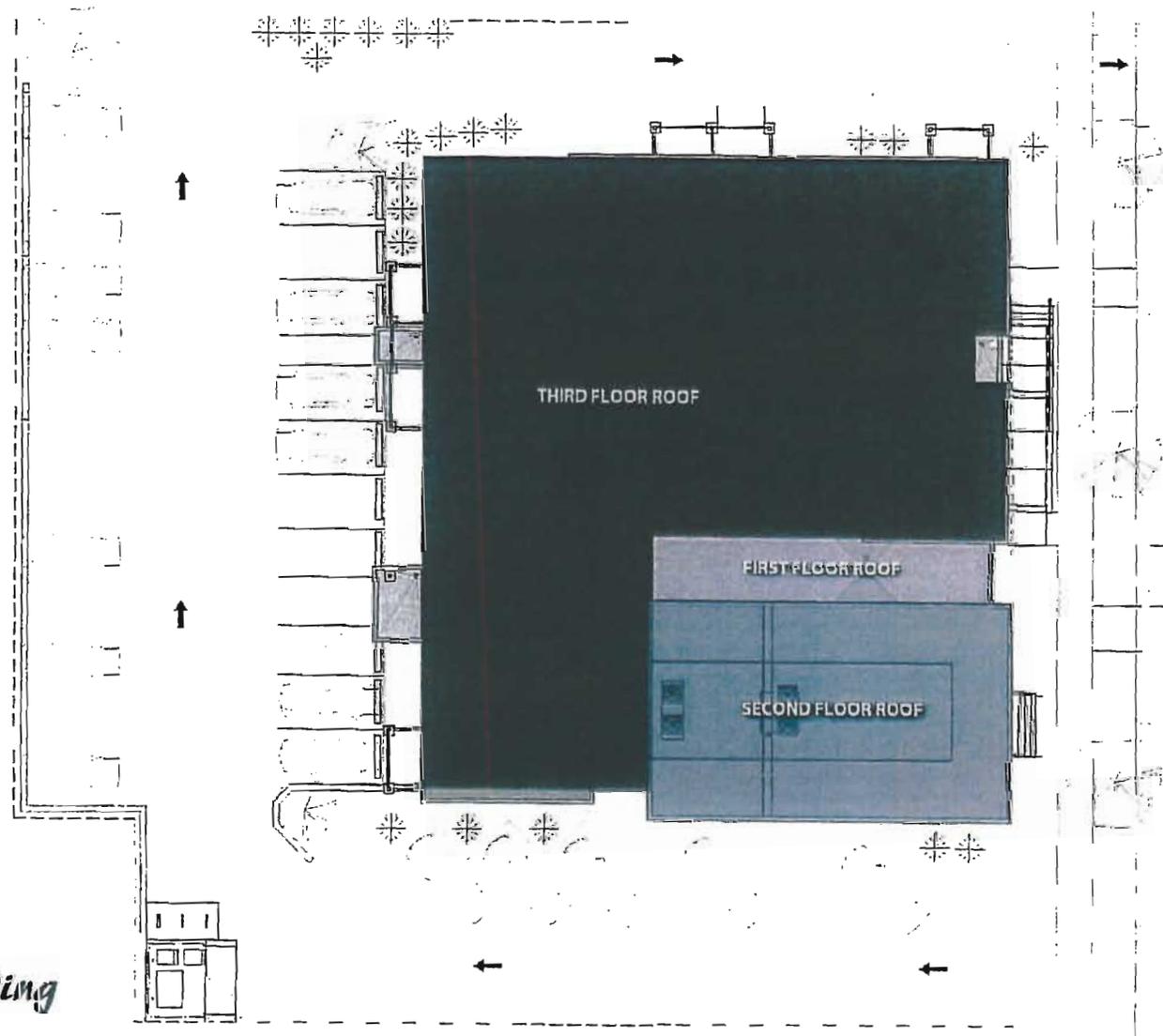
Saboury Building



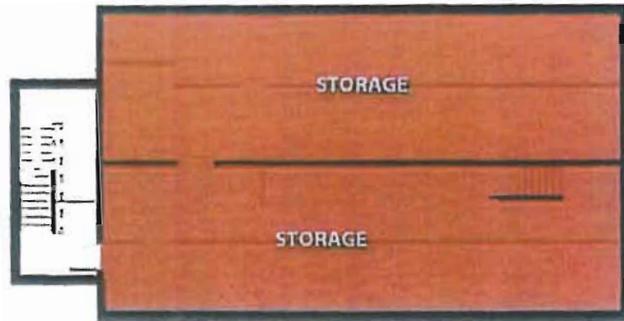
Saboury Building

Development Data Summary

	Unit Number	1 Bedroom	2 Bedroom	D.F. Type "A"	D.F. Type "B"	Heating & Venting	Insulated	One Bedrm. Apts. Gross Area	Two Bedrm. Apts. Gross Area	Gross Floor Area	Total Building Gross Area
BASEMENT											
Basement Storage	70									985	2,389
Basement Storage	71									985	
FIRST FLOOR											
Apartment	101	1						727			
Apartment	102	1						700			
Apartment	103	1							985		
Community Room	140									875	
Lease Space	150									1,234	
Lease Space	160									1,240	
Lease Space	165									477	
Lease Space	170									1,050	
Lease Space	171									1,018	
SECOND FLOOR											
Apartment	201	1						712			6,810
Apartment	202	1							921		
Apartment	203	1						683			
Apartment	204	1						287			
Apartment	205	1						699			
Apartment	206	1						812			
Apartment	207	1						667			
Apartment	208	1						648			
Apartment	209	1						688			
Apartment	210	1							1,005		
Apartment	211	1							1,004		
THIRD FLOOR											
Apartment	301	1						712			7,881
Apartment	302	1							921		
Apartment	303	1						683			
Apartment	304	1						287			
Apartment	305	1						699			
Apartment	306	1						812			
Apartment	307	1						667			
Apartment	308	1						648			
Apartment	309	1						688			
Total One Bedroom		18						12,315			
Total Two Bedroom			5						4,926		
TOTAL GROSS AREAS											
Entire Building											30,316
Apartments											17,141
Retail Lease Space											5,036
Storage											8,139



Saboury Building



BASEMENT PLAN

Building Amenities

- Community Room w/ Kitchenette
- On-Site Management Office
- Intercom System
- Key Card Access
- Security Cameras
- Elevator
- Central Air
- Internet Hook-up
- LED Lighting



FIRST FLOOR PLAN



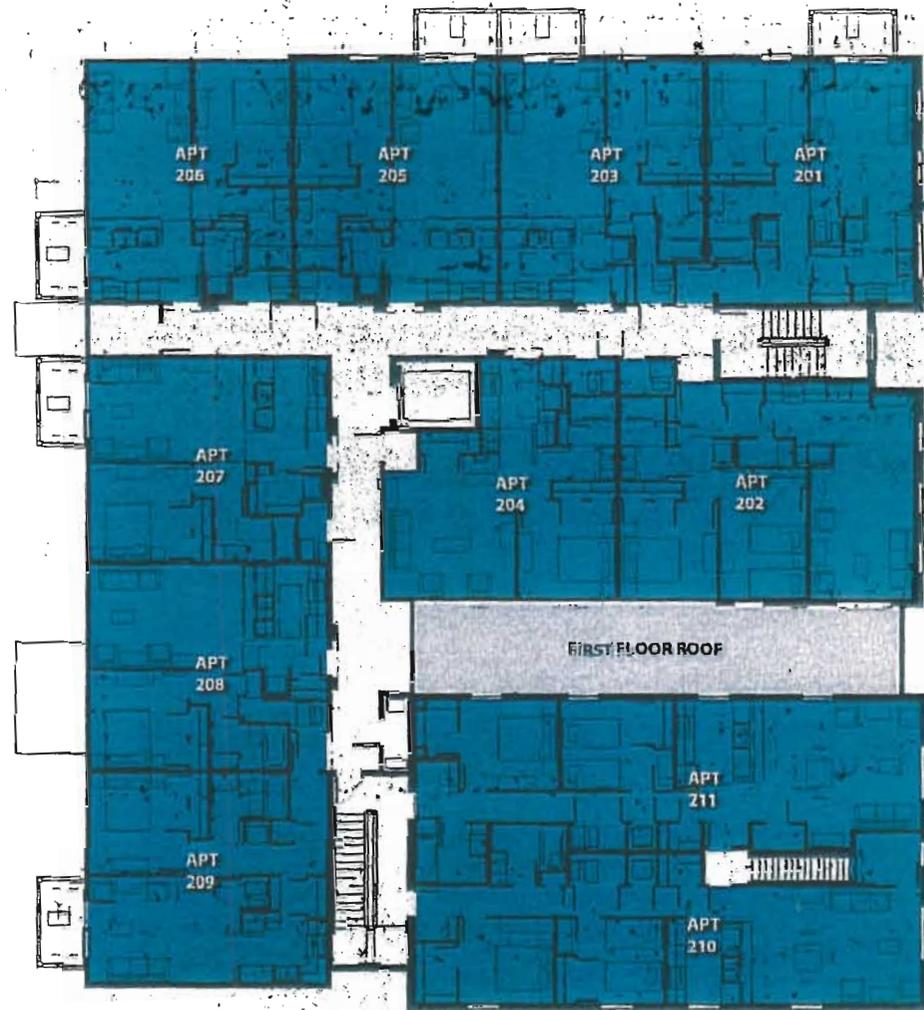
Saboury Building

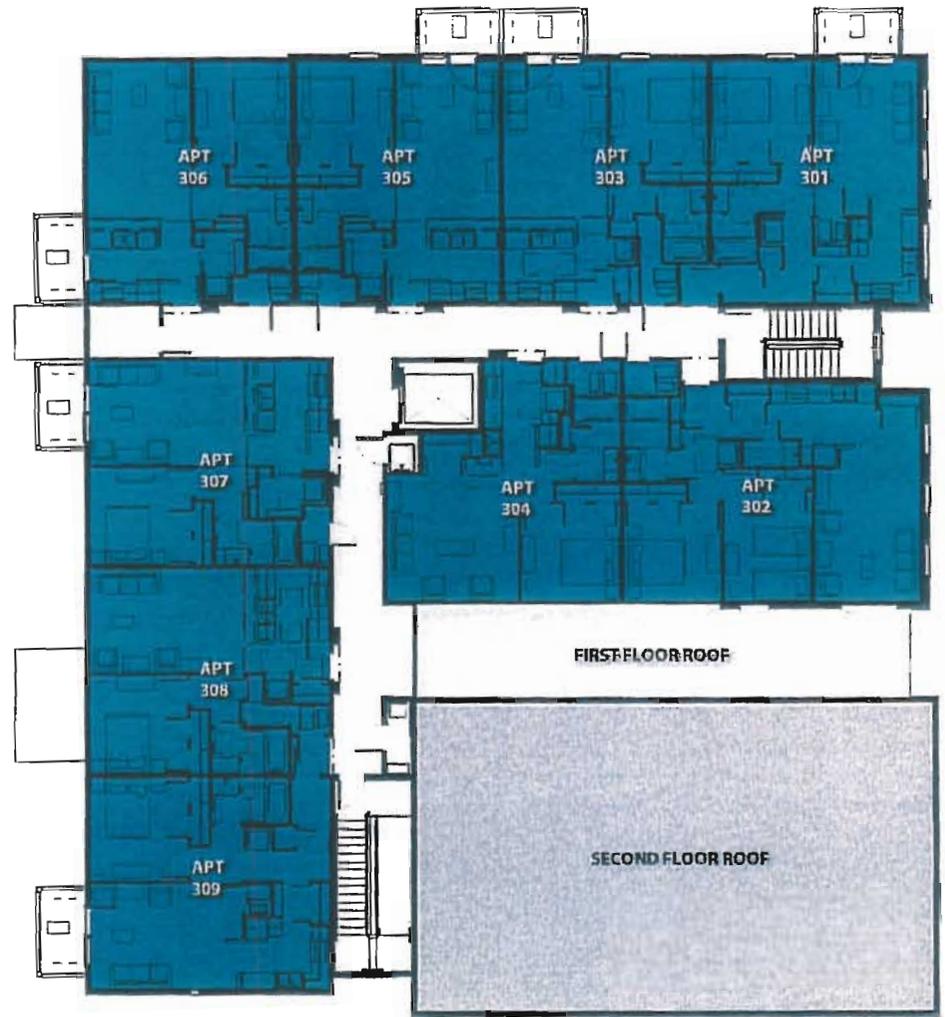


Saboury Building



SECOND FLOOR PLAN





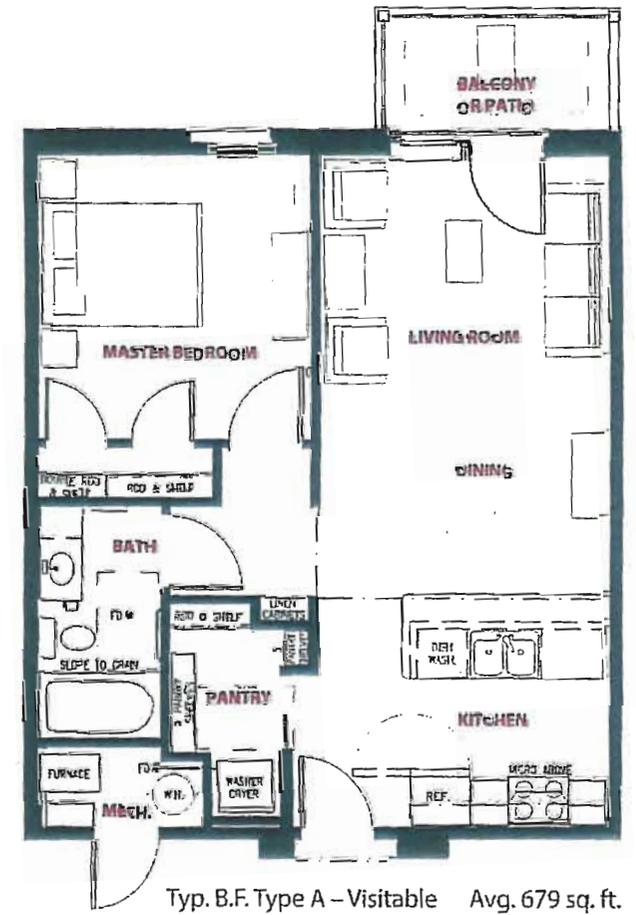
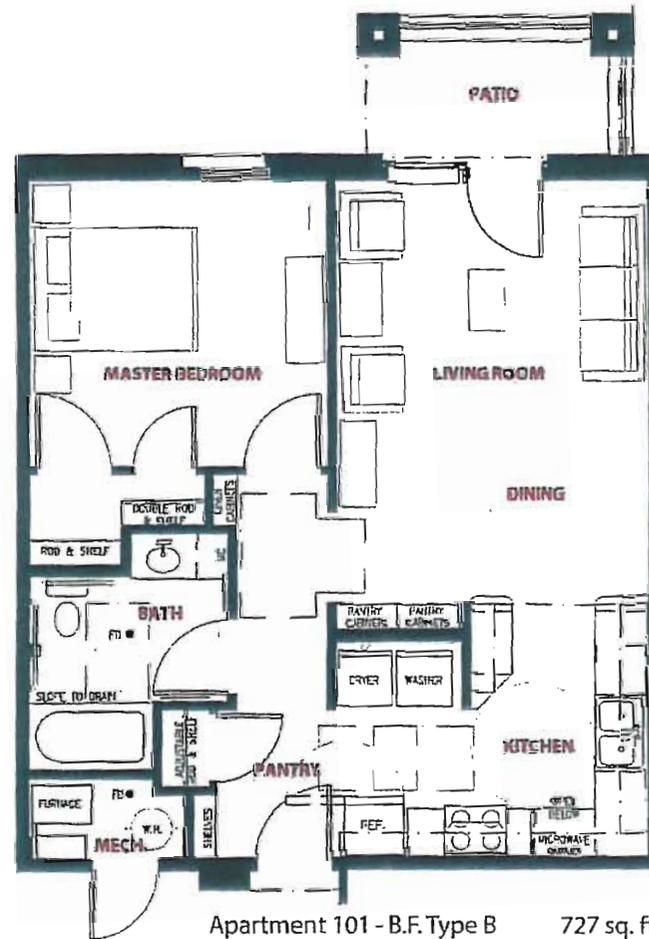
Saboury Building



THIRD FLOOR PLAN

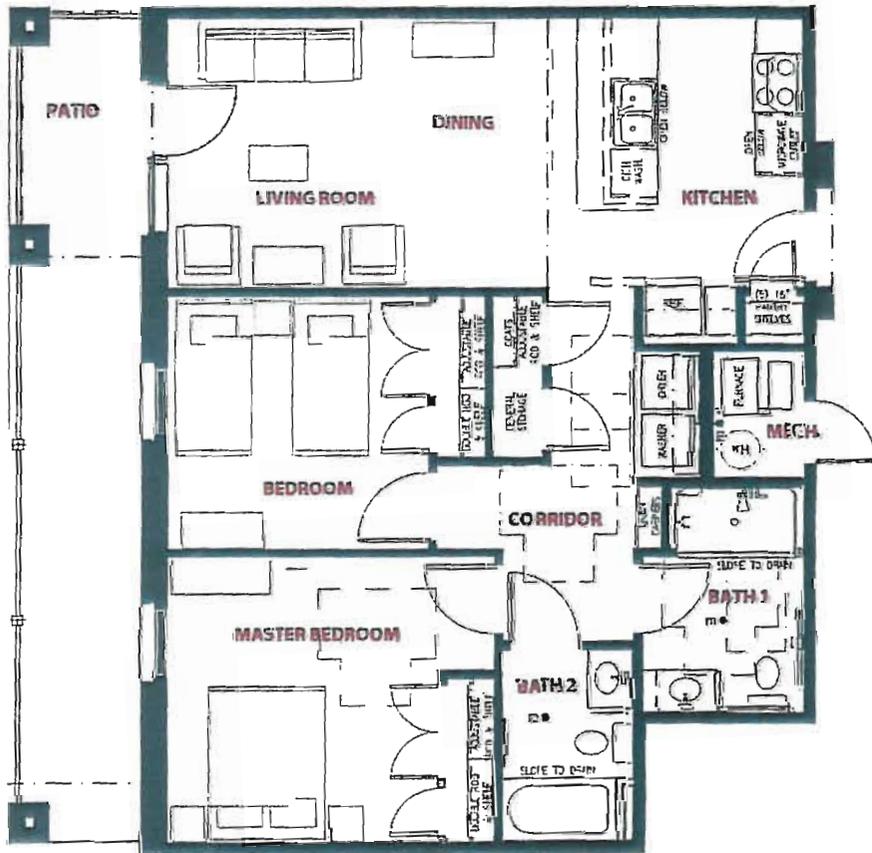
Apartment Amenities

- Frost Free Refrigerator
- Self-Cleaning Oven
- Microwave
- Dishwasher
- In-Unit Washer & Dryer
- Entry Coat Closet (in Pantry)
- Resilient Flooring
- Mini-blinds

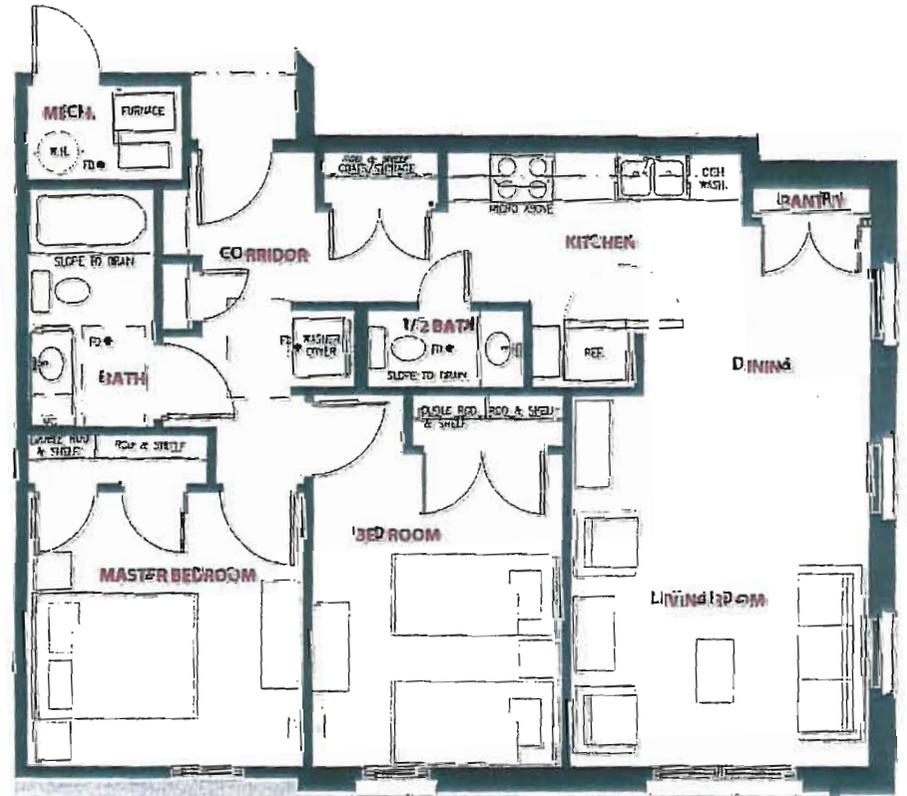


Saboury Building

ONE BEDROOM APARTMENTS



Apartment 103 - B.F. Type B 985 sq. ft.



Apartment 202 - Type A - Visitable 921 sq. ft.



Saboury Building

TWO BEDROOM APARTMENTS

1 UNDER THIS ACT AT ANY AMOUNT IT CHOOSES NOT TO EXCEED THE TAXES
2 THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT
3 HOUSING FOR PERSONS OF LOW INCOME IS A PUBLIC NECESSITY, AND AS THE
4 CITY WILL BE BENEFITTED AND IMPROVED BY SUCH HOUSING, THE
5 ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX
6 EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE; FURTHER, THAT
7 THE CONTINUATION OF THE PROVISIONS OF THIS ORDINANCE SECTION FOR TAX
8 EXEMPTION AND THE SERVICE CHARGE IN LIEU OF ALL AD VALOREM PROPERTY
9 TAXES DURING THE PERIOD CONTEMPLATED IN THIS SECTION ARE ESSENTIAL
10 TO THE DETERMINATION OF ECONOMIC FEASIBILITY OF THE HOUSING
11 DEVELOPMENT PROJECT WHICH IS TO BE DEVELOPED AND FINANCED IN
12 RELIANCE ON SUCH TAX EXEMPTION AND SERVICE CHARGE.

13 THE CITY ACKNOWLEDGES THAT THE SPONSOR, AS DEFINED IN THIS SECTION, IS
14 A LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP AND HAS
15 OFFERED, SUBJECT TO RECEIPT OF AN ALLOCATION UNDER THE LOW INCOME
16 HOUSING TAX CREDIT (LIHTC) PROGRAM AND/OR A MORTGAGE LOAN, AS
17 DEFINED IN THIS SECTION, TO CONSTRUCT, OWN, AND OPERATE THE HOUSING
18 DEVELOPMENT PROJECT TO BE KNOWN AS WALNUT PARK APARTMENTS
19 LOCATED IN THE CITY TO SERVE PERSONS OF LOW INCOME, AND THAT THE
20 SPONSOR HAS OFFERED TO PAY THE CITY ON ACCOUNT OF THIS HOUSING
21 DEVELOPMENT AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICE IN LIEU OF
22 ALL AD VALOREM PROPERTY TAXES.

23 (B) DEFINITIONS.

1 (1) "ACT" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, BEING
2 MICHIGAN PUBLIC ACT 346 OF 1966, AS AMENDED, BEING MCL 125.1401 ET SEQ.

3 (2) "ANNUAL SHELTER RENT" MEANS THE TOTAL COLLECTIONS DURING AN
4 AGREED ANNUAL PERIOD FROM OR PAID ON BEHALF OF ALL LOW INCOME
5 OCCUPANTS OF A HOUSING DEVELOPMENT REPRESENTING RENT OR
6 OCCUPANCY CHARGES, EXCLUSIVE OF CHARGES FOR UTILITIES, AS DEFINED IN
7 THIS SECTION.

8 (3) "AUTHORITY" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT
9 AUTHORITY AS REFERRED TO IN SECTION 21 OF THE ACT, BEING MCL 125.1421.

10 (4) "CITY" MEANS THE CITY OF LANSING, A MICHIGAN MUNICIPAL
11 CORPORATION.

12 (5) "COMMENCEMENT OF CONSTRUCTION" MEANS THE COMMENCEMENT OF THE
13 CONSTRUCTION OF THE HOUSING DEVELOPMENT, AS HEREIN DEFINED.

14 (6) "HOUSING DEVELOPMENT" MEANS THE CONSTRUCTION, AT THE HOUSING
15 DEVELOPMENT LOCATION, OF A BUILDING TO INCLUDE QUALIFIED LOW
16 INCOME RESIDENTIAL APARTMENT UNITS INCLUDING FIFTY-SEVEN (57) UNITS
17 RESERVED FOR LOW INCOME PERSONS OR FAMILIES AND SUCH COMMERCIAL,
18 RECREATIONAL, INDUSTRIAL, COMMUNAL, AND EDUCATIONAL FACILITIES AS
19 THE AUTHORITY DETERMINES IMPROVE THE QUALITY OF THE HOUSING
20 DEVELOPMENT PROJECT AS IT RELATES TO HOUSING FOR PERSONS OF LOW
21 INCOME.

1 (7) "HOUSING DEVELOPMENT LOCATION" MEANS 715 WEST WILLOW STREET,
2 LANSING, PARCEL NUMBER 33-01-01-08-427-041, (PART OF THE SOUTHWEST 1/4 OF
3 SECTION 9, T4N-R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN AND PART
4 OF LOTS 1 & 2 OF BLOCK 26 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26
5 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN APRIL 1849, BEING MORE
6 PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A M.A.G. NAIL AT
7 THE INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET WIDE)
8 AND THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SAID POINT
9 ALSO BEING THE NORTHEAST CORNER OF LOT 1, BLOCK 26 OF THE "MAP OF THE
10 SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN
11 APRIL, 1849, THENCE N88°10'25"W, 240.00 FEET ALONG THE SOUTHERLY LINE OF
12 WEST WILLOW STREET TO THE POINT OF BEGINNING OF THE FOLLOWING
13 DESCRIBED PARCEL; THENCE S01°45'54"W, 262.43 FEET TO THE SOUTHEAST
14 CORNER OF LOT 2, BLOCK 26 OF SAID PLAT; THENCE N88°09'21"W, 337.50 FEET
15 ALONG THE SOUTH LINE OF SAID LOT 2 TO THE SOUTHWEST CORNER OF SAID
16 LOT 2; THENCE N01°45'54"E, 76.74 FEET ALONG THE WEST LINE OF SAID LOT 2;
17 THENCE N86°59'21"W, 95.41 FEET; THENCE N01°45'54"E, 173.08 FEET TO THE SOUTH
18 LINE OF WEST WILLOW STREET (VARIABLE WIDTH); THENCE ALONG THE SOUTH
19 LINE OF WEST WILLOW STREET THE FOLLOWING TWO (2) COURSES; (1) 80.21
20 FEET ALONG A 341.85 FOOT RADIUS CURVE TO THE RIGHT HAVING A DELTA
21 ANGLE OF 13°26'36" AND A CHORD OF N84°15'51"E, 80.02 FEET; (2) S88°10'25"E,
22 353.56 FEET TO THE POINT OF BEGINNING CONTAINING 2.43 ACRES MORE OR

1 LESS AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER WEST WILLOW STREET.

2 ALSO SUBJECT TO ANY EASEMENTS OF USE OR RECORD..

3 (8) "HOUSING DEVELOPMENT PROJECT" MEANS THE HOUSING DEVELOPMENT
4 AFTER COMPLETION OF CONSTRUCTION AND ISSUANCE OF CERTIFICATES OF
5 OCCUPANCY FOR ALL UNITS.

6 (9) "LOW INCOME PERSONS OR FAMILIES" MEANS LOW INCOME PERSONS OR
7 FAMILIES ELIGIBLE TO MOVE INTO THE HOUSING DEVELOPMENT PROJECT.

8 (10) "MORTGAGE LOAN" MEANS A FEDERALLY-AIDED OR AUTHORITY-AIDED
9 MORTGAGE, AS DEFINED IN THE ACT, OR ADVANCE FROM THE AUTHORITY TO
10 THE SPONSOR FOR THE CONSTRUCTION AND/OR PERMANENT FINANCING OF THE
11 HOUSING DEVELOPMENT AND HOUSING DEVELOPMENT PROJECT AND SECURED
12 BY A MORTGAGE ON THE HOUSING DEVELOPMENT PROJECT..

13 (11) "SPONSOR" MEANS PERSON(S) OR ENTITIES THAT HAVE RECEIVED OR
14 ASSUMED A MORTGAGE LOAN. THE INITIAL SPONSOR UNDER THIS SECTION OF
15 THE ORDINANCE IS WALNUT PARK APARTMENTS LIMITED DIVIDEND HOUSING
16 ASSOCIATION LIMITED PARTNERSHIP, 333 NORTH PENNSYLVANIA STREET, SUITE
17 100, INDIANAPOLIS, INDIANA.

18 (12) "UTILITIES" MEANS CHARGES FOR FUEL, WATER, HEAT, SANITARY SEWER
19 SERVICE AND/OR ELECTRICAL SERVICE FURNISHED TO THE OCCUPANTS WHICH
20 ARE PAID BY THE HOUSING DEVELOPMENT PROJECT AS DEFINED IN THE ACT.

1 ALL TERMS REFERENCED IN THE ACT BUT NOT DEFINED IN THIS SECTION SHALL
2 HAVE THE MEANINGS GIVEN THEM IN THE ACT.

3 (C) CLASS OF HOUSING DEVELOPMENT. IT IS DETERMINED THAT THE CLASS OF
4 HOUSING DEVELOPMENTS TO WHICH THE TAX EXEMPTION SHALL APPLY AND
5 FOR WHICH A SERVICE CHARGE SHALL BE PAID IN LIEU OF SUCH TAXES SHALL
6 BE HOUSING DEVELOPMENTS WHICH ARE FINANCED OR ASSISTED PURSUANT
7 TO THE ACT. IT IS FURTHER DETERMINED THAT THE HOUSING DEVELOPMENT
8 PROJECT IS OF THIS CLASS.

9 (D) ESTABLISHMENT OF ANNUAL SERVICE CHARGE IN LIEU OF PROPERTY
10 TAXES.

11 (1) SUBJECT TO THE CONDITIONS IN THIS SECTION, THE HOUSING DEVELOPMENT
12 PROJECT AND THE PROPERTY ON WHICH IT IS SITUATED SHALL BE EXEMPT
13 FROM ALL PROPERTY TAXES FOR THE PERIOD SPECIFIED IN SUBSECTION (H) OF
14 THIS SECTION. THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE
15 AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF THE HOUSING
16 DEVELOPMENT PROJECT IN RELIANCE UPON THE ENACTMENT AND CONTINUING
17 EFFECT OF THIS SECTION AND THE QUALIFICATION OF THE HOUSING
18 DEVELOPMENT PROJECT FOR THE EXEMPTION FROM ALL PROPERTY TAXES AND
19 A PAYMENT IN LIEU OF TAXES AS ESTABLISHED IN THIS SECTION. THEREFORE,
20 IN CONSIDERATION OF THE SPONSOR'S OFFER TO CONSTRUCT, OWN AND
21 OPERATE THE HOUSING DEVELOPMENT PROJECT, THE CITY AGREES TO ACCEPT
22 PAYMENT OF AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF

1 ALL AD VALOREM PROPERTY TAXES, PROVIDED THE SPONSOR FURNISHES THE
2 CITY WITH PROOF OF ITS ANNUAL CERTIFIED VERIFICATION PURSUANT TO THE
3 REQUIREMENTS OF THE ACT AND AT THE REQUEST OF THE CITY, PROOF THAT A
4 MORTGAGE LOAN IS STILL IN EFFECT AND THAT THE NUMBER OF QUALIFIED
5 LOW INCOME UNITS IN THE HOUSING DEVELOPMENT PROJECT HAVE NOT
6 INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM UNLESS THE CITY
7 HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION.

8 (2) IN ADDITION TO THE ANNUAL CERTIFIED VERIFICATION REQUIREMENT IN
9 PARAGRAPH (1) OF THIS SUBSECTION, THE TAX EXEMPTION SHALL COMMENCE
10 WHEN THE SPONSOR COMPLIES WITH SECTION 15A OF THE ACT, WHICH
11 PROVIDES: THE OWNER OF A HOUSING DEVELOPMENT PROJECT ELIGIBLE FOR
12 THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER A CERTIFIED
13 NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS
14 PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL
15 BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY
16 THAT THE HOUSING DEVELOPMENT PROJECT IS ELIGIBLE FOR THE EXEMPTION.
17 THE OWNER THEN SHALL FILE OR CAUSE TO BE FILED THE CERTIFIED
18 NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER
19 BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE
20 EXEMPTION IS TO BEGIN.

21 (3) THE ANNUAL SERVICE CHARGE SHALL BE EQUAL TO FOUR PERCENT OF THE
22 DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED
23 AND UTILITIES.

1 (E) LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.
2 NOTWITHSTANDING SUBSECTION (D), THE SERVICE CHARGE TO BE PAID EACH
3 YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT
4 PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW INCOME
5 PERSONS OR FAMILIES SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES
6 THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE
7 HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

8 (F) PAYMENT OF SERVICE CHARGE. THE SERVICE CHARGE IN LIEU OF TAXES AS
9 DETERMINED UNDER THIS SECTION SHALL BE PAYABLE IN THE SAME MANNER
10 AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY AND DISTRIBUTED
11 TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME
12 PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE
13 PREVIOUS CALENDAR YEAR, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE
14 PAID ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH
15 SUCH CHARGE IS CALCULATED. COLLECTION PROCEDURES SHALL BE IN
16 ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT
17 (1893 PA 206, AS AMENDED; MCLA 211.1 ET SEQ).

18 (G) CONTRACTUAL EFFECT OF THIS SECTION. NOTWITHSTANDING THE
19 PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT
20 BETWEEN THE CITY AND THE SPONSOR, WITH THE AUTHORITY AS THIRD-PARTY
21 BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND
22 ACCEPT PAYMENTS IN LIEU OF TAXES, AS PREVIOUSLY DESCRIBED, IS
23 EFFECTUATED BY ENACTMENT OF THIS SECTION.

1 (H) DURATION; COMMENCEMENT OF CONSTRUCTION.

2 (1) THE PROPERTY TAX EXEMPT STATUS OF THE HOUSING DEVELOPMENT
3 PROJECT APPROVED BY THIS SECTION SHALL REMAIN IN EFFECT AND SHALL
4 NOT TERMINATE SO LONG AS THE MORTGAGE LOAN FOR THE HOUSING
5 DEVELOPMENT PROJECT REMAINS OUTSTANDING AND UNPAID, OR FOR SUCH
6 PERIOD AS THE AUTHORITY OR OTHER GOVERNMENTAL ENTITY HAS ANY
7 INTEREST IN THE PROPERTY OR THE PROJECT IS SUBJECT TO INCOME AND RENT
8 RESTRICTIONS UNDER § 42 OF THE INTERNAL REVENUE CODE, AS AMENDED,
9 BUT NOT TO EXCEED FORTY-SEVEN (47) YEARS. IF THE CONSTRUCTION OF THE
10 HOUSING DEVELOPMENT PROJECT DOES NOT COMMENCE OR THE SPONSOR
11 FAILS TO OBTAIN A MORTGAGE LOAN WITHIN ONE (1) YEAR OF THE EFFECTIVE
12 DATE OF THIS SECTION OR IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE
13 OF THE HOUSING DEVELOPMENT PROJECT WITHOUT THE CONSENT OF THE
14 PEOPLE OF THE CITY, BY AND THROUGH ITS REPRESENTATIVES, AND IN
15 ACCORDANCE WITH THE REQUIREMENTS OF THE LAW, THIS SECTION SHALL
16 AUTOMATICALLY EXPIRE, TERMINATE AND BE OF NO FURTHER EFFECT.

17 Section 2. Inconsistent Ordinances. All ordinances, resolutions or rules, parts of
18 ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they
19 pertain to this Housing Development Project.

20 Section 3. Severability. Should any section, clause or phrase of this ordinance be declared
21 to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other
22 than the part so declared to be invalid.

1 Section 4. This ordinance shall take effect on the 30th day after enactment unless given
2 immediate effect by the City Council.

3

4

Approved as to form:

5

6

7

City Attorney

8

Dated: _____

9

10

1 UNDER THIS ACT AT ANY AMOUNT IT CHOOSES NOT TO EXCEED THE TAXES
2 THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT
3 HOUSING FOR PERSONS OF LOW INCOME IS A PUBLIC NECESSITY, AND AS THE
4 CITY WILL BE BENEFITTED AND IMPROVED BY SUCH HOUSING, THE
5 ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX
6 EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE; FURTHER, THAT
7 THE CONTINUATION OF THE PROVISIONS OF THIS ORDINANCE SECTION FOR TAX
8 EXEMPTION AND THE SERVICE CHARGE IN LIEU OF ALL AD VALOREM PROPERTY
9 TAXES DURING THE PERIOD CONTEMPLATED IN THIS SECTION ARE ESSENTIAL
10 TO THE DETERMINATION OF ECONOMIC FEASIBILITY OF THE HOUSING
11 DEVELOPMENT PROJECT WHICH IS TO BE DEVELOPED AND FINANCED IN
12 RELIANCE ON SUCH TAX EXEMPTION AND SERVICE CHARGE.

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16 HOUSING TAX CREDIT (LIHTC) PROGRAM AND/OR A MORTGAGE LOAN, AS
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18 DEVELOPMENT PROJECT TO BE KNOWN AS WALNUT PARK APARTMENTS
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5 OCCUPANTS OF A HOUSING DEVELOPMENT REPRESENTING RENT OR
6 OCCUPANCY CHARGES, EXCLUSIVE OF CHARGES FOR UTILITIES, AS DEFINED IN
7 THIS SECTION.

8 (3) "AUTHORITY" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT
9 AUTHORITY AS REFERRED TO IN SECTION 21 OF THE ACT, BEING MCL 125.1421.

10 (4) "CITY" MEANS THE CITY OF LANSING, A MICHIGAN MUNICIPAL
11 CORPORATION.

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13 CONSTRUCTION OF THE HOUSING DEVELOPMENT, AS HEREIN DEFINED.

14 (6) "HOUSING DEVELOPMENT" MEANS THE CONSTRUCTION, AT THE HOUSING
15 DEVELOPMENT LOCATION, OF A BUILDING TO INCLUDE QUALIFIED LOW
16 INCOME RESIDENTIAL APARTMENT UNITS INCLUDING FIFTY-SEVEN (57) UNITS
17 RESERVED FOR LOW INCOME PERSONS OR FAMILIES AND SUCH COMMERCIAL,
18 RECREATIONAL, INDUSTRIAL, COMMUNAL, AND EDUCATIONAL FACILITIES AS
19 THE AUTHORITY DETERMINES IMPROVE THE QUALITY OF THE HOUSING
20 DEVELOPMENT PROJECT AS IT RELATES TO HOUSING FOR PERSONS OF LOW
21 INCOME.

1 (7) "HOUSING DEVELOPMENT LOCATION" MEANS 715 WEST WILLOW STREET,
2 LANSING, PARCEL NUMBER 33-01-01-08-427-041, (PART OF THE SOUTHWEST 1/4 OF
3 SECTION 9, T4N-R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN AND PART
4 OF LOTS 1 & 2 OF BLOCK 26 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26
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6 PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A M.A.G. NAIL AT
7 THE INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET WIDE)
8 AND THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SAID POINT
9 ALSO BEING THE NORTHEAST CORNER OF LOT 1, BLOCK 26 OF THE "MAP OF THE
10 SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN
11 APRIL, 1849, THENCE N88°10'25"W, 240.00 FEET ALONG THE SOUTHERLY LINE OF
12 WEST WILLOW STREET TO THE POINT OF BEGINNING OF THE FOLLOWING
13 DESCRIBED PARCEL; THENCE S01°45'54"W, 262.43 FEET TO THE SOUTHEAST
14 CORNER OF LOT 2, BLOCK 26 OF SAID PLAT; THENCE N88°09'21"W, 337.50 FEET
15 ALONG THE SOUTH LINE OF SAID LOT 2 TO THE SOUTHWEST CORNER OF SAID
16 LOT 2; THENCE N01°45'54"E, 76.74 FEET ALONG THE WEST LINE OF SAID LOT 2;
17 THENCE N86°59'21"W, 95.41 FEET; THENCE N01°45'54"E, 173.08 FEET TO THE SOUTH
18 LINE OF WEST WILLOW STREET (VARIABLE WIDTH); THENCE ALONG THE SOUTH
19 LINE OF WEST WILLOW STREET THE FOLLOWING TWO (2) COURSES; (1) 80.21
20 FEET ALONG A 341.85 FOOT RADIUS CURVE TO THE RIGHT HAVING A DELTA
21 ANGLE OF 13°26'36" AND A CHORD OF N84°15'51"E, 80.02 FEET; (2) S88°10'25"E,
22 353.56 FEET TO THE POINT OF BEGINNING CONTAINING 2.43 ACRES MORE OR

1 LESS AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER WEST WILLOW STREET.

2 ALSO SUBJECT TO ANY EASEMENTS OF USE OR RECORD..

3 (8) "HOUSING DEVELOPMENT PROJECT" MEANS THE HOUSING DEVELOPMENT
4 AFTER COMPLETION OF CONSTRUCTION AND ISSUANCE OF CERTIFICATES OF
5 OCCUPANCY FOR ALL UNITS.

6 (9) "LOW INCOME PERSONS OR FAMILIES" MEANS LOW INCOME PERSONS OR
7 FAMILIES ELIGIBLE TO MOVE INTO THE HOUSING DEVELOPMENT PROJECT.

8 (10) "MORTGAGE LOAN" MEANS A FEDERALLY-AIDED OR AUTHORITY-AIDED
9 MORTGAGE, AS DEFINED IN THE ACT, OR ADVANCE FROM THE AUTHORITY TO
10 THE SPONSOR FOR THE CONSTRUCTION AND/OR PERMANENT FINANCING OF THE
11 HOUSING DEVELOPMENT AND HOUSING DEVELOPMENT PROJECT AND SECURED
12 BY A MORTGAGE ON THE HOUSING DEVELOPMENT PROJECT..

13 (11) "SPONSOR" MEANS PERSON(S) OR ENTITIES THAT HAVE RECEIVED OR
14 ASSUMED A MORTGAGE LOAN. THE INITIAL SPONSOR UNDER THIS SECTION OF
15 THE ORDINANCE IS WALNUT PARK APARTMENTS LIMITED DIVIDEND HOUSING
16 ASSOCIATION LIMITED PARTNERSHIP, 333 NORTH PENNSYLVANIA STREET, SUITE
17 100, INDIANAPOLIS, INDIANA.

18 (12) "UTILITIES" MEANS CHARGES FOR FUEL, WATER, HEAT, SANITARY SEWER
19 SERVICE AND/OR ELECTRICAL SERVICE FURNISHED TO THE OCCUPANTS WHICH
20 ARE PAID BY THE HOUSING DEVELOPMENT PROJECT AS DEFINED IN THE ACT.

1 ALL TERMS REFERENCED IN THE ACT BUT NOT DEFINED IN THIS SECTION SHALL
2 HAVE THE MEANINGS GIVEN THEM IN THE ACT.

3 (C) CLASS OF HOUSING DEVELOPMENT. IT IS DETERMINED THAT THE CLASS OF
4 HOUSING DEVELOPMENTS TO WHICH THE TAX EXEMPTION SHALL APPLY AND
5 FOR WHICH A SERVICE CHARGE SHALL BE PAID IN LIEU OF SUCH TAXES SHALL
6 BE HOUSING DEVELOPMENTS WHICH ARE FINANCED OR ASSISTED PURSUANT
7 TO THE ACT. IT IS FURTHER DETERMINED THAT THE HOUSING DEVELOPMENT
8 PROJECT IS OF THIS CLASS.

9 (D) ESTABLISHMENT OF ANNUAL SERVICE CHARGE IN LIEU OF PROPERTY
10 TAXES.

11 (1) SUBJECT TO THE CONDITIONS IN THIS SECTION, THE HOUSING DEVELOPMENT
12 PROJECT AND THE PROPERTY ON WHICH IT IS SITUATED SHALL BE EXEMPT
13 FROM ALL PROPERTY TAXES FOR THE PERIOD SPECIFIED IN SUBSECTION (H) OF
14 THIS SECTION. THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE
15 AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF THE HOUSING
16 DEVELOPMENT PROJECT IN RELIANCE UPON THE ENACTMENT AND CONTINUING
17 EFFECT OF THIS SECTION AND THE QUALIFICATION OF THE HOUSING
18 DEVELOPMENT PROJECT FOR THE EXEMPTION FROM ALL PROPERTY TAXES AND
19 A PAYMENT IN LIEU OF TAXES AS ESTABLISHED IN THIS SECTION. THEREFORE,
20 IN CONSIDERATION OF THE SPONSOR'S OFFER TO CONSTRUCT, OWN AND
21 OPERATE THE HOUSING DEVELOPMENT PROJECT, THE CITY AGREES TO ACCEPT
22 PAYMENT OF AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF

1 ALL AD VALOREM PROPERTY TAXES, PROVIDED THE SPONSOR FURNISHES THE
2 CITY WITH PROOF OF ITS ANNUAL CERTIFIED VERIFICATION PURSUANT TO THE
3 REQUIREMENTS OF THE ACT AND AT THE REQUEST OF THE CITY, PROOF THAT A
4 MORTGAGE LOAN IS STILL IN EFFECT AND THAT THE NUMBER OF QUALIFIED
5 LOW INCOME UNITS IN THE HOUSING DEVELOPMENT PROJECT HAVE NOT
6 INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM UNLESS THE CITY
7 HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION.

8 (2) IN ADDITION TO THE ANNUAL CERTIFIED VERIFICATION REQUIREMENT IN
9 PARAGRAPH (1) OF THIS SUBSECTION, THE TAX EXEMPTION SHALL COMMENCE
10 WHEN THE SPONSOR COMPLIES WITH SECTION 15A OF THE ACT, WHICH
11 PROVIDES: THE OWNER OF A HOUSING DEVELOPMENT PROJECT ELIGIBLE FOR
12 THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER A CERTIFIED
13 NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS
14 PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL
15 BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY
16 THAT THE HOUSING DEVELOPMENT PROJECT IS ELIGIBLE FOR THE EXEMPTION.
17 THE OWNER THEN SHALL FILE OR CAUSE TO BE FILED THE CERTIFIED
18 NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER
19 BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE
20 EXEMPTION IS TO BEGIN.

21 (3) THE ANNUAL SERVICE CHARGE SHALL BE EQUAL TO FOUR PERCENT OF THE
22 DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED
23 AND UTILITIES.

1 (E) LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.
2 NOTWITHSTANDING SUBSECTION (D), THE SERVICE CHARGE TO BE PAID EACH
3 YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT
4 PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW INCOME
5 PERSONS OR FAMILIES SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES
6 THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE
7 HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

8 (F) PAYMENT OF SERVICE CHARGE. THE SERVICE CHARGE IN LIEU OF TAXES AS
9 DETERMINED UNDER THIS SECTION SHALL BE PAYABLE IN THE SAME MANNER
10 AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY AND DISTRIBUTED
11 TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME
12 PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE
13 PREVIOUS CALENDAR YEAR, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE
14 PAID ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH
15 SUCH CHARGE IS CALCULATED. COLLECTION PROCEDURES SHALL BE IN
16 ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT
17 (1893 PA 206, AS AMENDED; MCLA 211.1 ET SEQ).

18 (G) CONTRACTUAL EFFECT OF THIS SECTION. NOTWITHSTANDING THE
19 PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT
20 BETWEEN THE CITY AND THE SPONSOR, WITH THE AUTHORITY AS THIRD-PARTY
21 BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND
22 ACCEPT PAYMENTS IN LIEU OF TAXES, AS PREVIOUSLY DESCRIBED, IS
23 EFFECTUATED BY ENACTMENT OF THIS SECTION.

1 (H) DURATION; COMMENCEMENT OF CONSTRUCTION.

2 (1) THE PROPERTY TAX EXEMPT STATUS OF THE HOUSING DEVELOPMENT
3 PROJECT APPROVED BY THIS SECTION SHALL REMAIN IN EFFECT AND SHALL
4 NOT TERMINATE SO LONG AS THE MORTGAGE LOAN FOR THE HOUSING
5 DEVELOPMENT PROJECT REMAINS OUTSTANDING AND UNPAID, OR FOR SUCH
6 PERIOD AS THE AUTHORITY OR OTHER GOVERNMENTAL ENTITY HAS ANY
7 INTEREST IN THE PROPERTY OR THE PROJECT IS SUBJECT TO INCOME AND RENT
8 RESTRICTIONS UNDER § 42 OF THE INTERNAL REVENUE CODE, AS AMENDED,
9 BUT NOT TO EXCEED FORTY-SEVEN (47) YEARS. IF THE CONSTRUCTION OF THE
10 HOUSING DEVELOPMENT PROJECT DOES NOT COMMENCE OR THE SPONSOR
11 FAILS TO OBTAIN A MORTGAGE LOAN WITHIN ONE (1) YEAR OF THE EFFECTIVE
12 DATE OF THIS SECTION OR IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE
13 OF THE HOUSING DEVELOPMENT PROJECT WITHOUT THE CONSENT OF THE
14 PEOPLE OF THE CITY, BY AND THROUGH ITS REPRESENTATIVES, AND IN
15 ACCORDANCE WITH THE REQUIREMENTS OF THE LAW, THIS SECTION SHALL
16 AUTOMATICALLY EXPIRE, TERMINATE AND BE OF NO FURTHER EFFECT.

17 Section 2. Inconsistent Ordinances. All ordinances, resolutions or rules, parts of
18 ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they
19 pertain to this Housing Development Project.

20 Section 3. Severability. Should any section, clause or phrase of this ordinance be declared
21 to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other
22 than the part so declared to be invalid.

1 Section 4. This ordinance shall take effect on the 30th day after enactment unless given
2 immediate effect by the City Council.

3

4

Approved as to form:

5

6

7

City Attorney

8

Dated: _____

9

10

1 UNDER THIS ACT AT ANY AMOUNT IT CHOOSES NOT TO EXCEED THE TAXES
2 THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT
3 HOUSING FOR PERSONS OF LOW INCOME IS A PUBLIC NECESSITY, AND AS THE
4 CITY WILL BE BENEFITTED AND IMPROVED BY SUCH HOUSING, THE
5 ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX
6 EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE; FURTHER, THAT
7 THE CONTINUATION OF THE PROVISIONS OF THIS ORDINANCE SECTION FOR TAX
8 EXEMPTION AND THE SERVICE CHARGE IN LIEU OF ALL AD VALOREM REAL
9 PROPERTY TAXES DURING THE PERIOD CONTEMPLATED IN THIS SECTION ARE
10 ESSENTIAL TO THE DETERMINATION OF ECONOMIC FEASIBILITY OF THE
11 HOUSING DEVELOPMENT PROJECT WHICH IS TO BE DEVELOPED AND FINANCED
12 IN RELIANCE ON SUCH TAX EXEMPTION AND SERVICE CHARGE.

13 THE CITY ACKNOWLEDGES THAT THE SPONSOR, AS DEFINED IN THIS SECTION, IS
14 A LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP AND HAS
15 OFFERED, SUBJECT TO RECEIPT OF A MORTGAGE LOAN, AS DEFINED IN THIS
16 SECTION, TO CONSTRUCT, OWN, AND OPERATE THE HOUSING DEVELOPMENT
17 PROJECT TO BE KNOWN AS THE ABIGAIL SENIOR APARTMENTS LOCATED IN THE
18 CITY TO SERVE PERSONS OF LOW INCOME, AND THAT THE SPONSOR HAS
19 OFFERED TO PAY THE CITY ON ACCOUNT OF THIS HOUSING DEVELOPMENT AN
20 ANNUAL SERVICE CHARGE FOR PUBLIC SERVICE IN LIEU OF ALL AD VALOREM
21 REAL PROPERTY TAXES.

22 (B) DEFINITIONS.

1 (1) "ACT" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, BEING
2 MICHIGAN PUBLIC ACT 346 OF 1966, AS AMENDED, BEING MCL 125.1401 ET SEQ.

3 (2) "ANNUAL SHELTER RENT" MEANS THE TOTAL COLLECTIONS DURING AN
4 AGREED ANNUAL PERIOD FROM OR PAID ON BEHALF OF ALL LOW INCOME
5 OCCUPANTS OF A HOUSING DEVELOPMENT REPRESENTING RENT OR
6 OCCUPANCY CHARGES, EXCLUSIVE OF CHARGES FOR UTILITIES AS DEFINED IN
7 THIS SECTION.

8 (3) "AUTHORITY" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT
9 AUTHORITY; MCL 125.14.21.

10 (4) "CITY" MEANS THE CITY OF LANSING, A MICHIGAN MUNICIPAL
11 CORPORATION.

12 (5) "COMMENCEMENT OF CONSTRUCTION" MEANS THE COMMENCEMENT OF THE
13 REHABILITATION OF THE HOUSING DEVELOPMENT, AS HEREIN DEFINED.

14 (6) "HOUSING DEVELOPMENT" MEANS THE REHABILITATION, AT THE HOUSING
15 DEVELOPMENT LOCATION, OF AN EXISTING BUILDING TO INCLUDE QUALIFIED
16 LOW INCOME RESIDENTIAL APARTMENT UNITS INCLUDING FIFTY-FOUR (54)
17 UNITS RESERVED FOR LOW INCOME PERSONS OR FAMILIES, AND SUCH
18 COMMERCIAL, RECREATIONAL, INDUSTRIAL, COMMUNAL, AND EDUCATIONAL
19 FACILITIES AS THE AUTHORITY DETERMINES IMPROVE THE QUALITY OF THE
20 HOUSING DEVELOPMENT PROJECT AS IT RELATES TO HOUSING FOR PERSONS OF
21 LOW INCOME.

1 (7) "HOUSING DEVELOPMENT LOCATION" MEANS THE PROPERTY LOCATED AT
2 715 WEST WILLOW STREET, LANSING, PARCEL NUMBER 33-01-01-08-427-031, (PART
3 OF THE SOUTHEAST 1/4 OF SECTION 8 AND THE SOUTHWEST 1/4 OF SECTION 9,
4 T4N-R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN AND PART OF LOT 3
5 OF BLOCK 26 AND LOT 1, BLOCK 27 AND VACATED WEST GRAND RIVER AVENUE
6 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF
7 MICHIGAN" AS RECORDED IN APRIL, 1849 BEING MORE PARTICULARLY
8 DESCRIBED AS FOLLOWS: COMMENCING AT A M.A.G. NAIL AT THE
9 INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET WIDE) AND
10 THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SAID POINT
11 ALSO BEING THE NORTHEAST CORNER OF LOT 1, BLOCK 26 OF THE "MAP OF THE
12 SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN
13 APRIL, 1849; THENCE N88°10'25"W, 593.56 FEET ALONG THE SOUTHERLY LINE OF
14 WEST WILLOW STREET; THENCE 80.21 FEET ALONG 341.85 FOOT RADIUS CURVE
15 TO THE LEFT, HAVING A DELTA ANGLE 13°26'36" AND A CHORD OF S84°15'51"W,
16 80.02 FEET ALONG THE SOUTHERLY LINE OF WEST WILLOW STREET TO THE
17 POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL; THENCE
18 S01°45'54"W, 173.08 FEET; THENCE S86°59'21"E, 95.41 FEET TO THE WEST LINE OF
19 LOT 2, BLOCK 26 THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN
20 OF MICHIGAN"; THENCE S01°45'54"W, 76.74 FEET ALONG THE WEST LINE OF LOT
21 2, BLOCK 26 OF SAID PLAT TO THE NORTHWEST CORNER OF LOT 3, BLOCK 26 OF
22 SAID PLAT; THENCE S88°09'21"E, 337.50 FEET ALONG THE NORTH LINE OF LOT 3,
23 BLOCK 26 OF SAID PLAT; THENCE S01°45'54"W, 131.21 FEET TO THE NORTH LINE

1 OF VACATED WEST GRAND RIVER AVENUE; THENCE S88°08'49"E, 240.00 FEET
2 ALONG THE NORTH LINE OF VACATED WEST GRAND RIVER AVENUE TO THE
3 WEST LINE OF NORTH PINE STREET (82.5 FEET; THENCE S01°45'54"W, 116.26 FEET
4 ALONG THE WEST LINE OF NORTH PINE STREET; THENCE N88°07'17"W, 240.00
5 FEET; THENCE S01°45'54"W, 97.57 FEET TO THE SOUTH LINE OF LOT 1, BLOCK 27
6 OF SAID PLAT; THENCE N88°08'21"W, 292.91 FEET ALONG THE SOUTH LINE OF LOT
7 1, BLOCK 27 OF SAID PLAT; THENCE N00°00'00"W, 12.61 FEET; THENCE
8 N90°00'00"W, 201.03 FEET; THENCE N00°00'00"E, 100.92 FEET; THENCE N90°00'00"W,
9 156.08 FEET TO THE EAST LINE OF VACATED RODGERS STREET; THENCE
10 N01°45'54"E, 242.25 FEET ALONG THE EAST LINE OF VACATED RODGERS STREET;
11 THENCE N87°57'11"W, 66.00 FEET TO THE WEST LINE OF VACATED RODGERS
12 STREET; THENCE N01°45'54"E, 120.32 FEET ALONG THE WEST LINE OF VACATED
13 RODGERS STREET TO THE SOUTH LINE OF WEST WILLOW STREET (VARIABLE
14 WIDTH); THENCE ALONG THE SOUTH LINE OF WEST WILLOW STREET THE
15 FOLLOWING THREE (3) COURSES; (1) 30.60 FEET ALONG 469.38 FOOT RADIUS
16 CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 03°44'07" AND A CHORD OF
17 N67°27'23"E, 30.60 FEET; (2) N65°35'20"E, 213.68 FEET; (3) 71.32 FEET ALONG 341.85
18 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 11°57'12" AND
19 A CHORD OF N71°33'57"E, 71.19 FEET TO THE POINT OF BEGINNING. CONTAINING
20 6.60 ACRES MORE OR LESS AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER
21 WEST WILLOW STREET. ALSO SUBJECT TO ANY EASEMENTS OR RESTRICTIONS
22 OF USE OR RECORD); AND 635 WEST MAPLE STREET, LANSING, PARCEL NUMBER
23 33-01-01-08-427-051 (PART OF THE SOUTHWEST 1/4 OF SECTION 9, T4N-R2W, CITY

1 OF LANSING, INGHAM COUNTY, MICHIGAN AND PART OF LOTS 2 & 3 OF BLOCK
2 27 OF THE "MAP OF THE SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF
3 MICHIGAN" AS RECORDED IN APRIL, 1849 BEING MORE PARTICULARLY
4 DESCRIBED AS FOLLOWS: COMMENCING AT A M.A.G. NAIL AT THE
5 INTERSECTION OF THE WEST LINE OF NORTH PINE STREET (82.5 FEET) AND THE
6 SOUTH LINE OF WEST WILLOW STREET (VARIABLE WIDTH), SAID POINT ALSO
7 BEING THE NORTHEAST CORNER OF LOT 1, BLOCK 26 OF THE "MAP OF THE
8 SUBDIVISION OF BLOCKS 26 AND 27 IN TOWN OF MICHIGAN" AS RECORDED IN
9 APRIL, 1849, THENCE S01°45'54"W, 870.00 FEET ALONG THE WEST LINE OF PINE
10 STREET TO THE NORTH LINE OF MAPLE STREET (82.5 FEET) AND THE SOUTH LINE
11 OF LOT 3, BLOCK 27 OF SAID PLAT; THENCE N88°07'17"W, 240.00 FEET ALONG THE
12 NORTH LINE OF MAPLE STREET AND THE SOUTH LINE OF LOT 3, BLOCK 27 OF
13 SAID PLAT TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED
14 PARCEL; THENCE N88°07'17"W, 284.83 FEET ALONG THE NORTH LINE OF MAPLE
15 STREET AND THE SOUTH LINE OF LOT 3, BLOCK 27 OF SAID PLAT; THENCE
16 N00°00'00"E, 262.47 FEET TO THE NORTH LINE OF LOT 2, BLOCK 27 OF SAID PLAT;
17 THENCE S88°08'21"E, 292.91 FEET ALONG THE NORTH LINE OF LOT 2, BLOCK 27 OF
18 SAID PLAT; THENCE S01°45'54"W, 262.43 FEET TO THE POINT OF BEGINNING.
19 CONTAINING 1.74 ACRES MORE OR LESS AND SUBJECT TO THE RIGHTS OF THE
20 PUBLIC OVER NORTH PINE STREET AND MAPLE STREET. ALSO SUBJECT TO ANY
21 EASEMENTS OR RESTRICTIONS OF USE OR RECORD.

1 (8) "HOUSING DEVELOPMENT PROJECT" MEANS THE HOUSING DEVELOPMENT
2 AFTER COMPLETION OF REHABILITATION AND ISSUANCE OF CERTIFICATES OF
3 OCCUPANCY FOR ALL UNITS.

4 (9) "LOW INCOME PERSONS OR FAMILIES" MEANS LOW INCOME PERSONS OR
5 FAMILIES ELIGIBLE TO MOVE INTO THE HOUSING DEVELOPMENT PROJECT.

6 (10) "MORTGAGE LOAN" MEANS A FEDERALLY-AIDED OR AUTHORITY-AIDED
7 MORTGAGE, AS DEFINED IN THE ACT, OR ADVANCE FROM THE AUTHORITY TO
8 THE SPONSOR FOR THE CONSTRUCTION, REHABILITATION AND/OR PERMANENT
9 FINANCING OF THE HOUSING DEVELOPMENT AND HOUSING DEVELOPMENT
10 PROJECT AND SECURED BY A MORTGAGE ON THE HOUSING DEVELOPMENT
11 PROJECT.

12 (11) "SPONSOR" MEANS PERSON(S) OR ENTITIES THAT HAVE RECEIVED OR
13 ASSUMED A MORTGAGE LOAN. THE INITIAL SPONSOR UNDER THIS SECTION OF
14 THE ORDINANCE IS THE ABIGAIL SENIOR APARTMENTS LIMITED DIVIDEND
15 HOUSING ASSOCIATION LIMITED PARTNERSHIP, 333 NORTH PENNSYLVANIA
16 STREET, SUITE 100, INDIANAPOLIS, INDIANA.

17 (12) "UTILITIES" MEANS CHARGES FOR FUEL, WATER, HEAT, SANITARY SEWER
18 SERVICE AND/OR ELECTRICAL SERVICE FURNISHED TO THE OCCUPANTS WHICH
19 ARE PAID BY THE HOUSING DEVELOPMENT PROJECT, AS DEFINED IN THIS ACT.

20 ALL TERMS REFERENCED IN THE ACT BUT NOT DEFINED IN THIS SECTION SHALL
21 HAVE THE MEANINGS GIVEN THEM IN THE ACT.

1 (C) CLASS OF HOUSING DEVELOPMENT. IT IS DETERMINED THAT THE CLASS OF
2 HOUSING DEVELOPMENTS TO WHICH THE TAX EXEMPTION SHALL APPLY AND
3 FOR WHICH A SERVICE CHARGE SHALL BE PAID IN LIEU OF SUCH TAXES SHALL
4 BE HOUSING DEVELOPMENTS WHICH ARE FINANCED OR ASSISTED PURSUANT
5 TO THE ACT. IT IS FURTHER DETERMINED THAT THE HOUSING DEVELOPMENT
6 PROJECT IS OF THIS CLASS.

7 (D) ESTABLISHMENT OF ANNUAL SERVICE CHARGE IN LIEU OF PROPERTY
8 TAXES.

9 (1) SUBJECT TO THE CONDITIONS IN THIS SECTION, THE HOUSING DEVELOPMENT
10 PROJECT AND THE PROPERTY ON WHICH IT IS SITUATED SHALL BE EXEMPT
11 FROM ALL PROPERTY TAXES FOR THE PERIOD SPECIFIED IN SUBSECTION (H) OF
12 THIS SECTION. THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE
13 AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF THE HOUSING
14 DEVELOPMENT PROJECT IN RELIANCE UPON THE ENACTMENT AND CONTINUING
15 EFFECT OF THIS SECTION AND THE QUALIFICATION OF THE HOUSING
16 DEVELOPMENT PROJECT FOR THE EXEMPTION FROM ALL PROPERTY TAXES AND
17 A PAYMENT IN LIEU OF TAXES AS ESTABLISHED IN THIS SECTION. THEREFORE,
18 IN CONSIDERATION OF THE SPONSOR'S OFFER TO REHABILITATE, OWN AND
19 OPERATE THE HOUSING DEVELOPMENT PROJECT, THE CITY AGREES TO ACCEPT
20 PAYMENT OF AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF
21 ALL AD VALOREM PROPERTY TAXES, PROVIDED THE SPONSOR FURNISHES THE
22 CITY WITH PROOF OF ITS ANNUAL CERTIFIED VERIFICATION PURSUANT TO THE
23 REQUIREMENTS OF THE ACT AND AT THE REQUEST OF THE CITY, PROOF THAT A

1 MORTGAGE LOAN IS STILL IN EFFECT, AND THAT THE NUMBER OF QUALIFIED
2 LOW INCOME UNITS IN THE HOUSING DEVELOPMENT PROJECT HAVE NOT
3 INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM UNLESS THE CITY
4 HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION.

5 (2) IN ADDITION TO THE ANNUAL CERTIFIED VERIFICATION REQUIREMENT IN
6 PARAGRAPH (1) OF THIS SUBSECTION, THE TAX EXEMPTION SHALL COMMENCE
7 WHEN THE SPONSOR COMPLIES WITH SECTION 15A OF THE ACT, WHICH
8 PROVIDES: THE OWNER OF A HOUSING DEVELOPMENT PROJECT ELIGIBLE FOR
9 THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER A CERTIFIED
10 NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS
11 PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL
12 BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY
13 THAT THE HOUSING DEVELOPMENT PROJECT IS ELIGIBLE FOR THE EXEMPTION.
14 THE OWNER THEN SHALL FILE OR CAUSE TO BE FILED THE CERTIFIED
15 NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER
16 BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE
17 EXEMPTION IS TO BEGIN.

18 (3) THE ANNUAL SERVICE CHARGE SHALL BE EQUAL TO FOUR PERCENT OF THE
19 DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED
20 AND UTILITIES.

21 (E) LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.
22 NOTWITHSTANDING SUBSECTION (D), THE SERVICE CHARGE TO BE PAID EACH

1 YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT
2 PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW INCOME
3 PERSONS OR FAMILIES SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES
4 THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE
5 HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

6 (F) PAYMENT OF SERVICE CHARGE. THE SERVICE CHARGE IN LIEU OF TAXES AS
7 DETERMINED UNDER THIS SECTION SHALL BE PAYABLE IN THE SAME MANNER
8 AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY AND DISTRIBUTED
9 TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME
10 PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE
11 PREVIOUS CALENDAR YEAR, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE
12 PAID ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH
13 SUCH CHARGE IS CALCULATED. COLLECTION PROCEDURES SHALL BE IN
14 ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT
15 (1893 PA 206, AS AMENDED; MCLA 211.1 ET SEQ).

16 (G) CONTRACTUAL EFFECT OF THIS SECTION. NOTWITHSTANDING THE
17 PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT
18 BETWEEN THE CITY AND THE SPONSOR, WITH THE AUTHORITY AS THIRD-PARTY
19 BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND
20 ACCEPT PAYMENTS IN LIEU OF TAXES, AS PREVIOUSLY DESCRIBED, IS
21 EFFECTUATED BY ENACTMENT OF THIS SECTION.

22 (H) DURATION; COMMENCEMENT OF CONSTRUCTION.

1 (1) THE PROPERTY TAX EXEMPT STATUS OF THE HOUSING DEVELOPMENT
2 PROJECT APPROVED BY THIS SECTION SHALL REMAIN IN EFFECT AND SHALL
3 NOT TERMINATE SO LONG AS THE MORTGAGE LOAN FOR THE HOUSING
4 DEVELOPMENT PROJECT REMAINS OUTSTANDING AND UNPAID, OR FOR SUCH
5 PERIOD AS THE AUTHORITY OR OTHER GOVERNMENTAL ENTITY HAS ANY
6 INTEREST IN THE PROPERTY OR THE PROJECT IS SUBJECT TO INCOME AND RENT
7 RESTRICTIONS UNDER § 42 OF THE INTERNAL REVENUE CODE, AS AMENDED,
8 BUT NOT TO EXCEED FORTY-SEVEN (47) YEARS. IF THE REHABILITATION OF THE
9 HOUSING DEVELOPMENT PROJECT DOES NOT COMMENCE OR THE SPONSOR
10 FAILS TO OBTAIN A MORTGAGE LOAN WITHIN ONE (1) YEAR FROM THE
11 EFFECTIVE DATE OF THIS SECTION, OR IF THE SPONSOR CHANGES THE SCOPE OR
12 PURPOSE OF THE HOUSING DEVELOPMENT PROJECT WITHOUT THE CONSENT OF
13 THE PEOPLE OF THE CITY, BY AND THROUGH ITS REPRESENTATIVES, AND IN
14 ACCORDANCE WITH THE REQUIREMENTS OF THE LAW, THIS SECTION SHALL
15 AUTOMATICALLY EXPIRE, TERMINATE AND BE OF NO FURTHER EFFECT.

16 Section 2. Inconsistent Ordinances. All ordinances, resolutions or rules, parts of
17 ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they
18 pertain to this Housing Development Project.

19 Section 3. Severability. Should any section, clause or phrase of this ordinance be declared
20 to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other
21 than the part so declared to be invalid.

22 Section 4. This ordinance shall take effect on the 30th day after enactment unless given
23 immediate effect by the City Council.

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Approved as to form:

City Attorney

Dated: _____

**RESOLUTION #
BY THE COMMITTEE ON DEVELOPMENT AND PLANNING**

Design Lansing Comprehensive Plan Amendment #1, Central Substation Project – Distribution of Proposed Amendment

WHEREAS, the City is initiating an amendment to the Design Lansing Future Land Use Plan to change the future land use designation of the eastern a portion of Scott Park from “Open Space -Dedicated Park” to “Open Space – Quasi-Public / Utility”; and

WHEREAS, Section 41 of the Michigan Planning Enabling Act (P.A. 33 of 2008) requires that municipalities distribute draft copies of their proposed comprehensive plan amendments to adjacent jurisdictions, railroads and utilities during the process of adoption; and

WHEREAS, these entities would have a 42 day period for review and comment on a *Design Lansing* Comprehensive Plan amendment draft; and

WHEREAS, the Planning Board considers those comments received prior to recommending the adoption of any amendments to the Plan; and

WHEREAS, the Planning Board, at its meeting on March 8, 2016, voted **unanimously (?) (___-0)** to recommend the distribution of the *Design Lansing* Comprehensive Plan Amendment #1, Central Substation Project draft to neighboring jurisdictions (e.g. City of East Lansing; Lansing, Delta, Meridian Twps.); railroads; and utilities, for their comments in accordance with the Michigan Planning Enabling Act (P.A. 33 of 2008); and

WHEREAS, distribution of the draft amendment is a step in the adoption process, and does not constitute adoption of the Amendment; and

WHEREAS, the Committee on Development and Planning has reviewed the recommendation of the Planning Board and concurs therewith;

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council hereby authorizes the distribution of the *Design Lansing* Comprehensive Plan Amendment #1, Central Substation Project draft to neighboring jurisdictions, railroads, utilities, and any other entities, as required by the Michigan Planning Enabling Act (P.A. 33 of 2008).

Design Lansing Comprehensive Plan
Amendment #1, Central Substation Project
STAFF REPORT

PROPOSAL:

Construct a Lansing Board of Water and Light substation on a portion of the Scott Park property at the SW Corner of Washington Ave. and Malcom X Street, with park improvements to the remaining open space.

- The substation will be encircled with a masonry wall featuring public art and displays.
- A walkway will be constructed on the north side of the Grand River.
- The Sunken Garden will be relocated to a more visible location within the park and made accessible in compliance with the Americans with Disabilities Act (ADA)
- ADA access will be provided to Cooley Gardens, which will remain otherwise undisturbed.
- The parking lot will be reconstructed.
- The Scott House will be relocated off-site or demolished.
- The Womens Historical Museum will be unaffected.

The City is initiating an amendment to the *Design Lansing* Future Land Use Plan to change the future land use designation of the eastern a portion of the Scott Park from "Open Space - Dedicated Park" to "Open Space – Quasi-Public / Utility".

RATIONALE:

The Scott Park proposal is a component of LBWL's *Lansing Energy Tomorrow* initiative, which includes the Integrated Resources Plan (IRP) process which will specify how the BWL will replace the Eckert Power Station, 1950s era-coal fired plant that will close by 2020, and prepare for the Clean Power Plan, EPA's regulations for reducing greenhouse gas emissions. The IRP process will be based on consideration of costs to customers, ensuring a reliable energy source for the region, environmental stewardship, managing future uncertainty and risks, federal regulations, local-generation capacity, and economic development.

The Eckert plant serves downtown Lansing, General Motors and Sparrow Hospital. Eckert's distribution circuits feeding downtown are located in underground ducts that are failing, and Eckert can't be removed from service without new generation or transmission infrastructure.

BWL's *Lansing Energy Tomorrow* Plan also includes the five-year, \$101 million Transmission & Distribution Improvement Project, which is already underway. The Central Substation is an integral part of this improvement project. See attached for further information.

ALTERNATIVES CONSIDERED

Other sites considered include:

- GM property southwest of and adjacent to Cooley Gardens, which is unavailable for this project Park.
- Residential property north of South St., which would involve housing displacement, high relocation costs
- The Seventh Day Adventist property on the NE corner of Walnut and St. Joe - across I-496, on small site in a prominent location.
- Deluxe Inn Site – a small site requiring displacement of a business and residence. Now unavailable.

Attached is information regarding LBWL's *Lansing Energy Tomorrow* initiative, the Mayor's announcement of the project, and a few slides from a PowerPoint presentation.

Since the announcement of this project, two issues have emerged in the media coverage.

Historic significance issue

The Lansing park system includes three National Register properties: the Turner-Dodge Mansion, the Moores Park Natatorium, and Reutter Park. LBWL has one National Register property: the newly-restored Depot building on S. Washington Ave.

Neither the Scott House nor the Sunken Garden are listed on the National Register of Historic Places or located in local Historic Districts. Scott House is available to be relocated off-site and restored.

The Sunken Garden will be relocated to a higher-visibility, ADA accessible location within the park as part of this project. BLW staff is working with the Garden Club of Greater Lansing on plans to maintain and safeguard the vegetation in preparation for this relocation.

Land Sale issue.

City Charter Section 8-402.6 states: "No park, recreation, cemetery, or waterfront land may be sold without the approval, by a majority vote, of the electors of the City voting on the question at a regular or special election." *This is not a land sale – title is and will be vested in the City of Lansing.* Further, there is no violation of any deed restrictions regarding the use of this property.

COMPREHENSIVE PLAN AMENDMENT PROCESS (Summary)

February 8 The Mayor and LBWL officials announce the project, kicking off the approval process, beginning with a letter sent on behalf of the LBWL and Administration advising adjacent local governments that the City of Lansing intends to amend its Comprehensive Plan.

March 8 Planning Board consideration of DRAFT Amendment for distribution to adjacent jurisdictions. This is transmitted to City Council.

March 28 Council approves resolution to distribute DRAFT Amendment to adjacent jurisdictions (local units).

DRAFT Amendment distributed. Local units have 42-day review period in which to comment.

May 17 Planning Board holds public hearing, considers adoption of DRAFT Amendment, and an SLU permit as required by Zoning Ordinance. These are transmitted to City Council.

June 13 Council sets public hearing for July 11.

July 11 Council holds public hearing.

July 25 or
August 8 Council adoption of Amendment and approval of SLU permit.

REQUESTED AMENDMENT (to be considered May 17)

Amend the *Design Lansing Future Land Use Plan* to change the future land use designation of the eastern a portion of Scott Park from "Open Space -Dedicated Park" to "Open Space – Quasi-Public / Utility".

RECOMMENDED ACTIONS:

- Approval of Step 1 to amending the Future Land Use Plan - Planning Board approval of a DRAFT amendment for the purposes of review and distribution to adjacent jurisdictions. (NOTE: Distribution of the DRAFT Amendment is a step in the adoption process, and does NOT constitute adoption of the amendment.)
- Schedule a special Planning Board meeting for *Tuesday May 17, 2016* to consider the Plan Amendment and an SLU permit for the substation development.

What is BWL's Lansing Energy Tomorrow plan?

BWL's Lansing Energy Tomorrow plan will detail how the Lansing Board of Water & Light will meet its energy needs in the future with reliable, affordable and clean energy. It includes the Integrated Resources Plan (IRP) process which will specify how the BWL will replace the Eckert Power Station, 1950s era-coal fired plant that will close by 2020, and prepare for the Clean Power Plan, EPA's regulations for reducing greenhouse gas emissions. The IRP process will be based on consideration of costs to customers, ensuring a reliable energy source for the region, environmental stewardship, managing future uncertainty and risks, federal regulations, local-generation capacity, and economic development.

BWL's Lansing Energy Tomorrow Plan also includes the five-year, \$101 million Transmission & Distribution Improvement Project, which is already underway.

Why is the Eckert Power Station closing?

The Eckert Power Station will close by 2020 because it is nearing the end of its useful operational life: parts are becoming scarce and very expensive; pending environmental regulations create an uncertain future for coal-fired plants like Eckert; and Eckert is located in a flood zone.

With its three tall towers that are visible for miles, the Eckert Power Station is located along the Grand River just south of downtown Lansing. Eckert generates about one-third of the energy in the BWL's service territory.

What are the options for replacing Eckert and the power it generates?

Options include building a new more efficient and cleaner power plant, buying power off the grid, boosting alternative and renewable energy options such as wind, solar or other technologies, like smart meters, and investing in energy efficiency programs — or some combination of these generation options. The goal of the IRP process is to craft a plan that the BWL will implement based on a balanced consideration of costs to customers, ensuring a reliable energy source for the region, environmental stewardship, risks, federal regulations, local-generation capacity and economic development.

How can BWL customers and stakeholders participate in the IRP process?

The BWL is committed to making the IRP process inclusive and transparent by giving customers and stakeholders a voice in developing the plan. A nine-member Citizens Advisory Committee made up of BWL customers, experts in energy and utility operations and local leaders will lead the planning process. They'll hold five community meetings across the BWL's service territory between October 2015 and January 2016. The purpose of the meetings is to review technical data collected to determine the best future energy plan for the region. At the meetings, BWL customers and other stakeholders will have an opportunity to comment on the technical data and offer comments and recommendations. Based on the Citizens Advisory Team's technical analysis and input received at the meetings, a final report will be presented to the BWL Board of Commissioners in 2016.

Is keeping Eckert open and operational a feasible option?

Keeping Eckert open is not an option. It is located in a flood plain and because it is nearly 60 years old, parts and repairs are becoming prohibitively expensive. Eckert is coal-fired, and pending environmental regulations create an uncertain future for coal-fired plants like Eckert.

What is the timeline for completing the IRP process?

The final IRP recommendations will be presented to the BWL Board of Commissioners in 2016.

What is the timeline for closing and replacing the Eckert Power Station?

The Eckert Power Station will close by 2020. The IRP process will make recommendations as to how to replace the energy provided by Eckert and prepare for the Clean Power Plan, EPA's regulations for reducing greenhouse gas emissions.

What will the IRP process examine?

A key part of the IRP process is a technical analysis of options available for replacing Eckert, including building a new cleaner and more efficient power plant, replacing the electric by buying it off the grid, replacing the electric with renewable resources such as wind, solar or other technologies, like smart meters, and investing in energy efficiency programs — or some combination of these options.



For Immediate Release
Monday, February 8, 2016
Contact: BWL Media Line
517-342-1026

BWL Announces New Substation Project

Innovative design to capture area's history and to link downtown Lansing with REO Town

As part of its plan to replace the Eckert Power Station and adjoining Eckert Substation in order to continue providing affordable and reliable power, the Lansing Board of Water & Light announced today that it will build a new substation at the corner of S. Washington Ave. and W. Malcolm X St.

The \$26 million Central Substation project will be located on a four acre portion of Scott Park and incorporates a unique exterior design that creates a link between downtown Lansing and REO Town, increases access to Cooley Gardens and enhances other recreational activities at the site. The new substation will create approximately 75 construction jobs when it is expected to begin this fall.

The innovative project will create several new recreational uses, including: viewing and fishing platforms along the Grand River; a walkway from Washington Ave. to Townsend St.; loop trails connecting existing pedestrian system to proposed walkways; new pathway from Capital Ave. connecting to Cooley Gardens; new staircase connecting the River Trail to Washington Ave.; and wayfinding signs on Malcolm X, Washington Ave. and Townsend St. It will also replace existing parking lots in poor condition with new lots, design new landscape for the park renovation and add decorative wall panels on the Central Substation.

"The BWL made an exhaustive search of potential sites to locate our new Central Substation," said General Manager Dick Peffley. "The Scott Park site not only is the most cost efficient, it is located near Eckert's electric distribution lines that will provide power and reliable service for the downtown Lansing area for years to come." Peffley also said the BWL researched substation designs across the United States to act as a foundation for the new design in Lansing, which conceptually incorporates REO Town's automotive history and the spirit of Michigan's capital.

Peffley said the Central Substation is part of Lansing Energy Tomorrow, the BWL's major electric modernization program to replace and upgrade aging infrastructure with clean, efficient and reliable generation and transmission assets. In addition to determining how to replace Eckert, Lansing Energy Tomorrow includes an extensive five-year, \$101 million Transmission & Distribution (T & D) Improvement Project that is already underway which includes: new

transmission lines; five new or rebuilt substations; reducing the number of circuits and the amount of customer demand at the Eckert substation, and; adding capacitor banks at strategic points on the BWL's transmission system.

With its three tall towers that are visible for miles, Eckert and its substation are located along the Grand River just south of downtown Lansing. They are at the end of their operational life, and keeping them open is not an option; parts are becoming scarce and very expensive; pending environmental regulations create an uncertain future for coal-fired plants like Eckert; increased operational costs on aging units; and Eckert is located in a flood zone.

"REO Town has been transformed with BWL's \$182 million cogeneration plant and headquarters project, along with the City of Lansing's \$2.84 million Streetscape project that revitalized the Washington Ave. corridor," said Lansing Mayor Virg Bernero. "The BWL has stepped up again in an innovative project that not only will provide for reliable power, but creates a unique gateway between downtown and REO Town, increases recreational opportunities and makes the nearby vacant Deluxe Inn property more attractive for development."

Mayor Bernero said the BWL will hold a design charrette on Tuesday, February 23 from 6-7:30pm at the REO Town Depot, 1201 S. Washington Ave., to allow input from community members on the final design of the substation's exterior walls.

The BWL will relocate and upgrade Scott Sunken Garden. The Scott Center House, which has no historical value and is currently used as a City of Lansing storage facility, was relocated to the site in 1978 by the Lansing Parks and Recreation Department. An RFP (Request for Proposal) Scott Remains to be raised.

The project will require necessary reviews and approvals moving forward.

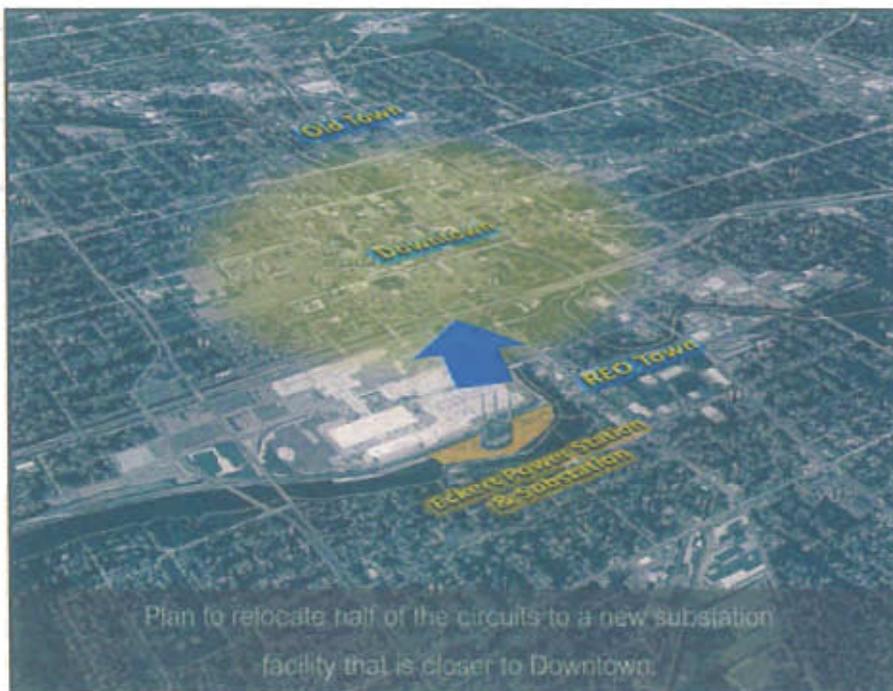
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Central Substation Lansing, MI



Virg Bernero, Mayor



History of the Scott House/Center

Landmark Doomed
Wrecked World in South River



SCOTT MANSION, 1905



SCOTT MANSION, 1965

Scott Mansion - Built 1905 by Richard and Gertrude Scott (Georgian Colonial) Razed in 1965




Property inherited by Maurice & Kathryn Scott & sold to the City for \$1 quit claim deed in 1971.



THE STATE JOURNAL
features
LANSING—SAY LANSING, WEDNESDAY
Friday, May 25, 1918
SECTION E

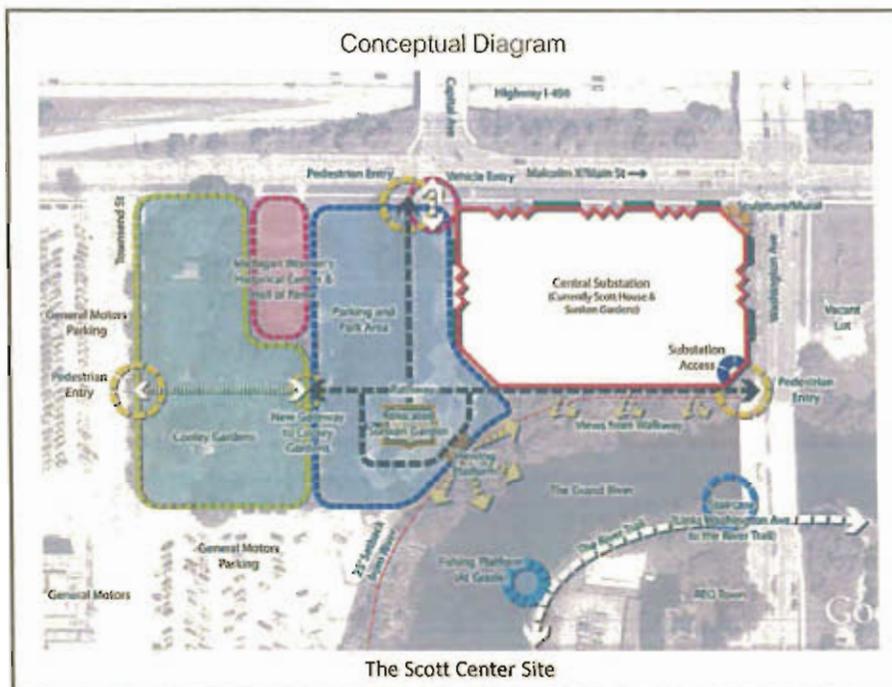


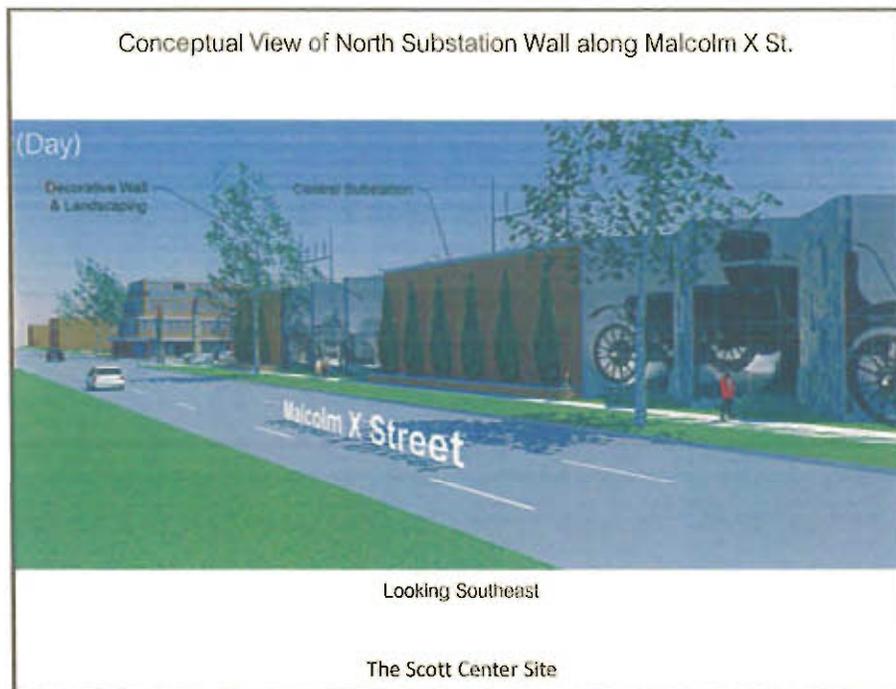
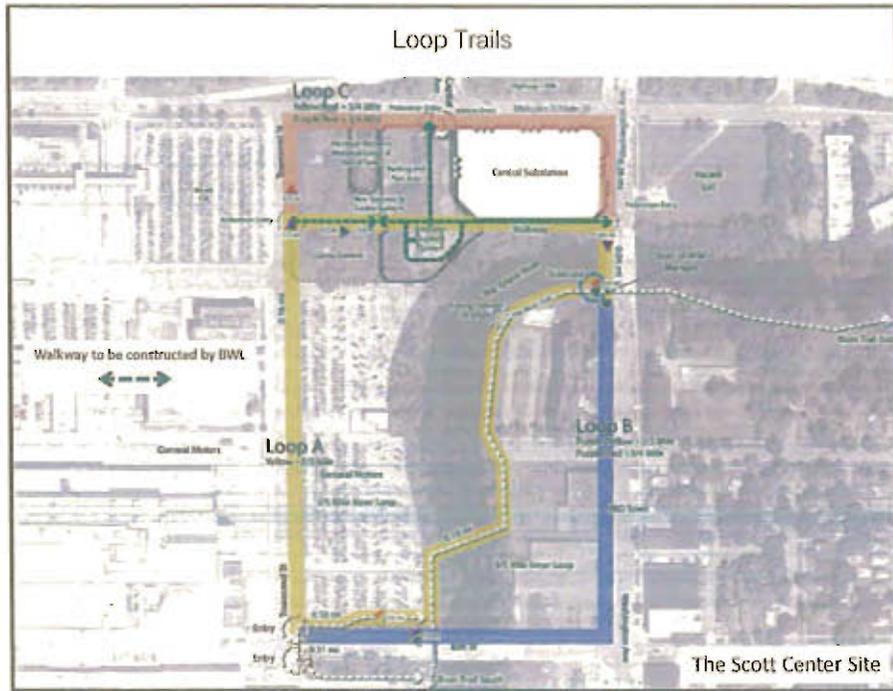
Built 1918 by Orien A. Jenison (English Tudor) Jenison House, renamed the Scott Center



The Scott Center was relocated to its current location in 1978 by Lansing Parks & Recreation Dept.

The Scott Center Site





Conceptual View of North Substation Wall along Malcolm X St.



Looking Southeast

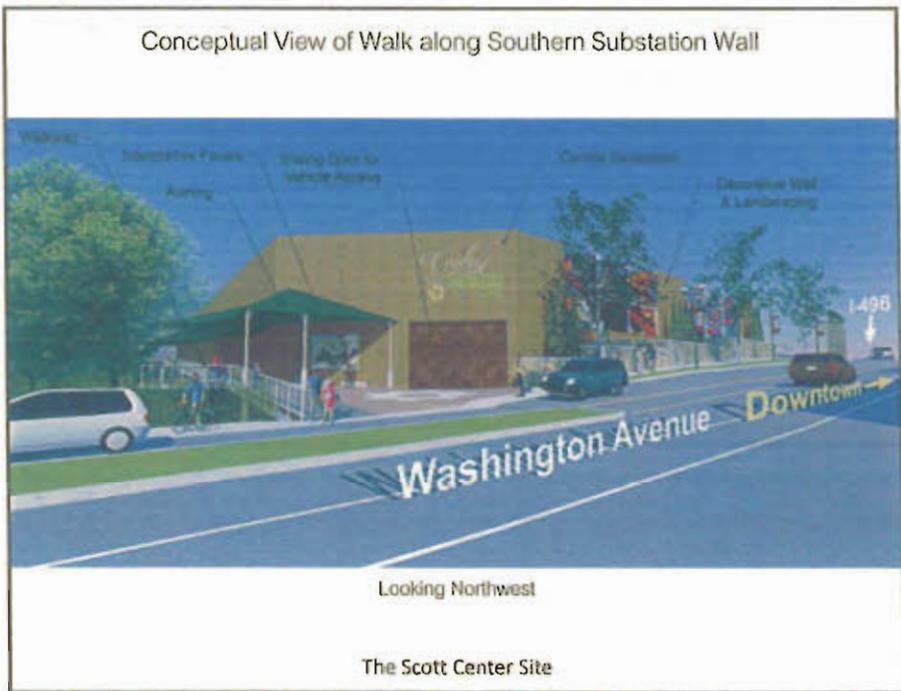
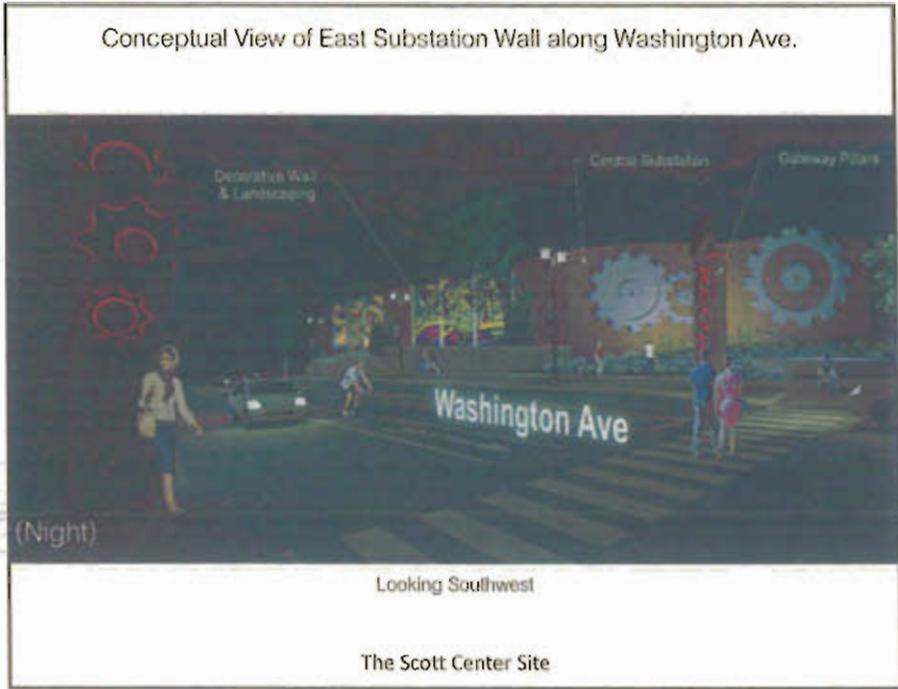
The Scott Center Site

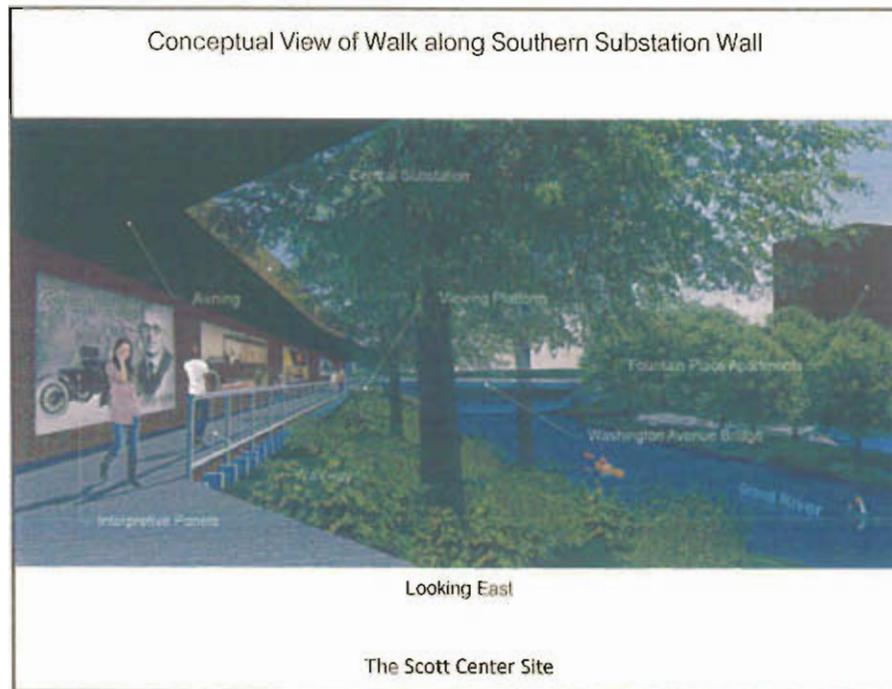
Conceptual View of East Substation Wall along Washington Ave.



Looking Southwest

The Scott Center Site





Recreational Activities

Existing Uses	Proposed Uses
A. Cooley Gardens: weddings, viewing	A. Preserve Cooley Gardens: weddings, viewing
B. Scott Sunken Garden: weddings, viewing	B. Relocate and upgrade Scott Sunken Garden: weddings, viewing (Meet ADA standards)
C. Parking: in poor condition	C. Replace existing with new parking lots
	D. New viewing platforms above the Grand River: viewing, interpretation
	E. New Walkway from Washington to Townsend
	F. New pathway from Capital Ave connecting to Cooley Gardens and the new walkway
	G. New staircase connecting the River Trail to Washington Ave.
	H. Loop Trails: Connecting existing pedestrian system to proposed walkways
	I. New fishing platform on the south side of the Grand River
	J. New Decorative/Interpretive wall panels on the BWL Central Substation
	K. New landscape design for the park renovation
	L. New Signs (wayfinding) on Malcolm X, Washington Ave and Townsend

The Scott Center Site



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BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING BROWNFIELD PLAN #64
THE SOUTH EDGE LOFTS REDEVELOPMENT PROJECT

WHEREAS, the Brownfield Redevelopment Authority (the 'Authority') of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the 'Act') has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Brownfield Plan #64 – South Edge Lofts Redevelopment Project (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on February 29, 2016 and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on the February 29, 2016, reviewed testimony and evidence regarding the Plan, and found that:

1. the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority,
2. the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property,
3. the Project may result in new private investment of approximately \$10,000,000,
4. the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible activities they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on January 8, 2016, unanimously recommended approval of the Plan, for this Project;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, after having duly considered the Plan, finds it is in compliance with the provisions of the Act and further finds:

- The Plan constitutes a public purpose under the Act;

- The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;
- The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act; and
- The amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable.

IT IS FINALLY RESOLVED that the Lansing City Council hereby approves the LBRA 'Brownfield Plan #64 – South Edge Lofts Redevelopment Project'.

RESOLUTION #
BY THE COMMITTEE ON DEVELOPMENT AND PLANNING

Design Lansing Comprehensive Plan Amendment #1, Central Substation Project – Distribution of Proposed Amendment

WHEREAS, the City is initiating an amendment to the Design Lansing Future Land Use Plan to change the future land use designation of the eastern a portion of Scott Park from “Open Space -Dedicated Park” to “Open Space – Quasi-Public / Utility”; and

WHEREAS, Section 41 of the Michigan Planning Enabling Act (P.A. 33 of 2008) requires that municipalities distribute draft copies of their proposed comprehensive plan amendments to adjacent jurisdictions, railroads and utilities during the process of adoption; and

WHEREAS, these entities would have a 42 day period for review and comment on a *Design Lansing* Comprehensive Plan amendment draft; and

WHEREAS, the Planning Board considers those comments received prior to recommending the adoption of any amendments to the Plan; and

WHEREAS, the Planning Board, at its meeting on March 8, 2016, voted unanimously (4-0) to recommend the distribution of the *Design Lansing* Comprehensive Plan Amendment #1, Central Substation Project draft to neighboring jurisdictions (e.g. City of East Lansing; Lansing, Delta, Meridian Twps.); railroads; and utilities, for their comments in accordance with the Michigan Planning Enabling Act (P.A. 33 of 2008); and

WHEREAS, distribution of the draft amendment is a step in the adoption process, and does not constitute adoption of the Amendment; and

WHEREAS, the Committee on Development and Planning has reviewed the recommendation of the Planning Board and concurs therewith;

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council hereby authorizes the distribution of the *Design Lansing* Comprehensive Plan Amendment #1, Central Substation Project draft to neighboring jurisdictions, railroads, utilities, and any other entities, as required by the Michigan Planning Enabling Act (P.A. 33 of 2008).

submitted @ mfg

COMPREHENSIVE PLAN AMENDMENT PROCESS – **TENTATIVE SCHEDULE** Updated March 23, 2016

PROJECTED DATE (all in 2016)	ACTIVITY	ACTUAL DATE	INITIALS
M. February 8	Mayor's Announcement of the project.		
M. February 8	Intent to Plan Letter sent to adjacent jurisdictions by first class mail. Notice states intent to change the Future Land Use and green infrastructure maps to redefine a park boundary. And " Unless you object in writing, the remainder of the City's communications regarding this amendment will be by e-mail."	Tu February 9, 2016	BR
W. February 10	Park Board reviews the project.	W. February 10	Brett
Tu. March 1	Planning Board meeting #1 – approves the DRAFT amendment for review and distribution, possibly recommends distribution list to Council. (Step 6). Planning Board also discusses timeline and future public hearing date.	Tu. March 8 Project reviewed, public comment received, recommendation to distribute Amendment made	Bob J.
W., March 9	Park Board reviews the project, recommends amendment to Parks Inventory Resolution #0145 of 1981 to reduce the size of the parks in accordance with the chosen alternative. Also approves the location of the walkway. New Park Master Plans?	W. March 9 Project reviewed, public comment received, recommendation not made.	Brett
M., March 14	Council meeting #1 – Council receives DRAFT amendment, refers to Development and Planning Committee (D&P) .	M., March 14	Council Agenda
Th. March 24	D&P meeting #1 – D&P reports out a resolution to approve distribution.		
M. March 28	Council meeting #2 – Council approves resolution to distribute Amendment		
Tu. March 29	Planning Office distribution of DRAFT amendment. Planning Office distributes draft by e-mail. E-mail states City's intent not to send notices prior to adopting the amendment.		
Local units have 42-day review period in which to comment.			

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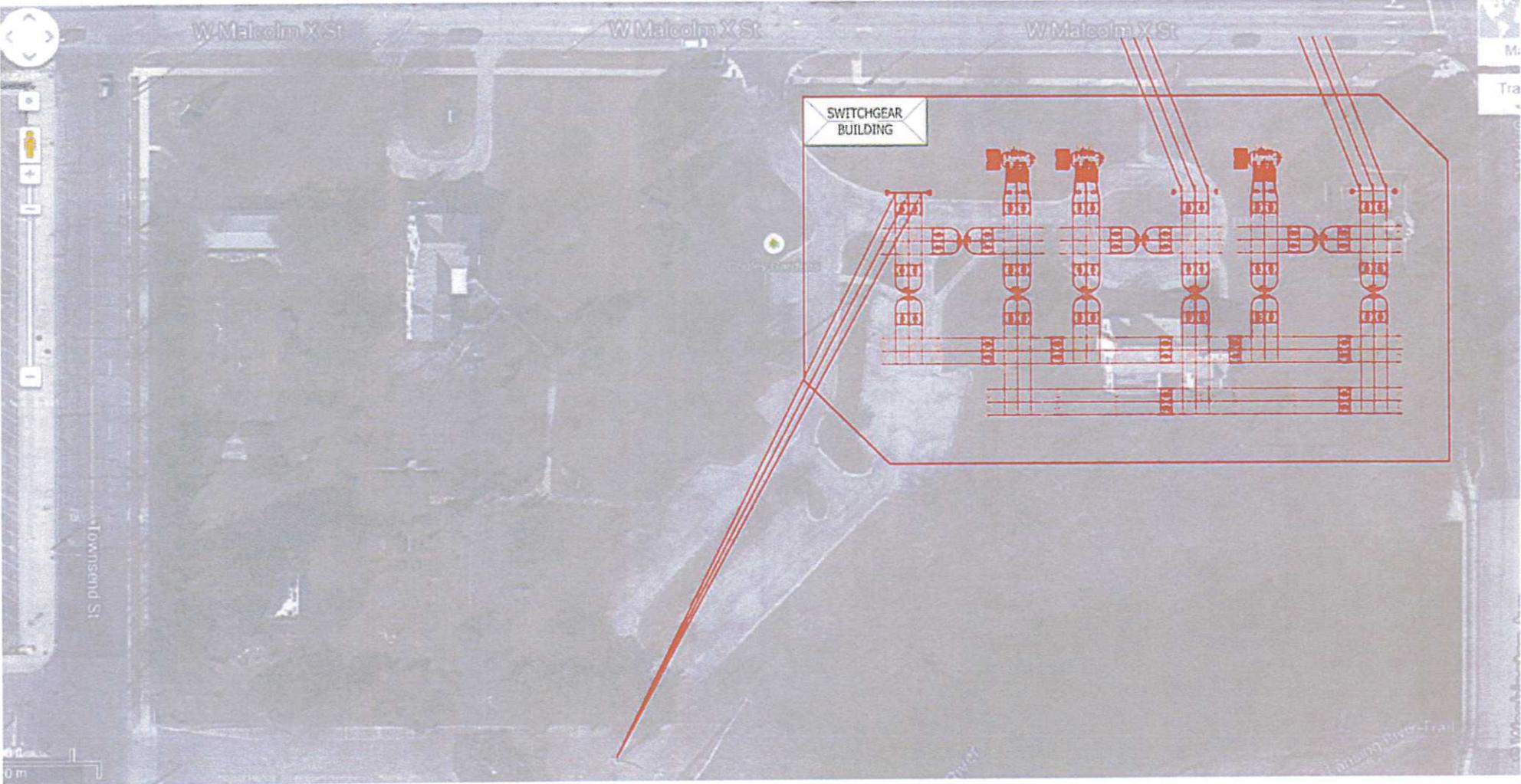
Near the end of the 42-day period:	The Planning Office receives SLU and Act 33 Review (if required) applications.		
Second week of April	Planning Office receives Special Land Use permit application.		
W., April 13	Park Board reviews the project, recommends amendment to Parks Inventory Resolution #0145 of 1981 to reduce the size of the parks in accordance with the chosen alternative. Also approves the location of the walkway. New Park Master Plans?		
Last week of April	Planning Office sends Notice of Planning Board P.H. in Lansing State Journal, and to jurisdictions who desired notices . Planning Office also sends notice of public hearing for Special Land Use (SLU) permit as required.		
	END OF 42 DAY COMMENT PERIOD FOR ADJACENT LOCAL UNITS		
Tu., May 17 (after Th., May 12)	Planning Board meeting #2 – Planning Board holds public hearing, adopts amendment (2/3 vote required). Also holds P.H. and recommends approval of SLU and Act 33 Review.		
W., May 18	Planning Office submission of amendment, Act 33 AND SLU RECOMMENDATION to Mayor.		
F., May 20	Mayor forwards to Council.		
M., May 23	Council meeting #3 - Council receipt, Council refers to D&P.		
Th. May 26	D&P Meeting #2 - Committee reports out Set Public Hearing resolutions for both Amendment and SLU.		
M. June 13	Council meeting #4 - Council sets Public hearing for July 11.		
M. July 11	Council meeting #5 – Council holds Public Hearing on both SLU and Plan Amendment.		
Th., July 14, Or more likely Th. July 28	D&P meeting #3 – D&P reports out resolutions to approve Amendment, Act 33 Review and SLU.		
M. July 25 Or more likely M. August 8	Council meeting #6- Council acts to approve All resolutions.		
PROJECTED RESULT: COMPREHENSIVE PLAN AMENDED AND ZONING APPROVAL OBTAINED.			

Site Context

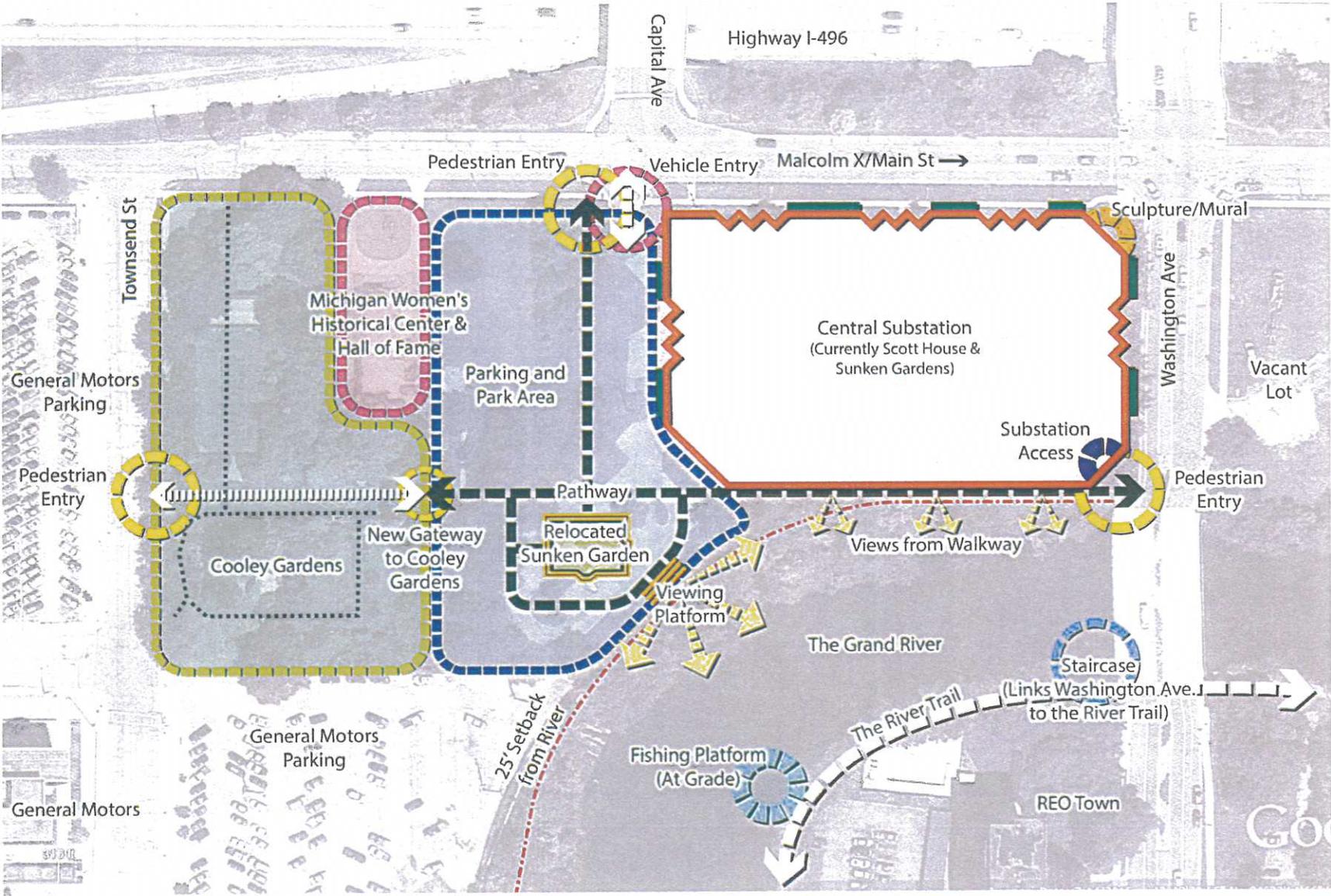


The Scott Center Site

Scott House Site



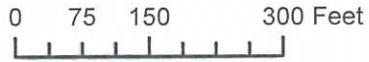
Conceptual Diagram



The Scott Center Site



Proposed Admendment #1 Design Lansing Comprehensive Plan *DRAFT*



Legend

- PROPOSED
- Future Land Use
- Open Space-Dedicated Park
- Open Space-Quasi-Public / Utility
- Low-Density Residential
- Medium-Low-Density Residential
- Medium-Density Residential-Urban
- Medium-Density Residential-Suburban
- Residential Corridor
- Downtown Mixed-Use Center: Core
- Downtown Mixed-Use Center: Edge
- Community Mixed-Use Center
- District Mixed-Use Center
- Urban Mixed-Use Corridor
- Suburban Commercial
- Institutional
- Research and Development
- Light Industrial
- General Industrial
- Community Facility

