AGENDA
Committee on Development and Planning
Monday, December 12, 2016 @ 5:15 p.m. (note day/time)
10th Floor Conference Room, City Hall

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

1. **Call to Order**

2. **Public Comment on Agenda Items**

3. **Discussion/Action:**

    A.) RESOLUTION- Brownfield Redevelopment Plan #66; Fluid Chiller Expansion

4. **Other/Place on File**

5. **Adjourn**

COMMITTEE On Development & Planning DATE 12.12.2016.

Please print

NAME	ADDRESS	EMAIL	Representing	PHONE
Tim Ayres	2730 Alpha Access Lansing, MI 48910	tim@fluidchillers.co	Fluid Chillers	517-484-9190
Karl Dorshimer			LEAP	
Jessica Dobrone			PM Env.	

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: 11/10/16

RE: Fluid Chillers Expansion Brownfield Plan #66

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

VB/rh
Attachment

City of Lansing

Inter-Departmental Memorandum

Virg Bernero, Mayor

WORKING TOWARD A CLEANER GREENER LANSING

To: Virg Bernero, Mayor

From: Karl Dorshimer - LEAP

Subject: CITY COUNCIL AGENDA ITEM - Fluid Chillers Expansion Brownfield Plan #66

Date: November 2, 2016

Please forward this resolution to City Council for placement on the Agenda.

If you have any questions, or need additional information, please give me a call.

Attachments

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING BROWNFIELD PLAN #66
FLUID CHILLERS EXPANSION 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 #66 – Fluid Chillers Expansion Redevelopment Project (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on December 12, 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 December 12, 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 $1,000,000,

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 actives they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on November 4, 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 #66 – Fluid Chillers Expansion Redevelopment Project'.

City of Lansing
Notice of Public Hearing

The Lansing City Council will hold a public hearing on December 12, 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 Plan #66 – Fluid Chillers Expansion Redevelopment Project 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 3005 Alpha Access Street located in the City of Lansing, but more particularly described as:

A parcel of land in the Southwest ¼ of Section 27, Town 4 North, Range 2 West, City of Lansing, Ingham County, Michigan, including all of Lot 12 and Lot 13 and part of Lot 14 of CENTRAL WAREHOUSING a subdivision of part of the Southwest ¼ of Section 27, Town 4 North, Range 2 West, Lansing Township (now City of Lansing), Ingham County, Michigan, a recorded in Liber 16 of Plats, Page 43, Ingham County Records; the surveyed boundary of this parcel described as: Commencing at the South ¼ corner of said Section 27; thence N00º03’11”W, along the North-South ¼ line of Section 27, 1537.89 feet to the POINT OF BEGINNING of this parcel; thence S89º52’57’’W, parallel with the East-West ¼ line of Section 27, 882.33 feet to the east line of Alpha Street and the southwest corner of Lot 12 of CENTRAL WAREHOUSING a subdivision; thence N16º45’00’’W, along the east line of Alpha Street, 268.65 feet; thence N89º52’57’’E, parallel with the East-West ¼ line of Section 27, 959.52 feet to the North-South ¼ line of Section 27; thence S00º03’11”E, along the North-South ¼ line, 257.42 feet to the POINT OF BEGINNING; containing 5.44 acres of land, Parcel # 33-01-01-27-327-113.

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 48912, (517) 702-3387.

LANSING BROWNFIELD REDEVELOPMENT AUTHORITY

BROWNFIELD PLAN #66

October 12, 2016

FOR THE FLUID CHILLERS EXPANSION LOCATED AT 3005 ALPHA ACCESS STREET, LANSING, MICHIGAN

Approved by Lansing Brownfield Redevelopment Authority: ________________
Approved by Lansing City Council: ________________

Prepared on Behalf of:

Ayres Real Estate Holdings, LLC
2730 Alpha Access Street
Lansing, Michigan 48910
Contact Person: Mr. Tim Ayres
Telephone: (517) 484-9190

Prepared By:

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

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Appendix D Functional Obsolescence Determination
Appendix E Estimated Costs of Eligible Activities
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PROJECT SUMMARY

Project Name:	Fluid Chillers Expansion
Project Location:	The property is located at 3005 Alpha Access Street in Township four north (T.4N), Range two west (R.2W), Section 27, Lansing, Ingham County Michigan 48910 (the "Property").
Type of Eligible Property:	The property is determined to be "Functionally Obsolete"
Eligible Activities:	Baseline Environmental Site Assessment Activities, Asbestos Containing Materials (ACM) Survey, Demolition, Infrastructure Improvements, Site Preparation, and Preparation of a Brownfield Plan and Act 381 Work Plan.
Developer Reimbursable Costs:	$328,740 (includes eligible activities and 15% contingency)
LSRRF Reimbursement	$10,035
Years to Complete Reimbursement :	12 Years from date of Plan approval
Estimated Capital Investment:	Approximately $1 million (including Acquisition, Hard and Soft Costs)
Project Overview:	This project includes demolition, retrofitting and additions onto an existing structure for the expansion of a locally based business, Fluid Chillers, Inc., who serves companies worldwide. This expansion will allow Fluid Chillers to continue operations and grow in the City of Lansing, both retaining and creating long term jobs in the community. It is estimated that 20 construction jobs and 15 new permanent jobs in the first three years and an additional 10 expected by year 5 will be created in association with this expansion. The increase in jobs will result in an increase of City tax income revenue. The existing 34 permanent jobs will be retained.

I. INTRODUCTION AND PURPOSE

In order to promote the revitalization of environmentally distressed, historic, functionally obsolete and blighted 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 381 of 1996, as amended ("Act 381").

The purpose of this Brownfield Plan (the "Plan") is to promote the redevelopment of and investment in the eligible "Brownfield" Property within the City, to facilitate financing of eligible activities at the Property. Inclusion of Property within any Plan in the City will facilitate financing of eligible activities at eligible properties, and will provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as "Brownfields." By facilitating redevelopment of the Property, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Brownfield Redevelopment Authority.

The identification or designation of a developer or proposed use for the 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 in accordance with and as necessary to achieve the purposes of 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 Act 381.

II. GENERAL PROVISIONS

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

The Eligible Property consists of one (1) legal parcel totaling approximately 5.44 acres with a street address of 3005 Alpha Access Street, Lansing, Ingham County, Michigan (the "Property"). This parcel was recently split from a larger parcel referred to at 2727 South Pennsylvania Avenue, parcel ID 33-01-01-27-327-113.

Ayres Real Estate Holdings, LLC a development entity of Fluid Chillers, Inc., or any affiliate, or such other developer as approved by the Authority, are collectively the project developer ("Developer").

Fluid Chillers, Inc. is a US based manufacturer of industrial chillers, medical chillers, food chillers, oil chillers, and all process fluid cooling systems from 1/8 tons to 500 ton capacity. Fluid Chillers has been in business and headquartered in Lansing since 2007 and is the fastest growing chiller/cooler company in North America. In the past year Fluid Chillers has seen growth rates of 35% with another 30% anticipated for this coming year. They serve clients that include large automotive suppliers, 3M, CocaCola, Johnson & Johnson, Rubbermaid, General Mills, Exxon Mobil, Nestle, numerous Universities across the United States and many others. In addition, they work with Lansing Community College and local schools to invest in training efforts for current and potential employees. Fluid Chillers provides jobs based in advanced manufacturing and engineer. The proposed project outlined within this plan is part of Fluid Chillers continued efforts to invest and further expand within the city.

The parcel is currently zoned G-2 Wholesale, the Property is commercially developed with a 13,886 square foot vacant warehouse building in an area characterized by commercial and warehouse uses.

Standard and other historical sources were able to document the current building was constructed in 1966/1967, on previously vacant land. The property was occupied by a beverage distribution company (Spadafore) from construction until the early 1970s, utilized by the Michigan Department of Natural Resources (DNR) for office use, storage, and fish testing from the early 1970s until the late 1980s, and has been utilized for general warehousing for the adjoining hospital since at least 1991, and likely since the late 1980s.

Property location maps are included in Appendix A, the Property's legal description is included in Appendix B.

The proposed redevelopment includes demolition of the current addition on the north side of the building (which totals approximately 2,300 square feet), to prepare the property for a larger 5,000 square foot addition. The approximate 5,000 square foot addition will be incorporated into the existing warehouse building to maximize both spaces and will include a new loading dock. The existing warehouse building will undergo renovations including the relocation and upgrade of existing electrical utilities to meet modern demands upgrades to the design and fixtures of the existing bathrooms and break rooms, and the installation of new lighting, flooring, and other fixtures throughout the remainder of the building.

An additional expansion will be made to the back of the building totaling approximately 21,000 square feet. These initial improvements and additions will allow Fluid Chillers to move and expand their current operations into the newly improved building. This will be followed by upgrades to the four existing offices, reception and entry way to create more modern work spaces and an improved façade. Two new office additions will be made to the front of the building totaling approximately 1,500 square feet.

A final addition will be made approximately 12 to 24 months following business relocation activities, adding another 16,800 square feet to the back of the building. This will allow the company to expand their existing operations and employment base.

Facades will be applied to all additions to create a cohesive look to the building and parking lot improvements will be made as the building grows. The sidewalks, curbs and gutters will require replacement along Alpha Access Street to improve upon the current conditions. Overall the building will expand to approximately 55,000 square feet from the existing 13,866 square feet.

Demolition activities are anticipated to begin in the late fall of 2016 with new construction and renovations to take place in the spring of 2017. Renovations will continue over a two-year period as operations are relocated and expansion is ready to take place. Fluid Chillers will invest an estimated $1 million in the development and create approximately 20 construction jobs, retain 34 existing jobs, and create 15 permanent jobs over the next three years with an additional 10 anticipated by year 5.

Preliminary site plans and elevations are included in Appendix C.

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) it is located in a qualified local governmental unit and (b) a parcel comprising the Property has been determined to be a "functionally obsolete" by a Michigan Master Assessing Officer (MMAO) (formerly Level IV) as described below.

The Property was determined to be obsolete due to the following conditions:

- Uneven floor levels between building sections;
- Potential for water pooling at the location of the ramp between the original building and the north addition;
- Lack of restrooms in the office portion of the building and
- Building placement limiting truck sizes on the property.

The functional obsolescence determination is provided in Appendix D.

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 assessments, asbestos survey, demolition, infrastructure improvements, site preparation and preparation of a Brownfield Plan and Act 381 Work Plan. A summary of eligible activities is provided below with a complete itemization of these activity expenses included in Appendix E.

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. The Authority is not obligated to reimburse any eligible activities conducted after October 31, 2019.

Eligible Activities	**Total Estimated Costs**	**MSF Act 381 Eligible Activities**	**LSRRF Act 381 Eligible Activities Reimbursement (Local Only)**
Baseline Environmental Site Assessment Activities	$8,235		$8,235
Asbestos Activities	$1,800		$1,800
Demolition Activities	$28,000	$28,000	
Infrastructure Improvements	$12,000	$12,000	
Site Preparation	$232,817	$232,817	
Brownfield/Work Plan Preparation	$15,000	$15,000	
Subtotal	***$297,852***	***$287,817***	***$10,035***
15% Contingency*	*$40,923*	*$40,923*	*$0*
Subtotal	***$338,775***	***$328,740***	***$10,035***

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

Administrative Activities	
LBRA Admin Fee (5% Annually)	$13,617
LSRRF (5% Annually)	$13,617
State Brownfield Fund	$18,985
Total	***$46,219***

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 Plan to reimburse eligible activity expenses. The taxable value of the real property was $0 (exempt) for the current tax year. The estimated taxable value of the completed development is $550,000. This assumes a three-year phase-in for completion of the redevelopment and phased increases based on the development timeline for the planned additions. This 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 F 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 Ayres Real Estate Holdings, LLC. Costs for eligible activities funded by Ayres Real Estate Holdings, 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 assessment activities through their Local Site Remediation Revolving Fund (LSRRF) on this property totaling $10,035 for Phase I and Phase II Environmental Site Assessments (ESAs) and an ACM Survey. No additional advances will be made by the LBRA for this project. All reimbursements authorized under this Brownfield Plan, as amended shall be guided 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 12 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 funds used or loaned to the project, 4. Reimbursement of LBRA approved Developer Eligible Activity costs.

Ten percent of taxes will be captured for taxing jurisdictions on local captured millages throughout the duration of this Plan totaling approximately $27,234. The table below outlines the new tax revenue that is estimated under this Plan over a 12 year period.

Millage	Rate	Taxes Generated for Life of Plan	Tax Increment Revenue Captured by Plan	Capture for Local Tax Units
Ingham County	3.0331	$19,194	$17,275	$1,919
Airport Authority	0.6990	$4,423	$3,981	$442
CATA	3.0070	$19,029	$17,126	$1,903
CADL - Library	1.5600	$9,872	$8,885	$987
Zoo Millage	0.4100	$2,595	$2,335	$259
Lansing Operating	19.4400	$123,022	$110,719	$12,302
Lansing Community College	3.8072	$24,093	$21,684	$2,409
Ingham Intermediate	4.6956	$29,715	$26,744	$2,972
Ingham County Sum	6.3842	$40,401	$36,361	$4,040
Subtotal	***43.0361***	***$ 272,344***	***$245,110***	***$27,234***
School Operating	18.0000	$113,909	$113,909	
SET	6.0000	$37,970	$37,970	
Subtotal	***24.000***	***$ 151,878***	***$ 151,878***	
Lansing Debt	0.2600	$1,645		$1,645
Lansing School Debt	2.4000	$15,188		$15,188
Subtotal	***2.6600***	***$16,833***		***$16,833***
Total		***$ 441,055***	***$396,988***	***$ 44,067***

Total Activities Reimbursed by TIF	**Estimated Costs**
Developer Reimbursement (including a 15% contingency)	$ 328,740
LBRA Local Site Remediation Revolving Fund Reimbursement	$ 10,035
LBRA Administrative Fees (5% of tax increment revenue)	$ 13,617
LBRA Local Site Remediation Revolving Fund (5% of tax increment revenue)	$ 13,617
3 Mils to State Brownfield Fund	$ 18,985
Total	**$384,994**

Tax Increment for Local Tax Units Breakout	**Estimated Costs**
Non-Capturable Millages	$ 16,833
10% Capture for Local Tax Units	$ 27,234
Remaining Tax Increment Estimated in Year 12	$ 11,994
Total	**$ 56,061**

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

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

Property location maps are included in Appendix A.

The legal description of the Property included in this Plan is attached in Appendix B.

A copy of the Functional Obsolescence Determination is included in Appendix D.

Personal property is not included in this plan as it is anticipated that personal property will be eligible under the Eligible Manufacturing Personal Property (EMPP) exemption.

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

No displacement of residents or families is expected as part of this project.

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

The LBRA funded environmental assessment activities through their LSRRF on this property totaling $10,035 for Phase I and Phase II Environmental Site Assessments (ESAs) and an - (ACM) Survey. This total will be reimbursed utilizing Tax Increment Revenues.

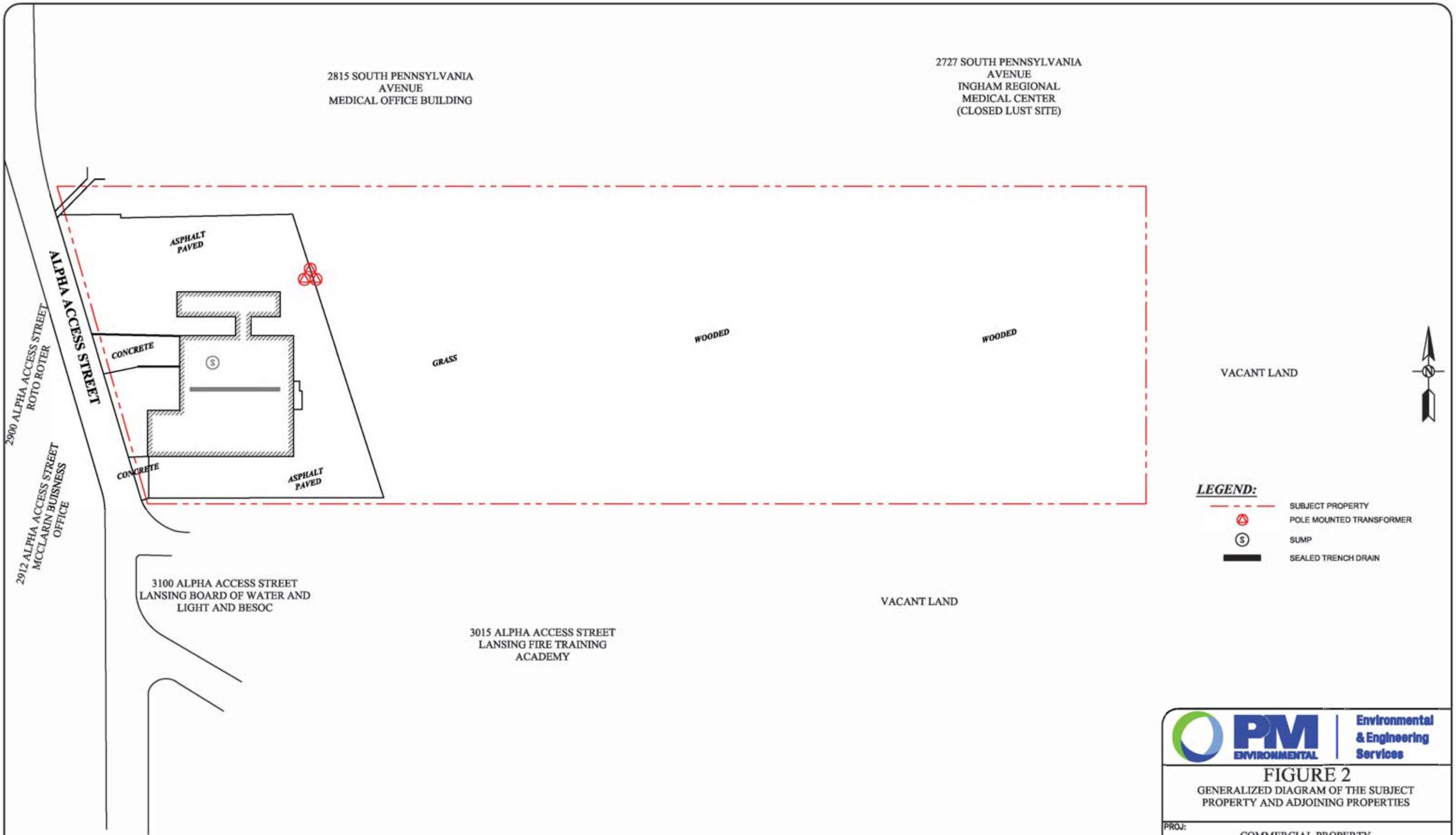
L. Other Material that the Authority or Governing Body Considers Pertinent (Sec. 13 (1)(n))

None.

Appendix A

PM ENVIRONMENTAL
Environmental & Engineering Services


Old McLaughlin Rd
McLaughlin Dr
Old McLaughlin Rd
Alpha Access St
Alpha Access St
S Pennsylvania Ave
S Pennsylvania Ave



PM ENVIRONMENTAL | Environmental & Engineering Services

FIGURE 2

GENERALIZED DIAGRAM OF THE SUBJECT PROPERTY AND ADJOINING PROPERTIES

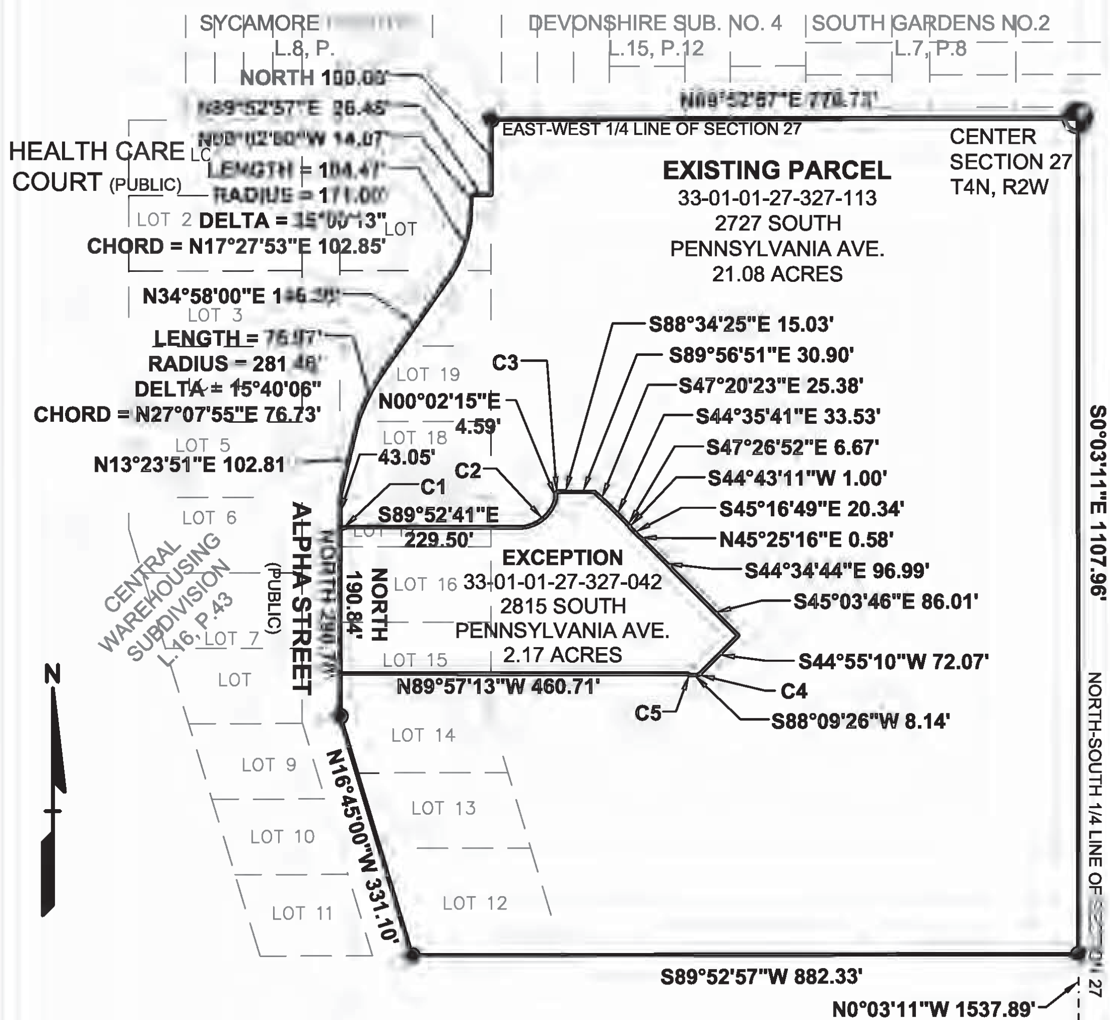
PROJ: COMMERCIAL PROPERTY
3005 ALPHA ACCESS STREET
LANSING, MI

THIS IS NOT A LEGAL SURVEY	DRN BY: CS	DATE: 6/24/2016
VERIFY SCALE 0 — 80'	CHKD BY: JS	SCALE: 1" = 80'
IF NOT 1" ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	FILE NAME: 01-7254-0-001F02R00	

Appendix B

PM ENVIRONMENTAL
Environmental & Engineering Services

CERTIFICATE OF SURVEY



CURVE 1 (C1)
LENGTH = 10.63'
RADIUS = 26.82'
CHORD = N72°22'21"E 10.57'

CURVE 2 (C2)
LENGTH = 63.73'
RADIUS = 50.91'
CHORD = N50°35'31"E 59.65'

CURVE 3 (C3)
LENGTH = 8.50'
RADIUS = 4.70'
CHORD = N47°06'52"E 7.39'

CURVE 4 (C4)
LENGTH = 3.73'
RADIUS = 4.47'
CHORD = S67°51'35"W 3.62'

CURVE 5 (C5)
LENGTH = 4.62
RADIUS = 5.40'
CHORD = N67°50'27"W 4.48'

0 200
100 400
GRAPHIC SCALE
1" = 200'

LEGEND
- IRON SET #32334
- IRON FOUND
- P.K. NAIL SET
- MONUMENT FOUND
- SECTION CORNER FOUND

PEA, Inc.
7927 Nemco Way, Ste 115
Brighton, MI 48116
t: 517.546.8583
f: 517.546.8973
www.peainc.com

CLIENT: McLaren Greater Lansing G-3231 Beecher Road Flint, MI., 48532	SCALE: 1"= 200'	JOB No: 2016-163
	DATE: 19-Aug-2016	DWG. No: 1 of 4

S:\PROJECTS\2016\2016-163 MCLAREN LANSING-TDS\SURVEY-DEPT\16163BND\dwg\16163BND-132.dwg; CB

CERTIFICATE OF SURVEY

DESCRIPTION EXISTING PARCEL

(Tax Parcel No. 33-01-01-27-327-113; 21.08 acres)

A Parcel of land in the Southwest 1/4 of Section 27, T4N, R2W, City of Lansing, Ingham County, Michigan, the surveyed boundary of said parcel described as: Commencing at the South 1/4 corner of said Section 27; thence N00°03'11"W along the North-South 1/4 line of said Section 1537.89 feet to the point of beginning of this description; thence S89°52'57"W parallel with the East-West 1/4 line of said Section 882.33 feet to the East line of Alpha Street, said point also being the Southwest corner of Lot 12 of Central Warehousing Subdivision, as recorded in Liber 16 of Plats, Page 43, Ingham County Records; thence along said East line the following seven courses: N16°45'00"W 331.10 feet; thence North 290.70 feet to the Southwest corner of Lot 18 of said Plat; thence N13°23'51"E 102.81 feet; thence 76.97 feet Northeasterly along the arc of a curve to the right, said curve having a radius of 281.46 feet, a delta angle of 15°40'06", and a chord length of 76.73 feet bearing N27°07'55"E; thence N34°58'00"E 146.30 feet; thence 104.47 feet Northeasterly along the arc of a curve to the left, said curve having a radius of 171.00 feet, a delta angle of 35°00'13", and a chord length of 102.85 feet bearing N17°27'53"E; thence N00°02'00"W 14.07 feet to the North line of Lot 21 of said Subdivision; thence N89°52'57"E along said North line 26.48 feet to the East line of said Subdivision; thence North along said East line 100.00 feet to said East-West 1 /4 line; thence N89°52'57"E along said East-West 1/4 line and along the South lines of Devonshire Subdivision No. 4, as recorded in Liber 15 of Plats, Page 12, Ingham County Records, and South Gardens No. 2 Subdivision, as recorded in Liber 7 of Plats, Page 8, Ingham County Records, a distance of 776.73 feet to the Center of said Section; thence S00°03'11"E along said North-South 1/4 line 1107.96 feet to the point of beginning; said parcel containing 23.25 acres more or less; said parcel subject to all easements and restrictions if any.

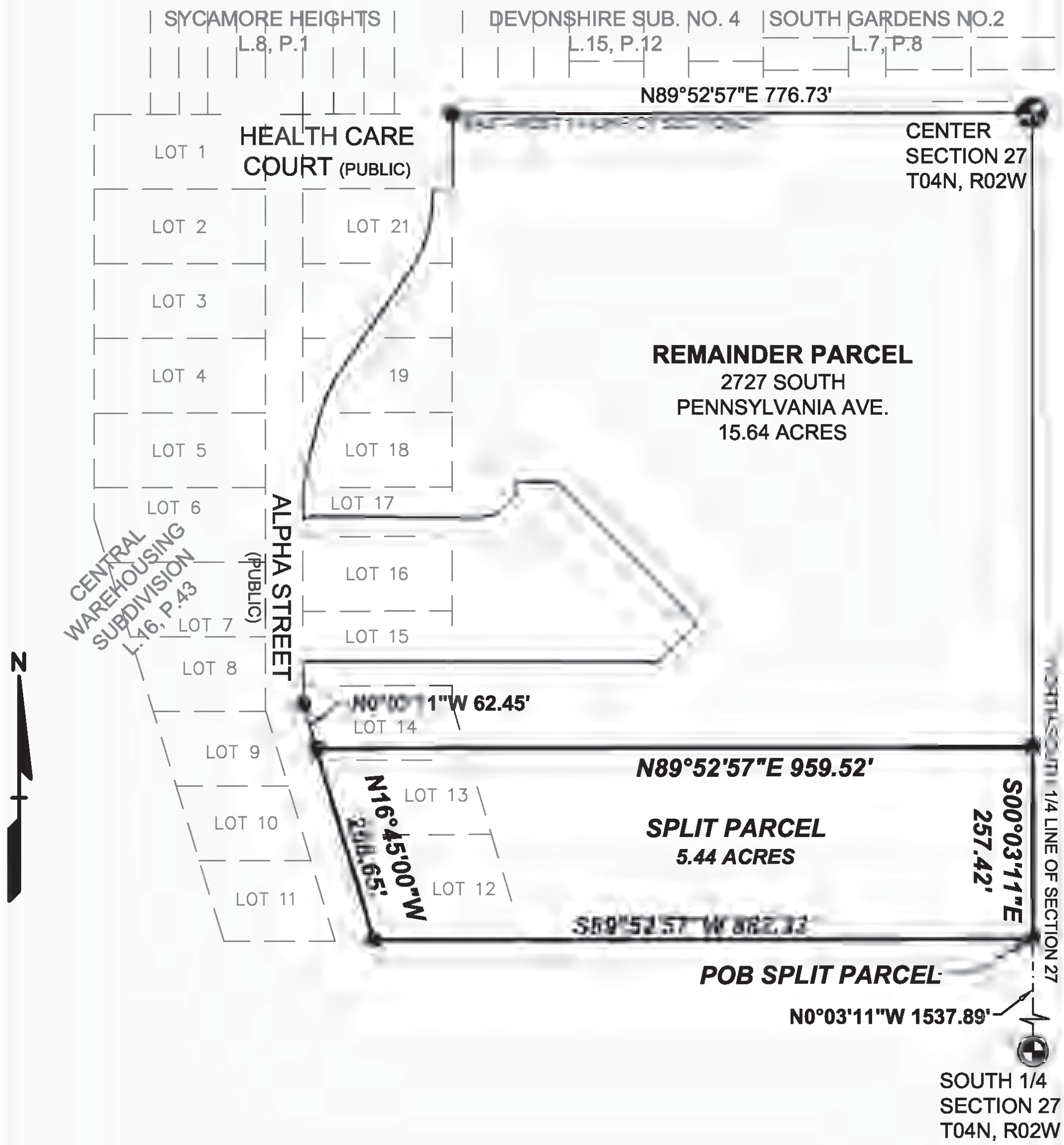
EXCEPT WARRANTY DEED LIBER 3133, PAGE 986, INGHAM COUNTY RECORDS

(Tax Parcel No. 33-01-01-27-327-042; 2.17 acres)

A part of Lot 15 and 17 and all of Lot 16 Central Warehousing a subdivision of part of the SW 1/4 of Section 27, T4N, R2W, Lansing Township (now City of Lansing), Ingham County, Michigan, according to the recorded plat thereof, as recorded in Liber 16 of Plats, Page 43, Ingham County Records, and a part of the Southwest 1/4 of said Section 27; described as beginning at a point S00°00'00"W 43.05 feet along the West line of said Lot 17 from the Northwest corner of said Lot 17; thence Northeasterly 10.63 feet along the arc of a 26.82 foot radius to the right whose chord bears N72°22'21"E 10.57 feet; thence S89°52'41"E 229.50 feet; thence Northeasterly 63.73 feet along the arc of a 50.91 foot radius curve to the left whose chord bears N50°35'31"E 59.65 feet; thence N00°02'15"E 4.59 feet; thence Northeasterly 8.50 feet along the arc of a 4.70 foot radius curve to the right whose chord bears N47°06'52"E 7.39 feet; thence S88°34'25"E 15.03 feet; thence S89°56'51"E 30.90 feet; thence S47°20'23"E 25.38 feet; thence S44°35'41"E 33.53 feet; thence S47°26'52"E 6.67 feet; thence S44°43'11"W 1.00 feet; thence S45°16'49"E 20.34 feet; thence N45°25'16"E 0.58 feet; thence S44°34'44"E 96.99 feet; thence S45°03'46"E 86.01 feet; thence S44°55'10"W 72.07 feet; thence Southwesterly 3.73 feet along the arc of a 4.47 foot radius curve to the right whose chord bears S67°51'35"W 3.62 feet; thence S88°09'26"W 8.14 feet; thence Northwesterly 4.62 feet along the arc of a 5.40 foot radius curve to the right whose chord bears N67°50'27"W 4.48 feet; thence N89°57'13"W 460.71 feet to the West line of said Central Warehousing subdivision; thence N00°00'00"E 190.84 feet along the West line of said Central Warehousing subdivision to the point of beginning.

CLIENT: McLaren Greater Lansing G-3231 Beecher Road Flint, MI., 48532	SCALE: 1"= 200'	JOB No: 2016-163	PEA, Inc. 7927 Nemco Way, Ste 115 Brighton, MI 48116 t: 517.546.8583 f: 517.546.8973 www.peainc.com
	DATE: 19-Aug-2016	DWG. No: 2 of 4	

CERTIFICATE OF SURVEY



GRAPHIC SCALE
1" = 200'

LEGEND
- IRON SET #32334
- IRON FOUND
- P.K. NAIL SET
- MONUMENT FOUND
- SECTION CORNER FOUND

PEA, Inc.
7927 Nemco Way, Ste 115
Brighton, MI 48116
t: 517.546.8583
f: 517.546.8973
www.peainc.com

CLIENT: McLaren Greater Lansing G-3231 Beecher Road Flint, MI., 48532	SCALE: 1"= 200'	JOB No: 2016-163
	DATE: 19-Aug-2016	DWG. No: 3 of 4

S:\PROJECTS\2016\2016-163 MCLAREN LANSING-TDS\SURVEY-DEPT\16163BND\dwg\16163BND-132.dwg; CB

CERTIFICATE OF SURVEY

DESCRIPTION OF SPLIT PARCEL

A parcel of land in the Southwest 1/4 of Section 27, Town 4 North, Range 2 West, City of Lansing, Ingham County, Michigan, including all of Lot 12 and Lot 13 and part of Lot 14 of CENTRAL WAREHOUSING a subdivision of part of the Southwest 1/4 of Section 27, Town 4 North, Range 2 West, Lansing Township (now City of Lansing), Ingham County, Michigan, as recorded in Liber 16 of Plats, Page 43, Ingham County Records; the surveyed boundary of this parcel described as: Commencing at the South 1/4 corner of said Section 27; thence N00°03'11"W, along the North-South 1/4 line of Section 27, 1537.89 feet to the **POINT OF BEGINNING** of this parcel; thence S89°52'57"W, parallel with the East-West 1/4 line of Section 27, 882.33 feet to the east line of Alpha Street and the southwest corner of Lot 12 of CENTRAL WAREHOUSING a subdivision; thence N16°45'00"W, along the east line of Alpha Street, 268.65 feet; thence N89°52'57"E, parallel with the East-West 1/4 line of Section 27, 959.52 feet to the North-South 1/4 line of Section 27; thence S00°03'11"E, along the North-South 1/4 line, 257.42 feet to the **POINT OF BEGINNING**. Containing 5.44 acres of land.

I, Christopher T. Beland, a Professional Surveyor in the State of Michigan, certify that I have surveyed the parcel of land hereon described; that the error of closure is 1:7500; and that that the requirements of Section 3 of 1970 PA 132, Certified Surveys, MCL 54.213, have been met.

Christopher T. Beland, P.S., 49106

August 19, 2016

Date:

STATE OF MICHIGAN
CHRISTOPHER T. BELAND
PROFESSIONAL SURVEYOR
No. 49106
LICENSED PROFESSIONAL SURVEYOR

SOUTH 1/4 CORNER, SECTION 27, T04N-R02W
FOUND 3/4-inch STEEL BAR WITH
2-1/2-inch ALUMINUM INGHAM COUNTY REMONUMENTATION CAP #25837
PER LCRC BOOK 15, PAGE 32

ACCESSORIES (FOUND PER LCRC BOOK 15, PAGE 32)

S83°E	21.47 ft	SE CORNER OF CONCRETE OUTLET STRUCTURE
N04°E	30.39 ft	SW CORNER OF CONCRETE OUTLET STRUCTURE
N22°E	58.44 ft	M.A.G. NAIL & INGHAM CO. REMON. TAG IN EAST FACE OF 28-inch SYCAMORE
N64°E	62.10 ft	M.A.G. NAIL & INGHAM CO. REMON. TAG IN EAST FACE OF 9-inch OAK

CENTER OF SECTION 27, T04N-R02W
FOUND 1/2-inch STEEL BAR
PER LCRC BOOK 14, PAGE 63

ACCESSORIES

N20°E	20.96 ft	SE CORNER OF CONCRETE FOUNDATION HOUSE #2608
N45°W	29.24 ft	SW CORNER OF CONCRETE FOUNDATION HOUSE #2608
S05°E	14.72 ft	SET NAIL AND TAG #32334 IN SOUTHWEST FACE OF 9-inch BLACK CHERRY
N75°W	10.15 ft	SET NAIL AND TAG #32334 IN SOUTH FACE OF 26-inch HACKBERRY

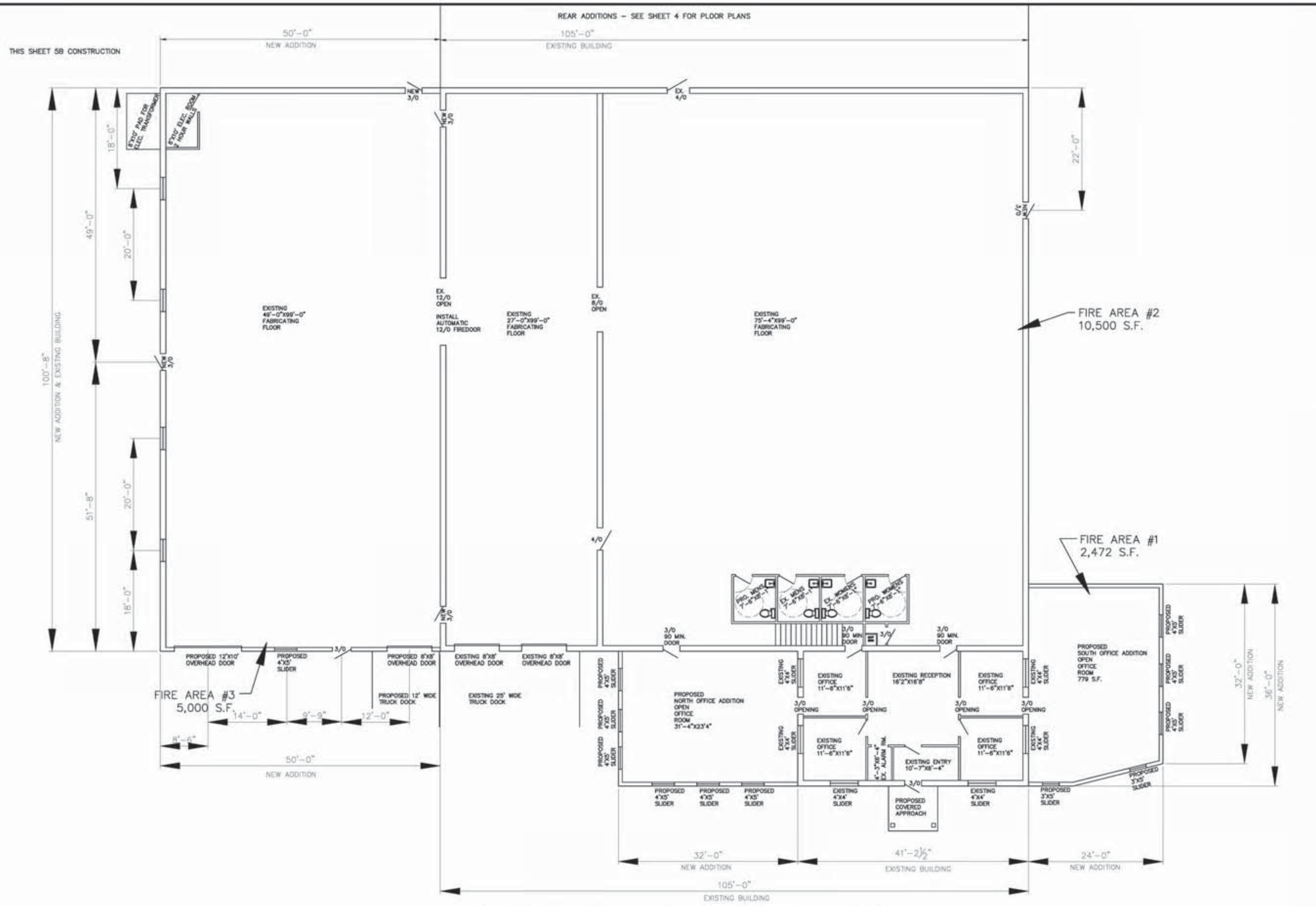
CLIENT: McLaren Greater Lansing, G-3231 Beecher Road, Flint, MI., 48532	SCALE: 1"= 200'	JOB No: 2016-183
	DATE: 19-Aug-2016	DWG. No: 4 of 4

PEA, Inc.
7927 Nemco Way, Ste 115
Brighton, MI 48116
t: 517.546.8583
f: 517.546.8973
www.peainc.com

S:\PROJECTS\2016\2016-183 MCLAREN LANSING-TDS\SURVEY-DEPT\16183BND\dwg\16183BND-132.dwg; CB

Appendix C

PM ENVIRONMENTAL Environmental & Engineering Services



EXISTING AND FRONT ADDITIONS FLOOR PLAN

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

REVISIONS	BY OWNER	BY BLDR.

FLUID CHILLERS, INC.
3005 ALPHA ACCESS
LANSING MI 48910

KATER ENGINEERING ASSOCIATES
6093 ANCHOR COVE
PHONE: (517) 974-2343 katerengr@aol.com

ACCEPTED
OWNER

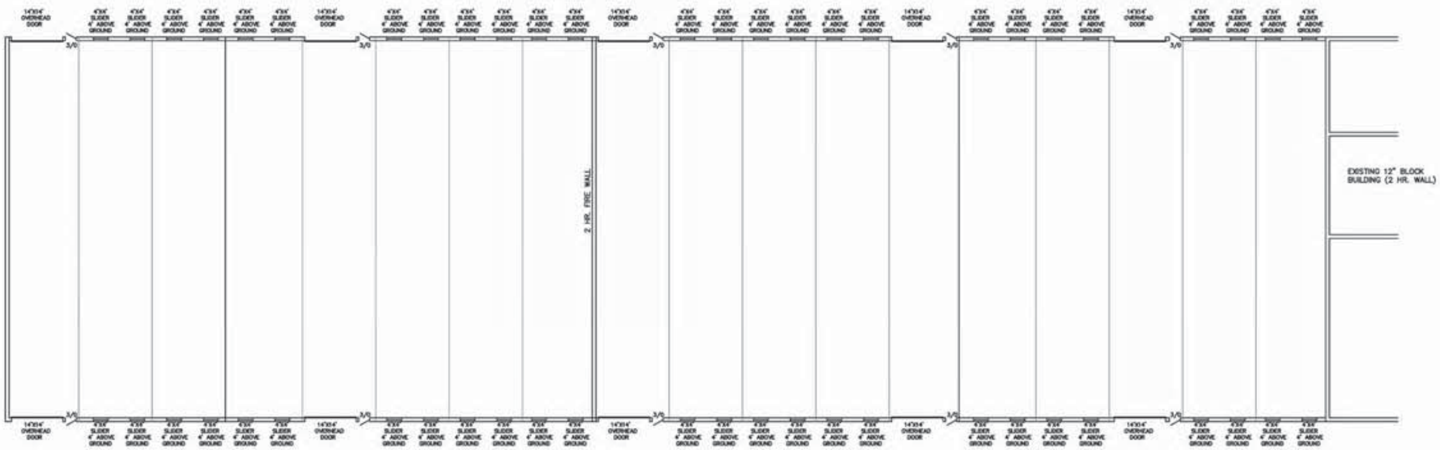
BUILDER

DRAWN
T. BAKER

CHECKED
T. BAKER

DATE	DRAWING NO.
9-9-16	01604303

SHEET 3 OF 9



REAR ADDITIONS FLOOR PLAN

SCALE: 1/16" = 1'-0"

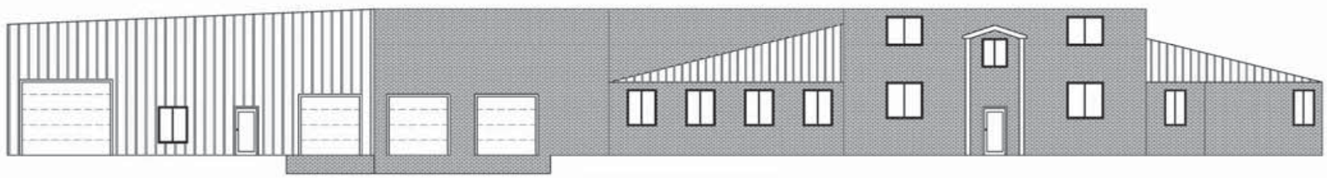
REVISIONS	BY OWNER	BY BLDR.

FLUID CHILLERS, INC.
3005 ALPHA ACCESS
LANSING MI 48910

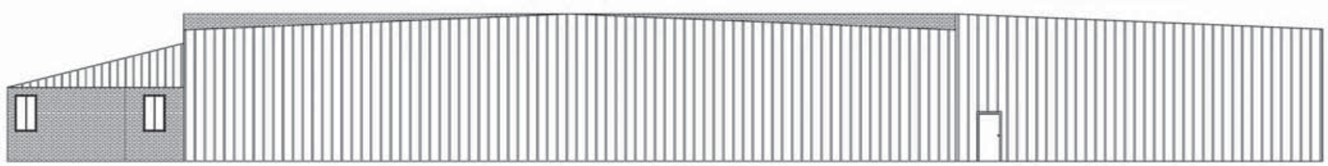
KATER ENGINEERING ASSOCIATES
6093 ANCHOR COVE
PHONE: (517) 974-2343 katerengr@aol.com

ACCEPTED	
OWNER	
BUILDER	
DRAWN	T. BAKER
CHECKED	T. BAKER
DATE 8-18-16	DRAWING NO. 01604304
SHEET 4 OF 4	

USE GROUP = F-2 (METAL FABRICATION)
CONSTRUCTION TYPE = 5B
SNOW LOAD = 30 PSF
WIND LOAD = 90 MPH
FLOOR LOAD = 100 PSF
ROOF LIVE LOAD = 30 PSF
SEISMIC CATEGORY = A
DESIGN BEARING = 2,000 PSF



FRONT ELEVATION
SCALE: 1/8" = 1'-0"



REAR ELEVATION
SCALE: 1/8" = 1'-0"

INDEX

1. FRONT & REAR ELEVATIONS
2. NORTH & SOUTH ELEVATIONS
3. EXISTING & FRONT FLOOR PLANS
4. REAR ADDITION FLOOR PLANS
5. EXISTING & FRONT EGRESS PLANS
6. REAR ADDITION EGRESS PLANS
7. FRONT ADDITION FOUNDATION PLANS
8. REAR ADDITION FOUNDATION PLANS
9. TYPICAL SECTION PLANS

REVISIONS	BY OWNER	BY BLDR.

FLUID CHILLERS, INC.
3005 ALPHA ACCESS
LANSING MI 48910

KATER ENGINEERING ASSOCIATES
6093 ANCHOR COVE
PHONE: (517) 974-2343 katerengr@aol.com

ACCEPTED
OWNER

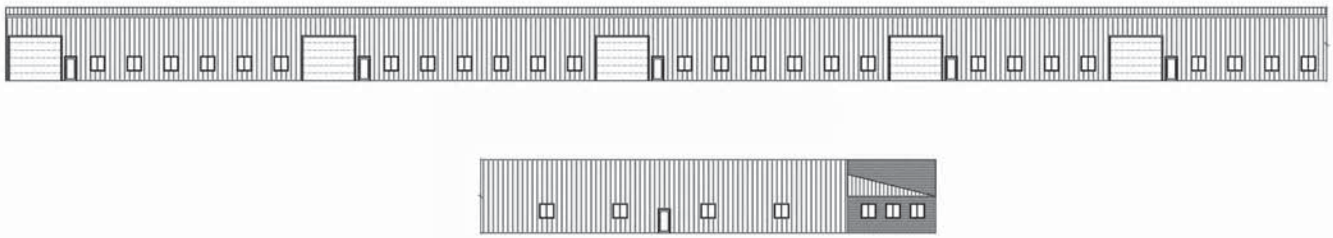
BUILDER

DRAWN
T. BAKER

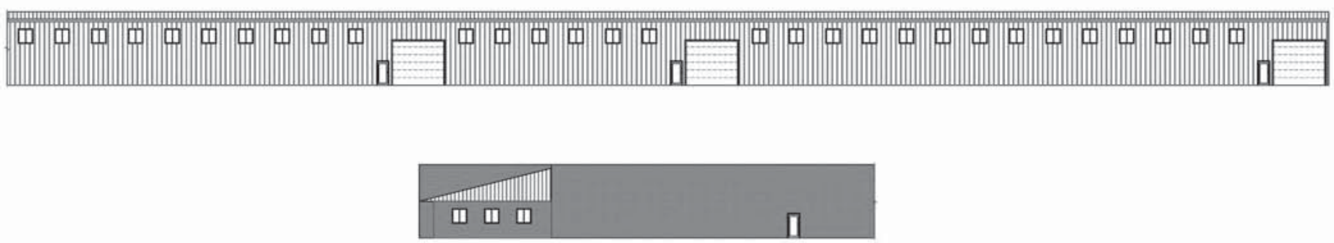
CHECKED
T. BAKER

DATE	DRAWING NO.
9-9-16	01504301

SHEET 1 OF 9



NORTH ELEVATION
SCALE: 1/8" = 1'-0"



SOUTH ELEVATION
SCALE: 1/8" = 1'-0"

REVISIONS	BY OWNER	BY BLDR.

FLUID CHILLERS, INC.
3005 ALPHA ACCESS
LANSING MI 48910

KATER ENGINEERING ASSOCIATES
6093 ANCHOR COVE
PHONE: (517) 974-2343 katerengr@aol.com

ACCEPTED
OWNER

BUILDER

DRAWN
T. BAKER

CHECKED
T. BAKER

DATE	DRAWING NO.
9-9-16	01504302

SHEET 2 OF 9

Appendix D

PM ENVIRONMENTAL
Environmental & Engineering Services

Virg Bernero, Mayor

CITY OF LANSING
ASSESSING DEPARTMENT
Sharon L. Frischman, MMAO (4),
Assessor
3rd Floor, City Hall
124 W. Michigan Ave.
Lansing, MI 48933
517-483-4020

Address: 3005 Alpha Access
Parcel #: Part of 33-01-01-27-327-113
Owner: Ayres Real Estate Holdings LLC

RE: Statement of Obsolescence

The subject is improved with a warehouse building with a small office. The site has been documented to have leaking underground storage tanks at one time. Stigma may be present even if the site has been remediated. The building consists of two sections joined by an opening approximately 10 feet wide. Because the floor levels are not at the same ground elevation, a ramp exists from the original building and the addition, creating a place for water to pool. The only restrooms are located in the warehouse area; there are none in the office section. The placement of the building on the site is too close to the street to allow a modern day sized truck to negotiate the turn into the truck loading ramp area. For these stated reasons, it is the opinion of this assessor that this building suffers more than 50% functional obsolescence.

Sharon Frischman, MMAO
City of Lansing Assessor

Date: 9-29-16

Appendix E

PM ENVIRONMENTAL
Environmental & Engineering Services

Table 1: Estimated Costs of Eligible Activities				
Item/Activity	**Total Estimated Cost**	**MSF Act 381 Eligible Activities**	**LSRRF Act 381 Eligible Activities (Local Only Taxes)**	**Comments**
Baseline Environmental Assessment				
Phase I ESA	$ 2,000		$ 2,000	
Phase II ESA	$ 6,235		$ 6,235	
Baseline Environmental Assessment Sub-Totals	**$ 8,235**		**$ 8,235**	
Asbestos Activities				
Asbestos Survey, Sampling & Reporting Work	$ 1,800		$ 1,800	
Asbestos Sub-Total	**$ 1,800**	**$ -**	**$ 1,800**	
Demolition				
Building Demolition (24x90 Block Building)	$ 15,000	$ 15,000		
Concrete and Asphalt Removal Around Block Building	$ 8,000	$ 8,000		
Removal of Sidewalks, Curbs and Gutters	$ 5,000	$ 5,000		
Demolition Sub-Total	**$ 28,000**	**$ 28,000**		
Infrastructure Improvements				
Sidewalks	$ 5,000	$ 5,000		
Curbs & Gutters	$ 7,000	$ 7,000		
Infrastructure Improvements Sub-Total	**$ 12,000**	**$ 12,000**		
Site Preparation				
Geotechnical Survey	$ 5,000	$ 5,000		
Clearing and Grubbing and Related Disposal of Trees and Stumps	$ 20,000	$ 20,000		
Topsoil Cut	$ 3,500	$ 3,500		
Fill (sand)	$ 60,000	$ 60,000		
Grading and Compaction	$ 17,000	$ 17,000		
Temporary Erosion Control	$ 3,000	$ 3,000		
Removal and Replacement of Electrical Utilities	$ 108,000	$ 108,000		
Power Poles Raised Associated with Electrical Utility Relocation	$ 6,317	$ 6,317		
Temporary Site Control	$ 10,000	$ 10,000		
Site Preparation Sub-Total	**$ 232,817**	**$ 232,817**		
Preparation of Brownfield Plan and Act 381 Work plan				
Brownfield Plan and Act 381 Work Plan	$ 15,000	$ 15,000		
Preparation of Brownfield Plan and Act 381 Work plan Sub-Total	**$ 15,000**	**$ 15,000**	$ -	
Project Sub Totals	**$ 297,852**	**$ 287,817**	**$ 10,035**	
15% Contingency	$ 40,923	$ 40,923	$ -	Excludes Brownfield Plan/Act 381 Work Plan and Baseline Environmental Assessments
Total Developer Eligible Activities	**$ 338,775**	**$ 328,740**	**$ 10,035**	
LBRA Administrative Fee	$ 13,617			5% annual capture of the local tax increment
TIF Capture to Build Local Site Remediation Revolving Loan Fund	$ 13,617			5% annual capture of the local tax increment
State Brownfield Fund	$ 18,985			
Total Cost of Eligible Activities to be Funded through TIF	**$ 384,994**	**$ 328,740**	**$ 10,035**	

Appendix F

PM ENVIRONMENTAL
Environmental
& Engineering
Services

Tax Increment Financing Estimates
Table 2

		2016	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2022 Year 6	2023 Year 7	2024 Year 8	2025 Year 9	2026 Year 10	2027 Year 11	2028 Year 12	Totals	10% Capture for Local Tax Units Summary
Combined Base Taxable Value		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Estimated New Taxable Value (estimated increase of 1%/year)			$ 150,000	$ 400,000	$ 550,000	$ 555,500	$ 561,055	$ 570,000	$ 575,700	$ 581,457	$ 587,272	$ 593,144	$ 599,076	$ 605,066		
Incremental Difference (New Taxable Value *minus Base Taxable Value*)			$ 150,000	$ 400,000	$ 550,000	$ 555,500	$ 561,055	$ 570,000	$ 575,700	$ 581,457	$ 587,272	$ 593,144	$ 599,076	$ 605,066		
Local Taxes - Millage																
Ingham County	3.0331	$ -	$ 455	$ 1,213	$ 1,668	$ 1,685	$ 1,702	$ 1,729	$ 1,746	$ 1,764	$ 1,781	$ 1,799	$ 1,817	$ 1,835	$ 19,194	$ 1,919
Airport Authority	0.6990	$ -	$ 105	$ 280	$ 384	$ 388	$ 392	$ 398	$ 402	$ 406	$ 411	$ 415	$ 419	$ 423	$ 4,423	$ 442
CATA	3.0070	$ -	$ 451	$ 1,203	$ 1,654	$ 1,670	$ 1,687	$ 1,714	$ 1,731	$ 1,748	$ 1,766	$ 1,784	$ 1,801	$ 1,819	$ 19,029	$ 1,903
CADL - Library	1.5600	$ -	$ 234	$ 624	$ 858	$ 867	$ 875	$ 889	$ 898	$ 907	$ 916	$ 925	$ 935	$ 944	$ 9,872	$ 987
Zoo Millage	0.4100	$ -	$ 62	$ 164	$ 226	$ 228	$ 230	$ 234	$ 236	$ 238	$ 241	$ 243	$ 246	$ 248	$ 2,595	$ 259
Lansing Operating	19.4400	$ -	$ 2,916	$ 7,776	$ 10,692	$ 10,799	$ 10,907	$ 11,081	$ 11,192	$ 11,304	$ 11,417	$ 11,531	$ 11,646	$ 11,762	$ 123,022	$ 12,302
Lansing Community College	3.8072	$ -	$ 571	$ 1,523	$ 2,094	$ 2,115	$ 2,136	$ 2,170	$ 2,192	$ 2,214	$ 2,236	$ 2,258	$ 2,281	$ 2,304	$ 24,093	$ 2,409
Ingham Intermediate	4.6956	$ -	$ 704	$ 1,878	$ 2,583	$ 2,608	$ 2,634	$ 2,676	$ 2,703	$ 2,730	$ 2,758	$ 2,785	$ 2,813	$ 2,841	$ 29,715	$ 2,972
Ingham County Sum	6.3842	$ -	$ 958	$ 2,554	$ 3,511	$ 3,546	$ 3,582	$ 3,639	$ 3,675	$ 3,712	$ 3,749	$ 3,787	$ 3,825	$ 3,863	$ 40,401	$ 4,040
Total Local Taxes (capturable)	43.0361	$ -	$ 6,455	$ 17,214	$ 23,670	$ 23,907	$ 24,146	$ 24,531	$ 24,776	$ 25,024	$ 25,274	$ 25,527	$ 25,782	$ 26,040	$ 272,344	$ 27,234
New School Capture for Local Tax Units																
School Operating	18.0000	$ -	$ 2,700	$ 7,200	$ 9,900	$ 9,999	$ 10,099	$ 10,260	$ 10,363	$ 10,466	$ 10,571	$ 10,677	$ 10,783	$ 10,891	$ 113,909	
SET	6.0000	$ -	$ 900	$ 2,400	$ 3,300	$ 3,333	$ 3,366	$ 3,420	$ 3,454	$ 3,489	$ 3,524	$ 3,559	$ 3,594	$ 3,630	$ 37,970	
Total School Taxes (not captured)	24.0000	$ -	$ 3,600	$ 9,600	$ 13,200	$ 13,332	$ 13,465	$ 13,680	$ 13,817	$ 13,955	$ 14,095	$ 14,235	$ 14,378	$ 14,522	$ 151,878	
Debt Millages (not capturable)																
Lansing Debt	0.2600	$ -	$ 39	$ 104	$ 143	$ 144	$ 146	$ 148	$ 150	$ 151	$ 153	$ 154	$ 156	$ 157	$ 1,645	
Lansing School Debt	2.4000	$ -	$ 360	$ 960	$ 1,320	$ 1,333	$ 1,347	$ 1,368	$ 1,382	$ 1,395	$ 1,409	$ 1,424	$ 1,438	$ 1,452	$ 15,188	
Total Debt Millages (not capturable)	2.6600	$ -	$ 399	$ 1,064	$ 1,463	$ 1,478	$ 1,492	$ 1,516	$ 1,531	$ 1,547	$ 1,562	$ 1,578	$ 1,594	$ 1,609	$ 16,833	
Total Millages	69.6961	$ -	$ 10,454	$ 27,878	$ 38,333	$ 38,716	$ 39,103	$ 39,727	$ 40,124	$ 40,525	$ 40,931	$ 41,340	$ 41,753	$ 42,171	$ 441,056	
Total Available Tax Increment Revenue for Capture	67.0361		$ 10,055	$ 26,814	$ 36,870	$ 37,239	$ 37,611	$ 38,211	$ 38,593	$ 38,979	$ 39,368	$ 39,762	$ 40,160	$ 40,561	$ 424,223	
LBRA Administrative Fee*			$ 323	$ 861	$ 1,183	$ 1,195	$ 1,207	$ 1,227	$ 1,239	$ 1,251	$ 1,264	$ 1,276	$ 1,289	$ 1,302	$ 13,617	
Local Site Remediation Revolving Fund (LSRRF)**			$ 323	$ 861	$ 1,183	$ 1,195	$ 1,207	$ 1,227	$ 1,239	$ 1,251	$ 1,264	$ 1,276	$ 1,289	$ 1,302	$ 13,617	
10% Capture for Local Tax Units			$ 646	$ 1,721	$ 2,367	$ 2,391	$ 2,415	$ 2,453	$ 2,478	$ 2,502	$ 2,527	$ 2,553	$ 2,578	$ 2,604	$ 27,234	
Total Annual Available Local Tax Capture			$ 5,164	$ 13,772	$ 18,936	$ 19,125	$ 19,316	$ 19,624	$ 19,821	$ 20,019	$ 20,219	$ 20,421	$ 20,626	$ 20,832		
3 Mils to State Brownfield Fund			$ 450	$ 1,200	$ 1,650	$ 1,667	$ 1,683	$ 1,710	$ 1,727	$ 1,744	$ 1,762	$ 1,779	$ 1,797	$ 1,815	$ 18,985	
Available School Tax After Fee			$ 3,150	$ 8,400	$ 11,550	$ 11,666	$ 11,782	$ 11,970	$ 12,090	$ 12,211	$ 12,333	$ 12,456	$ 12,581	$ 12,706		
Total Annual Available Tax Capture for Developer			$ 8,314	$ 22,172	$ 30,486	$ 30,791	$ 31,099	$ 31,594	$ 31,910	$ 32,230	$ 32,552	$ 32,877	$ 33,206	$ 33,538	$ 350,769	
Total Cumulative Tax Capture After Admin. Fees			$ 8,314	$ 30,486	$ 60,972	$ 91,763	$ 122,861	$ 154,456	$ 186,366	$ 218,596	$ 251,147	$ 284,025	$ 317,231	$ 350,769		
MSF Reimbursed Expenses																
Local Taxes			$ -	$ 8,901	$ 19,571	$ 19,767	$ 19,965	$ 20,283	$ 20,486	$ 20,691	$ 20,898	$ 21,107	$ 21,318	$ 18,059	$ 211,046	
School Taxes			$ 3,150	$ 8,400	$ 10,914	$ 11,024	$ 11,134	$ 11,311	$ 11,424	$ 11,539	$ 11,654	$ 11,771	$ 11,888	$ 3,485	$ 117,694	
Total			$ 3,150	$ 17,301	$ 30,486	$ 30,791	$ 31,099	$ 31,594	$ 31,910	$ 32,230	$ 32,552	$ 32,877	$ 33,206	$ -	$ 328,740	
Unreimbursed Eligible Expenses		$ 328,740	$ 325,590	$ 308,289	$ 277,803	$ 247,012	$ 215,913	$ 184,319	$ 152,408	$ 120,179	$ 87,627	$ 54,750	$ 21,544			
LSRRF Reimbursed Expenses																
Local Taxes			$ 5,164	$ 4,871											$ 10,035	
School Taxes			$ -	$ -											$ -	
Total			$ 5,164	$ 4,871											$ 10,035	
Unreimbursed Eligible Expenses		$ 10,035	$ 4,871	$ -												

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

Tax Ratio	Millages	Percentage
Local Tax	43.0361	64.20%
School Tax	24.0000	35.80%
Total	**67.0361**	**100%**

Total eligible expense ratio		
MSF	$ 328,740	100.00%
MDEQ	$ -	0.00%
Total	**$ 328,740**	**100.00%**

Eligible activity school/local reimbursement breakdown	Local	School	Total
MSF	$211,046	$117,694	**$ 328,740**
Percentage	**64.20%**	**35.80%**	**100%**

ECONOMIC DEVELOPMENT CORPORATION
LANSING CITY TREASURER APPROVAL FORM
BUSINESS

Business Name: Ayres Real Estate Holdings
Business Contact Person: Tim and Tom Ayres
Phone Number: 517-484-9190

Business Address: 2730 Alpha Access St, Lansing MI 48910

Project Location: 305 Alpha Access St, Lansing MI 48910

Type of EDC Service: Brownfield Plan

EDC Contact Person Name: Karl Dorshimer

Email: karl@purelansing.com Phone Number: 517-243-3512

Due Date: As soon as possible

Approval:

Sammy Gard

City Treasurer

OFFICE OF MAYOR VIRG BERNERO
124 W. MICHIGAN AVENUE – NINTH FLOOR
LANSING, MI 48933

AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS AGREEMENT in Consideration of Development Incentives ("Agreement") is made and entered this 21st day of October, 2016, by and between the City of Lansing, Michigan, a Michigan municipal corporation ("City"), and Ayres Real Estate Holdings, 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: Fluid Chillers Expansion

Location of Project (provide attached map): 3005 Alpha Access Street, Lansing, MI 48910

Business Name of Applicant *(if applicable): Ayres Real Estate Holdings, LLC associated with Fluid Chillers, Inc.*

Name of Parent Company *(if applicable):*

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

Tim Ayres	50 %
Tom Ayres	50 %
	%
	%

Project description:

Ayres Real Estate Holdings, LLC currently owns the property located at 2730 Alpha Access Street in Lansing, which houses Fluid Chillers, Inc. Fluid Chillers has been in business and headquartered in Lansing since 2007 and is the fastest growing chiller/cooler company in North America. In the past year Fluid Chillers has seen growth rates of 35% with another 30% anticipated for this coming year. They serve clients that include large automotive suppliers, 3M, CocaCola, Johnson & Johnson, Rubbermaid, General Mills, Exxon Mobil, Nestle, numerous Universities across the United States and many others. In addition, they work with Lansing Community College and local schools to invest in training efforts for current and potential employees. Fluid Chillers provides jobs based in advanced manufacturing and engineer.

List all past projects started in the city of Lansing by any of the partners listed above:

None.

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

______________________________ ____________ Years

______________________________ ____________ Years

______________________________ ____________ Years

______________________________ ____________ Years

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

None.

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):*

Mason State Bank

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

15 FTEs added over the next three years, 10 additional FTEs by year five; 34 FTEs to be retained

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

$ 1,000,000

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

$20/hour

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)

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

TA 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.

TA 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.

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

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

TA 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.

C. LEDC STAFF/ADMINISTRATION RECOMMENDATION

Name of Lead Staff Person: Karl Doshimer

Revenue currently paid to the City by the site or project:	$ 0
Estimated total revenue to the City upon Project Completion:	$ 20,102.00
Estimated total value of City Incentive(s):	$ 110,719.00
Estimated total new net revenue to the City:	$ 20,102.00

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

The Developer will purchase a currently vacant building and completely renovate it into a modern manufacturing facility creating 25 new high paying jobs over the next five years.

Project Timeline: The project will take place over several years in phases, allowing Fluid Chillers to move operations before the project is fully complete.

Fall 2016: Demolition Activities

Spring 2017: North Addition with Loading Dock, East Addition, Interior Warehouse Renovations

Fall 2017: Office Renovations and Additions, Entry Renovations

Spring 2018: Final East Addition

Have all appropriate City Incentive fees been received? **<u>YES</u>** NO

Staff Recommendation: **<u>APPROVE</u>** DENY MODIFY

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

Administration Recommendation: **<u>APPROVE</u>** 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 Incentive for the purpose of Fluid Chillers Expansion ("Project"). The Project is expected to hire at least 15 (over the next three years) and/or retain at least 34 new full-time equivalent employees (FTE) and requiring a total investment in real property of at least $600,000 and personal property of at least $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 for the Project and new, permanent full-time equivalent employees (FTE) expected to be hired or retained as a result of the Project, 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 (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 3005 Alpha Access Street, Lansing, Mi ("Project Area") and legally described as follows:

A parcel of land in the Southwest 1/4 of Section 27, Town 4 North, Range 2 West, City of Lansing, Ingham County, Michigan, including all of Lot 12 and Lot 13 and part of Lot 14 of CENTRAL WAREHOUSING a subdivision of part of the Southwest 1/4 of Section 27, Town 4 North, Range 2 West, Lansing Township (now City of Lansing), Ingham County, Michigan, as recorded in Liber 16 of Plats, Page 43, Ingham County Records; the surveyed boundary of this parcel described as: Commencing at the South 1/4 corner of said Section 27; thence N00°03'11"W, along the North-South 1/4 line of Section 27, 1537.89 feet to the **POINT OF BEGINNING** of this parcel; thence S89°52'57"W, parallel with the East-West 1/4 line of Section 27, 882.33 feet to the east line of Alpha Street and the southwest corner of Lot 12 of CENTRAL WAREHOUSING a subdivision; thence N16°45'00"W, along the east line of Alpha Street, 268.65 feet; thence N89°52'57"E, parallel with the East-West 1/4 line of Section 27, 959.52 feet to the North-South 1/4 line of Section 27; thence S00°03'11"E, along the North-South 1/4 line, 257.42 feet to the **POINT OF BEGINNING.** Containing 5.44 acres of land.

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 November 1, 2016 and ends October 31, 2019.

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. Hire at least 15 new, permanent full-time equivalent employees (FTE) and retain at least 34 full-time equivalent employees (FTE).

2. Purchase and/or locate within the Project Area, personal property with a fair market value of at least $0. This personal property may not be moved to the Project Area from another location within the City of Lansing.

3. Make at least <u>$600,000</u> of improvements to the real property. 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 October 31, 2019.

E. <u>Project Completion Progress Reports</u>

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 (on-line, not of a proprietary nature but based on information contained in this agreement). 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. <u>Verification of Project Completion</u>

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 on-line") 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 on line.

G. <u>Consideration of Applicant's Compliance with the Agreement</u>.

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 is 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 the end of the life of the incentive.

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:

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AYRES REAL ESTATE HOLDINGS, LLC

By: ________________________
Tim Ayres

Its: President

CITY OF LANSING:

By: ________________________
Virg Bernero

Its: Mayor

LANSING ECONOMIC DEVELOPMENT CORPORATION:

By: ________________________
Karl R. Dorshimer

Its: Authorized Representative

Approved as to form:

____
James Smiertka

City Attorney

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

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City

Controller