



AGENDA
Committee on Development and Planning
Wednesday, November 23, 2016 @ 10:00 a.m.
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. Minutes:

- October 27, 2016
- November 10, 2016

4. Discussion/Action:

- A.) RESOLUTION – Lease Agreement; City of Lansing & Zip the Grand , Inc.
- B.) RESOLUTION - OPRA District; 1141 South Washington Avenue & 1149 South Washington Avenue; L & P Properties, Inc.
- C.) RESOLUTION – OPRA Certificate; 1141 South Washington Avenue; L & P Properties, Inc.
- D.) RESOLUTION – OPRA Certificate; 1149 South Washington Avenue; L & P Properties, Inc.
- E.) RESOLUTION - OPRA District; 221 West Saginaw; Motion Properties
- F.) RESOLUTION – OPRA Certificate; 221 West Saginaw; Motion Properties
- G.) RESOLUTION – Introduction & Set Public Hearing; Z-8-2016; Rezoning 3001 S Washington Avenue; D-1 Professional Office and J- Parking District to F- Commercial District
- H.) RESOLUTION – Set a Public Hearing; Brownfield Redevelopment Plan #66; Fluid Chiller Expansion
- I.) RESOLUTION – Rejection of Unsold Tax Reverted Property from Ingham County Treasurer
- J.) RESOLUTION – Rejection of Unsold Tax Reverted Property from Eaton County Treasurer
- K.) Discussion – Ordinance Amendments to Address Urban Agriculture Uses

5) Other

6) Adjourn



MINUTES

**Committee on Development and Planning
Thursday, October 27, 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 10:00 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Jessica Yorko, Vice Chair-arrived 10:04 a.m.
Councilmember Judi Brown Clarke, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Karl Dorshimer, LEAP
Susan Stachowiak, Planning & Neighborhood Development
Mary Farr, Looney Moon, LLC

PUBLIC COMMENT

No Public Comment

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM OCTOBER 13, 2016 AS PRESENTED. MOTION CARRIED 2-0.

RESOLUTION – Set a Public Hearing; Z-7-2016; Rezoning from “F” & “DM-2” to “E-1” ; Dunkel & Collins Road

Ms. Stachowiak reminded the Committee that they had approved a rezoning do DM-2 a few years ago for the developer to renovate for student housing, however that marketing plan did not work so they are now seeking this rezoning to market as apartments.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING for Z-7-2016 FOR DECEMBER 12, 2016. MOTION CARRIED 3-0.

RESOLUTION – Set a Public Hearing; OPRA District; 204 E. Grand River; Looney Moon LLC

Ms. Farr provided photos of the existing structure and their plans for the renovation. They are projecting a \$1.4 million project which will consist of 5 floors including the basement. The owner

currently owns 200-202 E Grand River and purchased 204 and 206 E. Grand River. The common staircase will be removed and all will access via 200-202. The plans for this project include an office area in the basement, office & retail on the 1st and floor, studio apartments on the 2nd micro apartments and the 3rd-4th floors will be two story apartments. This will give 4 apartments total, 2-studios and 2- one bedroom.

Council Member Yorko questioned what the proposed work would do the historical integrity of the site, but Ms. Farr stated the upper floor additions will not be visible from the front façade. Council Member Washington asked what prospects they have for the office and retail. Ms. Farr confirmed they do not have any signed leases because they are not sure on the finish date, however they are meeting with potential clients and do hope to finish by December 2018.

Mr. Dorshimer distributed an OPRA financial breakdown that outlined base value, personal property, real property, taxes paid, taxes abated, and taxes collected on the project. The OPRA is a 7 year OPRA with the following abatements and values. Those details include:

Base Land Tax Value - \$3,300 Base Building Property Tax Value - \$15,100

New Personal Property Total Investment - \$1,150,960

Total Real Property Taxes Collected in the 7 years - \$76,972

City Portion of those taxes Collected - \$2,504

Amount of Real Property Taxes Abated - \$133,763

City Portion of Real Property Taxes Abated - \$55,097

Total Taxes Paid by Developer- \$83,153 Total Taxes Abated - \$133,763

Total Lansing Taxes Collected - \$4,193 Total Lansing Taxes Abate - \$55,097

Increase in Total Taxes Collected - \$73,992

Increase in City Taxes - \$1,689

Council Member Yorko asked for the breakdown on what the amounts would be after seven (7) years, and Mr. Dorshimer roughly calculated it would be close to taxes at \$7,800 annually.

Ms. Farr added to the conversation that this project will also bring in up to 15 new employees and additional full time residents.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 28, 2016 THE OPRA DISTRICT FOR 204 E. GRAND RIVER. MOTION CARRIED 3-0.

RESOLUTION – Set a Public Hearing; OPRA Certificate; 204 E. Grand River; Looney Moon LLC

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 28, 2016 FOR THE OPRA CERTIFICATE FOR 204 E. GRAND RIVER. MOTION CARRIED 3-0.

The Committee acknowledged Mr. Dorshimer for the detailed handout he provided.

Council Staff discussed upcoming Committee dates, and the Committee agreed to meet on Wednesday, November 23, 2016 as their second meeting in November. Council Member Brown Clarke will be absent and excused at that meeting.

Adjourn at 10:25 a.m.

Submitted by, Sherrie Boak, Recording Secretary, Lansing City Council

Approved by the Committee on November 10, 2016

DRAFT



MINUTES

Committee on Development and Planning
Thursday, November 10, 2016 @ 10:00 a.m.
Council Chambers, City Hall

CALL TO ORDER

The meeting was called to order at 10:02 a.m.

ROLL CALL

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

OTHERS PRESENT

Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Eric Farrington, Sheet Metal Workers
Brian Brannick
Steve Japinga, Lansing Regional Chamber of Commerce
Mark Mello, Sheet Metal Workers
Zane Hubbard, IUDE 324
Joseph Lopez
Eric Brewer, Internal Auditor

Ordinance – Transparency in the Bidding and Opening of Bids for Projects that Receive Certain Economic Incentives Approved by the Lansing City Council

Council Member Washington highlighted notes from Council Member Wood on the history of the ordinance and outlined the process of the establishment of the Ordinance. Council Member Washington then acknowledged the organizations that participated in the process including the Lansing Chamber, the labor unions, and LEAP. Through the Chamber and LEAP businesses have been made aware of the proposed ordinance, and until the final draft nothing was heard from the businesses until the final draft. Because of that interest after the public hearing there was another meeting schedule with the group and the business was invited however they did not attend, and no one offered any further input. Council Member Washington referenced items in the ordinance which does not state who a developer has to hire but what they have to use for the criteria for hiring. This merely states developers have to put the bid out through the appropriate venues, and open the bids at a published place and time. The ordinance is not requiring a decision at the time of the opening, and they do not have to give the job to the lowest bidder. The ordinance would require they notify bidders if they did not get the bid but they don't have to say why. These charges are done because if the City is giving tax dollars, the local

DRAFT

regions should have the right to apply for the jobs. If the developers are willing to do all the paperwork and go through the steps to get the incentives, the developers should be willing to agree to this. Council Member Washington read information from Council Member Wood that time the Mayor signed an executive order which was the same as what the Council had been working on. But because the Executive Order was approved before the Ordinance passed the active document is the Executive Order not the Ordinance. This recent ordinance is a contractual ordinance which is an addendum to the universal development agreement. This would put a requirement to those that request tax incentives and make it open and open bidding opening in public locations. There will be public advertisement of bids, dates and opening dates, and bids of three or more. It was noted that there was a change added to the earlier proposed ordinance that changed the sunset period on the Ordinance from 10 years to five years. The ordinance will take effect 30 days after adoption by Council and be done as part of the contract with LEAP who will work with City Attorneys on the procedures.

PUBLIC COMMENT

Mr. Japinga acknowledged the Council members who worked on the ordinance, the union and all other participants in the group, along with allowing the Chamber to participate. Mr. Japinga did confirm that the Lansing Chamber cannot agree with the ordinance, and agrees some developers are doing the right thing, and there needs to be a line on transparency. The Chamber has reached out to the Mayor's office on the earlier Executive Order to see if there are any changes that can be made. Council has the opportunity to vet the properties and ask the questions. Mr. Japinga confirmed the Chambers understanding of these amendments and understands that with the Executive Order what Council can do. Mr. Japinga concluded by stating his opinion that if there are going to be changes, it needs to be uniform across the county. They do not want Lansing to have any disadvantages and they want Lansing to compete with a transparent system.

Council Member Brown Clarke stated that the frame work is not to be problematic, and even in duplication of process, some times that is best practice. It is not duplication, but an additional application. With all the things happening in a development agreement, the City is asking to take that information in a form to show that the process has been followed. She continued by stating that moving forward Council does not want to sway a builder, but this shows integrity and trust in the process. The City Council's only ability is having to do this in an Ordinance, and they are not trying to be obstructive.

Council Member Washington acknowledged the Mr. Japinga and the Lansing Chamber for their participation, recognized that the surrounding townships and cities are not participating, however the City cannot wait. It was noted with the ordinance the developers do not have to hire but this would require them to allow the local contractors the opportunity to apply.

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM OCTOBER 27, 2016 AS PRESENTED. MOTION CARRIED 2-0.

Council Member Washington informed the public that the Ordinance will be up for passage at the November 14, 2016 Council meeting.

Mr. Smiertka stated he had no comments.

Council Member Washington introduced the new Internal Auditor.

DRAFT

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE ORDINANCE AND MOVE IT TO THE FULL COUNCIL. MOTION CARRIED 2-0.

Council Member Brown Clarke encouraged a follow up meeting with the group that worked on the ordinance after it is passed to review any unintended consequences.

Adjourn at 10:27 a.m.

Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee on _____



Chris Swope
Lansing City Clerk

September 16, 2016

City Council President and Members of the Lansing City Council
10th Floor City Hall
Lansing, MI 48933

Dear President and Council Members:

Pursuant to Article 8, Chapter 4, Section 8-403.3 of the Lansing City Charter, on September 13, 2016 the Law Department placed on file in my office a Lease Agreement for Property between the City of Lansing and Zip the Grand, Inc. for a portion of Parcel 33-01-01-09-453-082 (West side) and a portion of Parcel 33-01-01-09-452-004 (East side), Adado Riverfront Park, City of Lansing, Michigan. Under the Charter, a public hearing may be held on this matter on or after October 13, 2016.

This document is available for review at the office of the City Clerk or at <http://www.lansingmi.gov/clerk> under the heading of Documents Placed on File.

Sincerely,

A handwritten signature in black ink that reads "Chris Swope".

Chris Swope, CMC
Lansing City Clerk

LICENSE AGREEMENT
BETWEEN CITY OF LANSING
AND
ZIP THE GRAND, INC.

1.1 THIS LICENSE AGREEMENT made this _____ day of _____ 2016 by and between the **CITY OF LANSING, (Licensor)**, a municipal corporation with offices at 124 W. Michigan Avenue, Lansing, Michigan 48933 and **ZIP THE GRAND, INC., dba CAPITOL ZIP (Licensee)**, with offices at 4718 Norfolk Circle, Portage, MI 49024 agree as follows:

PREMISES

2.1 Licensor licenses the Premises described below to Licensee who has inspected the Premises and is satisfied with the condition of the Premises, in the present "as is" condition, Licensee understands that this license is personal and exclusive to it and does not convey an interest in land to licensee. Furthermore, Licensee shall, at its sole cost and expense, make all repairs necessary to maintain the Premises, at a minimum, in its current condition as of the Commencement Date during the Term of this License. This obligation of the Licensee shall include, but not be limited to all improvements, modifications or alterations to or on the Premises approved in writing by the Licensor; said Premises generally described as:

Parcel 33-01-01-09-453-082 (West side) and Parcel 33-01-01-09-452-004 (East side) and as further depicted in attachment A to this agreement.

THIS LICENSE AGREEMENT WILL BE AMENDED TO INCLUDE THE COMPLETE LEGAL DESCRIPTION OF THE SUBJECT PROPERTY UPON A SURVEY BEING CONDUCTED BY THE LICENSEE WITH ALL COSTS FOR OBTAINING SUCH SURVEY TO BE THE RESPONSIBILITY OF THE LICENSEE.

TERM

3.1 The Term of this License will commence on _____ ("hereafter known as the effective date"), unless sooner terminated or extended in accordance with the provisions of this License, terminate on the Termination Date.

3.2 On the Termination Date, this License shall automatically terminate without any further action by either party, except that either party may cancel this License with or without cause, for any reason or for no reason, upon giving the other party sixty (60) days advance written notice of the intent to cancel. Upon giving the required notice, this License shall terminate. However, claims for unpaid license fees or other liability arising out of Licensee's possession and use of the premises shall survive any termination. After termination of this License, the Licensors shall take full possession of the property in accordance with Sec. 20.1 of this License.

3.3 The Termination Date shall be ten (10) years from the execution of this License or sooner if either party provides notice in accordance with Sec. 3.2 of this License.

LICENSE FEE

4.1 Licensee shall pay to Licensors the Annual Base License Fee. The Annual Base License Fee shall be pro-rated for any partial year in which the Annual Base License Fee is owed. In the event of a termination of this License by either Party, the Licensee shall not be entitled to a partial refund of the Annual Base License Fee paid by Licensee to Licensors. The Annual Base License Fee for year 2016 shall be paid to the Licensors on or before the Commencement Date, but thereafter shall be due the first of each month. Any payment thirty (30) days late will be assessed a late fee of \$50.00.

4.2 Licensee will pay the total sum of \$6,000 annually, to be paid at the beginning of each new license year, for a period of ten (10) years with the option to renew for two (2) consecutive five (5) year periods at the same rate. The right to renew is conditioned on the Licensee providing Licensors written notice of the intent to renew at least 90 days before the expiration of the current license term. The monthly fee reflects the right to use the 5,000 sq. ft. open park space on the East side of the Grand River as well as the 100 sq. ft. of open park space located on the West side of the Grand River along E. Saginaw Street, as per the attached parcel descriptions.

4.3 In addition, to the annual license fee, Licensee, will pay 2.5% of gross gate admissions directly to the Licensors's Parks and Recreation Department for the same period. Gross gate receipts are the revenue received from regular ticket sales. Special events, souvenir sales, corporate outings and revenue generated in conjunction with school field trips to Capitol Zip will not be subject to the fee paid to the Licensors. Annual review/audit of gate admission sales will be conducted between Capitol Zip and the City Parks and Recreation Board for computation of the gross receipts. *The*

percentage of the gross gate receipts will be renegotiated after each five (5) year term not to be less than 2.5%. Regardless of the amount of the license fee, it represents a fair value for the issuance of the license and its collection by the Licensee does not create an agency, partnership or any other business relationship beyond what is specifically described in this agreement.

PARKING AREAS

5.1 During hours of operation Licensee will have non-exclusive access to the existing on-site parking area located on the grounds on the East side of the Grand River. In addition, Licensee will provide approximately Fifty (50) parking spaces and bathroom facilities at the adjacent retail location of 711 Center Street for patrons.

DATES AND HOURS OF OPERATION

6.1 Anticipated months of downtime include December, January and February. However, Licensee reserves the right to operate twelve (12) months a year (weather permitting). The expected hours of operation will be Sunday through Thursday until 11:00 p.m. and Friday and Saturday until 12:00 a.m. Exceptions to the evening hours would be permitted during special events such as July 4th, with written permission by the Licensor. Start times will be determined by the Licensee but in no circumstance will the operations begin before 8:00 a.m.

TAXES AND ASSESSMENTS

7.1 The Parties acknowledge that these Premises are not currently subject to real property tax. However, should the taxable status of the Premises change and otherwise be subject to real property taxation, Licensee shall be responsible for all personal and real property taxes, including but not limited to ad valorem taxes, assessments (general, special, ordinary or extraordinary), sewer rents, rates and charges, taxes based upon the receipt of rent (other than federal, state and local income taxes), payments in lieu of taxes and any other federal, state or local charge (general, special, ordinary or extraordinary) which may now or hereafter be imposed, levied or assessed against the Premises.

7.2 Licensee shall pay in full to the appropriate taxing authority, before becoming delinquent, all municipal, county and state taxes assessed, levied or imposed upon Licensee's interest and all furniture, fixtures, machinery, equipment, apparatus, systems and all other personal property of any kind located at, placed in, or used in connection with the Premises or its operation, and Licensee shall produce evidence of the payment of such taxes to Licensor in

the form of the paid receipt from the municipal taxing and assessing authorities at least ten (10) days prior to the date on which such taxes are due.

UTILITIES

8.1 Licensee shall pay, as they become due, all charges directly related to the applicable service provider for water, gas, heat, electricity, sewer, refuse collection, janitorial services, phone and other utilities used upon or furnished to the Premises. Any and all security deposits required by the companies providing such utilities shall be the sole responsibility of Licensee.

USE OF PREMISES

9.1 The Premises shall be used and occupied by Licensee for the primary purpose of operating a zip line from a 40' tower on the west side of the Grand River along E. Saginaw Street to a tower located at the NE corner of E. Saginaw Street and the Grand River and for no other purpose without the prior written consent of Licensor. Any request by the Licensee to use the Premises for any other purpose other than the Designated Use stated above shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.2 Licensee also intends to construct a 6' – 8' safety fence around the parameter of the 50' x 100' East side of Premises in conformance with all construction and zoning codes of the City of Lansing. The area surrounding the West side structure is self-contained and will stay locked and secured on a twenty-four hours a day, seven days a week (24/7) basis unless required access is needed for employee entrance or maintenance.

9.3 Licensee shall be expressly prohibited from charging any form of fee for persons parking on the Premises without the prior written consent of the Licensor. Any request by the Licensee to charge any form of parking fee on the Premises shall be made in writing to the Director of Parks and Recreation for the City of Lansing.

9.4 Licensee shall not use or permit any person to use the Premises in any manner which violates or would create liability under federal, state or local laws, ordinances, rules, regulations or policies. Licensee shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other hazardous substances or materials in violation of applicable laws. Licensee shall not allow the storage or use of such substances or materials in any manner not sanctioned by law, or allow to

be brought into or onto the Premises any such materials or substances except to use in the ordinary course of Licensee's business. Without limitation, hazardous substances and materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., any applicable state or local law and the regulations adopted under these acts. In all events, Licensee shall indemnify Licensors in the manner elsewhere provided in this License against any liability resulting from any release of hazardous substances or materials on the Premises caused by Licensee or persons acting under or for Licensee. Licensee shall obtain and maintain any permits, licenses, authorizations, and approvals required by applicable statutes, codes, ordinances, and rules and regulations for the use and occupancy of the Premises for the Designated Use.

ENVIRONMENTAL DISCHARGE OR RELEASE

10.1 Any "Response Action" or remediation required due to a release, discharge, disposal, or exacerbation of a previous release, caused by the acts or omissions of Licensee or Licensee's agents, employees, representatives, contractors, guests or invitees shall be completed at the sole cost and expense of Licensee. Licensee shall indemnify, hold harmless and defend Licensors against any and all claims whether they are made by a government agency with jurisdiction over the Premises or a third party arising from or related to a release, discharge, disposal, or exacerbation of a previous release at the Premises.

CONSTRUCTION ON PREMISES

11.1 Licensee intends to construct a 40' – 45' ropes course on the East side of the Grand River and a 40' zip line tower on the West side of the Grand River along E. Saginaw Street and utilize a 50' x 100' parcel of park land at the NE corner of E. Saginaw Street and the Grand River, along with a 10' x 10' area at the NW corner of E. Saginaw Street and the Grand River. All construction will meet applicable set back requirements and federal, state and local codes.

11.2 Licensee acknowledges that any permits or approval needed related to wetlands or flood plains will be obtained from the Department of Environmental Quality and any other necessary agencies as required by law.

LIGHTING

12.1 Licensor will permit a lighted sign to be affixed to the West side zip line tower that complies with the local sign ordinance. In addition, the Licensee will provide all necessary lighting for the safety of the public during evening and night hours.

SECURITY DEPOSIT

13.1 Licensee shall be required to tender the Security Deposit of Fifteen Thousand Dollars (\$15,000.00) on or before the Commencement Date of this License. The Security Deposit shall be paid to the Licensor and held in a separate account by the Parks and Recreation Department of the City of Lansing. The City shall not access the Security Deposit unless this License is terminated, for any reason, and the Premises require repair, maintenance, deconstruction or remediation. Licensor shall only return that portion of the Security Deposit that remains after the Premises are restored to the condition prior to the commencement of this License.

FIRE DAMAGE OR CASUALTY

14.1 Licensee shall give immediate notice to Licensor of fire or other casualty at the Premises. If fifty percent (50%) or more of the Buildings or Premises are damaged or destroyed by fire or other casualty, Licensor shall have the right, but not the obligation, to terminate this License by giving written notice to Licensee of its election to terminate, notice to be given within ninety (90) days after the occurrence.

Any license fee or other charges owing shall be paid through such date. If Licensor terminates this License due to such damage to the Buildings or Premises, Licensee shall assign the insurance proceeds applicable to the Building and all other improvements on the Premises to Licensor.

If less than fifty percent (50%) of the Buildings or Premises are damaged or destroyed by fire or other casualty or Licensor does not terminate this License as set forth above, Licensee shall promptly repair or restore the Premises in a manner and to a condition equal to that existing prior to the occurrence of the damage or casualty, in which case any applicable insurance proceeds shall be used for such repair or restoration. There shall be no abatement of the license fee or other charges in the event of any fire or other casualty.

Notwithstanding the foregoing, each party shall look first to any insurance coverage that it carries or any insurance coverage that such party would have if it met the requirements of this License, before making any claim against the other party for recovery for loss or damage

resulting from fire or other casualty, and to the extent that such insurance, or the insurance required by this License, if in force, would have paid the claim, Licensors and Licensee each release and waive all right of recovery against the other or anyone claiming through or under each of them by way of subrogation or otherwise. Licensee acknowledges that Licensors will **n o t** carry insurance on the Premises or on Licensee's personal property, fixtures, and improvements, and agrees that Licensors will not be obligated to repair any damage or replace same.

REPAIRS AND MAINTENANCE

15.1 Licensee shall, at its own expense, maintain, repair and replace the Premises and every part to the satisfaction of Licensors. Licensors agrees to mow all grass areas and clear snow from parking lots and sidewalks where applicable, excluding 711 Center Street, Lansing. Licensee shall, at its own expense, maintain the Premises in a clean and safe condition in accord with all federal, state and local laws, ordinances and regulations and comply with all directions of any health officer, fire marshal, building inspector or other governmental agency having jurisdiction over the Premises.

15.2 Licensee shall repair all damage to the Premises caused by any activity of Licensee, including but not limited to the negligence or willful acts of Licensee, its agents or invitees. All repairs shall be of quality equal to the original construction.

15.3 There shall be no reduction in the Annual Base License Fee or other charges nor shall there be any liability on the part of Licensors by reason of inconvenience, annoyance or injury to Capitol Zip arising from Licensee or others making or failing to make any repairs, alterations, additions or improvements to any portion of the Premises.

15.4 Licensee shall keep the Premises free of liens for work claimed to have been done for, or materials furnished to Licensee and will hold Licensors harmless from any liens which may be placed on the Premises except those attributable to the acts of Licensors. In the event a construction or other lien shall be filed against the Premises or Licensee's interest as a result of any work undertaken by Licensee, or as a result of any repairs or alterations made by Licensee, or any other act of Licensee, Licensee shall, within thirty (30) days after receiving notice of the lien, discharge the lien. In the event Licensee shall fail to discharge such lien, Licensors shall have the right, but not the obligation, to terminate this Licensee or procure such discharge, and Licensee shall pay the cost of procuring such discharge to Licensors as an additional fee within thirty (30) days of Licensors receiving such discharge.

INSURANCE AND INDEMNITY

16.1 Licensee shall maintain in full force and effect policies of broad form general liability insurance providing coverage for the Premises, including without limitation all parking areas, with policy limits of not less than \$1,000,000.00 per occurrence, and a \$3,000,000.00 limit in excess or umbrella liability coverage, exclusive of defense costs, and without any provision for a deductible or self-insured retention. In the event any policy or policies of insurance which Licensee is required to maintain shall be written on a "claims made" insurance form, each policy shall have a "retroactive date" which is not later than the Commencement Date. Furthermore, should insurance coverage be written on a "claims made basis", Licensee's obligation to provide insurance shall be extended beyond the termination date for an additional period equal to the statute of limitations for such claims in the State of Michigan.

16.2 Licensee shall maintain in full force and effect through the Term of this License policies of all risk property insurance covering its personal property, fixtures and improvements to their full replacement cost, without deduction for depreciation. Such insurance shall provide the broadest coverage then available, including coverage for loss of profits or business income or reimbursement for extra expense incurred as the result of damage or destruction to all or a part of the Premises.

16.3 Licensee shall also maintain in full force and effect through the Term of this License insurance against fire, vandalism, malicious mischief and such other perils as are included from time to time in a standard extended coverage endorsement and special extended coverage endorsements, insuring the Premises and all improvements in an amount equal to the full replacement cost of the Building and all other improvements on the Premises.

16.4 All insurance policies which Licensee is required to maintain shall, in addition to any of the foregoing, be written: By carriers authorized to write such business in the State of Michigan reasonably acceptable to Licensors; Name Licensors and Licensee's lender as additional named insured; Be endorsed to provide that they shall not be canceled or changed materially in any manner adverse to Licensors for any reason except on thirty (30) days prior written notice to Licensors and Licensee's lender; and, Provide coverage to Licensors whether or not the event or occurrence giving rise to the claim is alleged to have been caused in whole

or in part by the acts or omissions or negligence of the Licensee. All insurance coverages required shall be primary and non-contributing to any comparable liability insurance (including self-insurances) carried by the Licensor. Licensee shall deliver certificates of insurance evidencing the coverage and endorsements required and copies of the original policies to Licensor within ten (10) business days of the License Date, together with receipts evidencing payment of the premiums. Licensee shall deliver certificates of renewal for such policies to Licensor not less than thirty (30) days prior to the expiration dates.

16.5 If Licensee fails to provide any of the insurance or subsequently fails to maintain the insurance in accordance with the requirements of this License, Licensor may, but is not required to, procure or renew such insurance to protect its own interests only, and any amounts paid by Licensor for such insurance will be owed by Licensee to Licensor, due and payable on or before thirty (30) days of the effective date of such policy. Licensor and Licensee agree that any insurance acquired by Licensor shall not cover any interest or liability of Licensee.

ASSIGNMENT

18.1 Licensee shall not assign this License or sublet the Premises, without the prior written consent of Licensor. Any attempted assignment or subletting without consent shall be invalid.

INSPECTION OF PREMISES

19.1 Licensee shall permit Licensor or Licensor's authorized agency, agent, representative or employee to enter the Premises during normal business hours for the purpose of inspecting the Premises.

NOTICE

20.1 All bills, notices, statements, communications or demands (collectively "Notices") required under this License must be in writing. Any Notices from Licensor to Licensee will be deemed to have been duly delivered if a copy has been personally delivered, or mailed by United States mail, postage prepaid, or sent via courier service to Licensee at the address of the Premises or other address as Licensee may later designate in writing. Any Notices from Licensee to Licensor will be deemed to have been duly and sufficiently given if delivered to Licensor in the same manner as provided above at the Licensor's Office, care of the Mayor of the City of Lansing with a copy to the Director of Parks and Recreation, City of Lansing, or at such other address as Licensor

may designate in writing.

DEFAULT

21.1 Each of the following shall be deemed an event of default: (i) Licensee's failure to make payment of the License Fee due within ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (ii) Licensee's failure to perform any of the covenants of this License for more than ten (10) days after Licensee's receipt of written notice of such failure from Licensor; or (iii) if Licensee shall petition for relief under the bankruptcy laws, or shall make an assignment for the benefit of creditors, or if a receiver of any property of the Licensee be appointed in any action, suit or proceeding by or against Licensee, or if Licensee shall admit to any creditor or to Licensor that it is insolvent, or if the interest of Licensee in the Premises shall be sold under execution or other legal process, or if Licensee shall abandon the Premises.

21.2 Upon the occurrence of an event of default, Licensor shall have the right to terminate the License and shall be entitled to immediate possession of the Premises. Licensor may make its election to terminate known to Licensee by delivery of a notice of termination. Such termination shall be immediately effective and Licensor shall be entitled to commence an action in summary proceedings to recover possession of the premises. Licensee waives all notice in connection with such termination, including by way of illustration but not limitation notice of intent to terminate, demand for possession or payment, and notice of re-entry.

21.3 No receipt of money by the Licensor from the Licensee after the termination of this License shall reinstate, continue or extend the term, nor affect or waive any notice given by the Licensor to the Licensee prior to receipt of such money.

21.4 If Licensor at any time terminates this License, in addition to any other remedies it may have, it may recover from Licensee all damages it may incur by reason of any default, including the cost of recovering the Premises, reasonable attorneys' fees, and damages equal to unpaid License Fees, all of which amounts shall be immediately due and payable from Licensee to Licensor.

21.5 The Licensor's rights, remedies and benefits provided by this License shall be cumulative, and shall not be exclusive of any other rights, remedies and benefits allowed by law.

21.6 Licensors and Licensees agree that they shall rely solely upon the terms of this License to govern their relationship. They further agree that reliance upon any representation, act or omission outside the terms of this License shall be deemed unreasonable, and shall not establish any rights or obligations on the part of either party.

21.7 One or more waivers of any covenant of the License by either party shall not be construed as a waiver of a subsequent breach of the same covenant and the consent or approval by Licensors to or of any act by Licensees requiring Licensors' consent or approval shall not be deemed a waiver of Licensors' consent or approval to or of any subsequent similar act by Licensees. No breach of a covenant of this License shall be deemed to have been waived by Licensors, unless such waiver: (i) is in writing signed by Licensors; (ii) identifies the breach, and (iii) expressly states that it is a waiver of the identified breach.

21.8 Notwithstanding anything to the contrary, Licensees acknowledge and agree that its obligation to pay the License Fee under this License is an independent covenant, and that such obligation to pay is not subject to setoff or recoupment in connection with any action for summary proceedings to recover possession of the Premises.

21.9 Licensors and Licensees waive trial by jury in connection with any action for summary proceedings to recover possession of the Premises. Further, Licensors and Licensees waive trial by jury in connection with any action arising out of or relating to the covenants of this License, with the exception of actions for personal injury or property damage.

21.10 In the event that Licensors are required to bring an action arising out of the covenants of this License, or in the event Licensors undertake an action for summary proceedings to recover possession of the Premises, Licensees agree to pay Licensors such reasonable costs and attorneys' fees as Licensors may incur in connection with such action.

21.11 Licensees shall not be entitled to surrender the Premises to avoid liability for the License fee due to the condition of the Premises, nor shall any purported consensual surrender be effective unless expressly agreed to in a writing signed by the Licensors.

21.12 Licensors and Licensees represent that in the event an action for summary proceedings to recover possession of the Premises is commenced, the amount set forth in this License shall be deemed a reasonable license fee for the Premises.

SURRENDER OF PREMISES

22.1 Upon termination Licensee shall surrender the Premises clean and in the same condition as on the Commencement Date, except for any improvements allowed to remain by Licens or, and promptly deliver all keys for the Premises to Licens or. Any damage to the Premises resulting from removal of trade fixture, personal property or similar items shall be repaired at Licensee's expense. All expenses incurred by Licens or in connection with repairing or restoring the Premises to the designated condition, together with the costs, if any, of removing any property of Licensee shall be invoiced to Licensee and be payable within ten (10) days after receipt of invoice. If payment is not made on the invoice, Licens or shall be entitled to access the Security Deposit to pay the invoice.

PERFORMANCE COVENANTS

23.1 If Licensee fails to pay any money or to perform any covenant required by this License, Licens or shall have the right, but not the obligation, to make such payment or access the Premises and perform such acts. All sums so paid or incurred by Licens or and all incidental costs, including without limitation the cost of repair, maintenance or restoration of the Premises, shall be deemed additional fees and shall be due and payable within thirty (30) days of Licensee's receipt of any invoice.

HOLDING OVER

24.1 If Licensee remains in possession of the Premises after the Termination Date, it will be deemed to be occupying the Premises as a month to month Licensee, subject to all the covenants of this License to the extent that they can be applied to a month to month Licensee, except that the monthly installment of the base license fee for each month will be Ten Thousand Dollars and 00/cents (\$10,000 .00) payable on the first day of each month Licensee holds over.

INDEMNIFICATION, RELEASE OF LIABILITY AND WAIVER

25.1 Licensee shall, at its expense, indemnify, defend, and hold harmless Licens or, its licensees, servants, agents, employees and contractors, from any loss, damage, claim, liability

or expense, (including reasonable attorney fees) of any kind, type or description, including without limitation, claims for bodily injury, disease, death, property damage or environmental clean-up arising directly or indirectly out of or in connection with the acts or omissions of Licensee, its licensees, servants, agents, employees, guests, invitees or contractors, or the failure of Licensee to comply with any covenant of this License.

25.1 Licensee shall require that each participant in activities provide by the Licensee execute a release and waiver agreement as set forth in Attachment B to this agreement.

NON - DISCRIMINATION

26.1 Licensee shall not discriminate in the hiring of any employees or contractors, in its use of the Premises or in any activities conducted or permitted on the Premises, directly or indirectly on the basis of age, race, color, religion, national origin, sex, height, weight, handicap, marital status, sexual orientation, political orientation or any other illegal basis.

ADDITIONAL PROVISIONS

27.1 Time is of the essence in all provisions of this License.

27.2 Any waiver, alternation, modification or amendment of this License shall not be effective unless in writing and signed by all parties.

27.3 This License shall be binding upon and the benefits shall inure to the heirs, successors, representatives and assigns of the parties.

27.4 Any failure of either party to enforce at any time any term or condition of this License shall not be construed to be a waiver of such term or conditions or of right of either party to enforce such term or condition.

27.5 This License constitutes the entire agreement between the parties and there are no agreements or understandings concerning the subject matter of this License which are not fully set forth.

27.6 If any provision of this License is invalid or unenforceable, the other enumerated provisions shall be liberally construed to effectuate the purpose and intent of this License.

27.7 Any notice, demand, request or other instrument which may be or is required to be given under this License shall be sent by United States mail, certified, return receipt requested, postage prepaid and shall be address, if to the Licensor, to the Parks and Recreation Department, 200 N. Foster Avenue, Lansing, MI 48912 with a copy to the City Attorney's Office, 5th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933, or such other address as Licensor may designate by written notice and if to Lessee, to Capitol Zip Inc., 565 Comstock Avenue, NE, Grand Rapids, MI 49505, or at such other address that Licensee shall designate by written notice.

27.8 The parties represent that their respective signatories execute this Lease with the requisite authority to sign and bind the parties and that each party respectfully has complied in all respects with their applicable by-laws, charters, articles and constitutions and have passed all necessary resolutions before executing this License.

27.9 All questions with respect to the construction of this License shall be determined in accordance with applicable Michigan law.

27.10 Reference in this License to persons, entities and items have been generalized. Licensors or Licensee may mean one person, entity or thing whenever such usage is appropriate or a group of persons acting as a single entity. Similarly, pronouns of one gender should be considered interchangeable with pronouns of the other gender.

CONDITIONS PRECEDENT

28.1 This License is conditioned upon the Licensee obtaining financing within Three Hundred and Sixty-Five Days (365) from the date of execution of this agreement. Furthermore, Licensee is committed to repaying any financing obtained for this business enterprise within five (5) years of the date of signing this License.

IN WITNESS WHEREOF, Licensors and Licensee have executed this License as of the date below.

LICENSOR:

The City of Lansing
a Michigan municipal corporation

By _____

Name: Virgil Bernero
Its: Mayor

LICENSEE:

Zip the Grand, INC.
DBA: Capitol Zip

By _____

Name:
Its: Authorized Agent

Approved as to form:

James D. Smiertka
Lansing City Attorney

Chris Swope
Lansing City Clerk



CONFIDENTIAL

Capitol Zip, LLC

Where Urban Excitement Meets Outdoor Adventure

Business Plan

Prepared September 2016

Contact Information

Jarl Brey
capitolzip@gmail.com
269-330-4461
www.zipthegrand.com
4718 Norfolk Circle
Portage, Michigan 49024, USA

Table of Contents

Executive Summary1

 Who We Are.....1

 What We Sell1

 Who We Sell To2

 Financial Summary2

Company.....4

 Company Overview4

 Management Team.....5

Products and Services6

 Products and Services6

 Competitors7

Target Market8

 Market Overview.....8

 Market Needs8

Strategy and Implementation.....10

 Marketing Plan10

 Milestones.....14

Financial Plan	19
Revenue Forecast	19
Personnel Plan.....	21
Budget.....	23
Cash Flow Assumptions.....	25
Loans and Investments.....	25
Financial Statements	27
Profit and Loss Statement	27
Balance Sheet.....	30
Cash Flow Statement	32
Appendix	35
Revenue Forecast	35
Personnel Plan.....	37
Budget.....	38
Loans and Investments.....	40
Profit and Loss Statement	41
Balance Sheet.....	45
Cash Flow Statement	48

Executive Summary

Who We Are

We are an “ Outdoor Urban Adventure” ropes course and zip line located along the banks of the Grand River in Lansing, Michigan. While respecting the river and all of the natural beauty that it brings to Mid-Michigan, we will give visitors and residents of Ingham County and the city of Lansing a tremendous experience that will last a lifetime. By returning a percentage of sales back to the Parks & Recreation Department, we will enhance the Lansing City Park system while insuring the continued maintenance of the park grounds. We will encourage even greater utilization of the downtown park and bike path locations.

What We Sell

Capitol Zip will provide the region with an experience that will continually challenge customers on a three story ropes course and 800' zip line which will carry them across and back over the Grand River in downtown Lansing, Michigan. In addition, we will offer corporations and groups the opportunity to participate in activities that help them overcome fears, build confidence and enhance team building skills. Free monthly workshops will be offered via our non-profit partner to groups of children selected from the Lansing Public Schools. Capitol Zip will offer a large variety of promotional clothing and promotional products available in our retail location adjacent to the Capitol Zip site along Grand River Ave. We will offer the Sky Tikes devoted to children under 46". Lastly, we will offer Capitol Zip Memberships on a limited basis allowing members ease of access, greater discounts and jump the line status.

Who We Sell To

We will provide our urban adventure to thrill seekers, weekend warriors, company team members, teenagers, college students, families and just about anyone who is willing to take on a safe and challenging adventure. Lansing Statistics: Michigan's 5th largest city with 113,972 city and 464,036 metropolitan residents. Annually, 4.7 million visitors spend approximately \$424 million. There are approximately 48,450 households and 26,234 families. Median age: 32.2. 24% are under the age of 18. 12.3% are between 18 and 24. 30% are between the ages of 25 and 44. 9.7% are 65 years old or older.

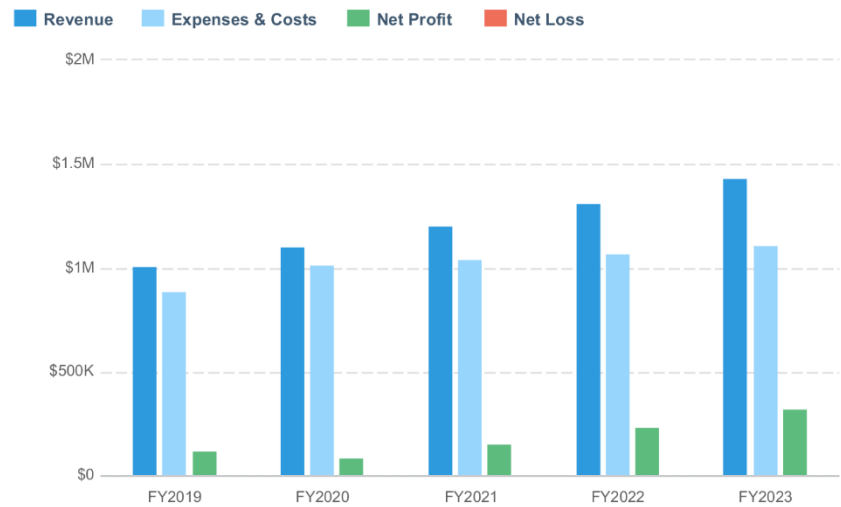
Convention Population: An Estimated 300,000 people visit the Lansing Center each year. In 2014, 72,641 amateur athletes visited the area and 291,000 additional spectators attended various amateur athletic events. College Students population: Michigan State University (50,000), Lansing Community College (22,000), WMU / Cooley Law School (3,600). Lansing Public Schools K-12 (11,695) from a total of (34) schools. Top 15 Area Corporations: The State of Michigan is the largest employer in the area with a total of 14,249 employees. There are approximately 68,954 employees that are employed by these top (15) corporations.

Financial Summary

Financial Highlights

Capitol Zip will need substantial start-up capital. It is expected that the amount needed will be secured through no more than (17) private investors. Sales are expected to start conservatively the first year and increase at a rate of 10% per year through the fifth year of operations. Operating income will pay back the start-up loan over a six year amortization.

Financial Highlights by Year



Company

Company Overview

We are an “ Outdoor Urban Adventure” ropes course and zip line located along the banks of the Grand River in Lansing, Michigan.

- Owners: Jarl Brey & Jane Timmer
- Date of formation: January 9, 2013
- Legal structure: S-Corporation
- Current Office location: 4718 Norfolk Circle, Portage, MI 49024
- Business stage and conception: Start Up
- The key day-to-day processes that our business performs to serve our customers are as follows:
 - Sales will primarily take place on-site, at our retail office or through our website.
 - Special visitor passes will be sold through area merchants, restaurants and hotels.
- Corporate Team Building Programs: Developed by our Capitol Zip partner, the programs will be aimed at corporate team building.

Marketing: Ongoing Cross Media being utilized throughout the life of the business. Electronic, outdoor media will be used on thirty-day intervals in strategic locations along the major routes leading into the city from all directions. Cross marketing efforts with area hotels, restaurants and museums will also be utilized. Promotional efforts with local media outlets will be executed during strategic promotional points throughout the calendar year. Sponsorship's being made available to other Lansing events that align with our core values will be encouraged. Customer Service: All associates (employees) that work on either the zip line or ropes course structures will be at least 18 years of age and trained in pre-safety and day to day management duties. Team members will rotate responsibilities of support and team leadership. All team members are expected to be healthy, friendly, helpful and able to handle any situation that may arise. Accounting/ Payroll: An electronic time card system as well as direct deposit will be implemented to insure a seamless process from when the team member signs in at the beginning of a pay period to receiving their pay. Legal counsel will be used to draft all legal documents from special land usage agreements with the city and

county to ownership/ partnership contracts.

Management Team

Jarl Brey

Title: Partner, CEO and General Manager

Key Functional Areas Covered: Oversee all aspects of day to day operations and corporate sales. Past positions, successes and/ or unique qualities: 30 years sales experience and a former small business owner. Educational background: B.A., Advertising, Michigan State University.

Jane Timmer

Title: Partner & President

Key Functional Areas Covered: Assist in all aspects of day to day operations. Responsible for team member training and development of corporate team building and special youth programs. Past positions, successes or unique qualities: 15+ years retail management experience, 15+ years corporate leadership development experience including Timmer Consulting, a leadership development and executive coaching company since 2001. Educational background: B.A., Education, Hope College

Products and Services

Products and Services

ROPES COURSE: A ropes course is the modern-day twist on the traditional obstacle course. Constructed of steel, cables and ropes strung between poles, ropes courses provide people of all ages the opportunity to learn about challenges, risks and rewards—in a safe, exciting and stimulating environment. Ropes courses provide the ultimate opportunity for campers, corporate teams, classmates and families to tackle their fears, push themselves, and work together to accomplish more than they thought possible.

ZIP LINE: Through our engineering excellence and passion for quality, we will construct a zip lines between two platforms on both sides of the Grand River, giving adventure-seekers of all ages the ride of their lives. Our zip line platforms are designed by licensed engineer to assure ultimate safety, and highest quality design for extended wear and tear.

SKY-TYKES: Designed to offer kids and adults a unique one of kind experience. The latest trend in climbing, Sky Tykes, positioned approximately 18" above the ground offering individuals under 46" tall, a wide range of unique climbing challenges. It is designed as an aspirational tool which will motivate younger/smaller participants to keep coming back until they are tall enough to participate in the higher ropes course

QUICK JUMP: The Quick Jump Free Fall Device provides an exciting element with high throughput and low operational costs to operators of amusement parks, family entertainment centers, adventure parks, shopping centers, resorts, ropes courses and more. The Quick Jump gives rider the feeling of a free fall, while safely controlling their descent.

RETAIL MERCHANDISE: We will offer various pieces of promotional clothing for sale (hats, t-shirts, sweatshirts, etc.)

SCHOOL PROGRAMS: In cooperation with Timmer Consulting, we will offer a number of programs for school age students. They will be designed to engage in leadership development as well as overcoming fear and team building exercises. These

half day programs will be offered at no-charge to students from the Lansing Public Schools. Other school systems will pay a nominal fee to participate as a group. Inclusion will be determined by the school system and based on a particular set of clearly defined standards.

CORPORATE PROGRAMS: We will offer specialized corporate team building packages.

MEMBERSHIPS: We will offer a limited number of annual Capitol Zip memberships that will allow users the ability to take advantage of rides and merchandise at discounted rates as well as giving them "first in line" access.

NAMING RIGHTS: We will offer a three-year contract allowing sponsorship of the structure. Signage will be made available on the top of the the 40' tower for our promotional partner. For marketing purposes, all printed material and advertising mentions will refer to the structure as the _____ Capitol Zip Line.

Competitors

Wildwood Ranch, 4909 Brophy Road, Howell, MI. Distance: 42.6 miles

Vertical Ventures: W Front St, Grand Ledge, MI. Distance: 14.2 miles

Target Market

Market Overview

- Families: There are 48,450 households and 26,234 families in the area.
- Current Downtown Event Population: Many events take place in downtown Lansing. Some events in the Old Town area report attendance figures as high as 7,000 per event for events like Blues Festival and Festival of the Sun/Moon. There are many events whose attendance total is not available.
- The Common Ground Festival will attract approximately 90,000 attendees throughout the week of events and concerts.
- Convention Population: An estimated 250-300k people visit the Lansing Center each year.
- College Students: There are approximately 75K students that attend the top three colleges and universities in the area (M.S.U., L.C.C. and W.M.U. / Cooley Law School).
- Baseball Attendance: The Lansing Lugnuts average 228K visitors per year. Approximately 3,560 visitors per night over the course of their (64) home game schedule.
- Traffic patterns are estimated at 30,000 cars per day pass by the site along Saginaw and Grand.

Market Needs

In January of 2013, under the direction of marketing professor Kelly Cowart PhD, one hundred and thirty marketing students from Grand Valley State University took part in producing market research on behalf of, our parent company, Zip the Grand, LLC. Our goal was simple: Help us better understand how today's college student thinks. The students were divided into (30) teams and were asked to approach the college student market to get their opinions and impressions of the idea of locating a ropes course and zip line along the Grand River. All groups developed an online questionnaire utilizing "Survey Monkey" that focused specifically on the following areas: spending habits, free time activity, disposable income, vehicles/ media use to promote our product and how will our target market respond to our pricing structure. As a result, approximately 2,000 college students responded to the various surveys that were distributed. We presented

our business plan overview in January and then fielded student questions throughout the semester. As part of their final grade, the students were required to present their findings in a competition based event. We listened to thirty presentations and determined a winner based on professionalism, presentation skills, content, data interpretation, clarity of oral presentation, creativity and quality of information gathered. A winning group was determined from each of the three class periods with an overall winner picked from the three finalist.

Key Information Uncovered:

- Target market prefers to participate in the experience with at least one other person which led us to develop a "two for one" pricing structure for students.
- Our pricing structure proved to be affordable and in line with what the target market was willing to spend on this form of entertainment.
- Segment spends their free time in local bars and clubs in the downtown area. As a result, cross promotions with these establishments will prove to be an effective means of reaching and growing the target market.
- An overwhelming number of respondents had participated in a ropes course or zip line.
- The majority of respondents would look to social media as their primary means of staying current with our promotional events.

Strategy and Implementation

Marketing Plan

Overview

Capitol Zip is uniquely qualified to succeed due to the following reasons:

- **First to Market:** Capitol Zip will be the first permanent zip line/ ropes course in an urban setting where customers can traverse 800' feet over a major waterway in the State of Michigan.
- **Management:** With over 60 years of combined sales and management experience we will create a unique management style that allows team members (employees) the ability to assume a management role on a weekly basis. This will empower them with greater management skills as well as instilling a sense of pride and responsibility in the overall project.
- **Education:** In conjunction with local universities we will offer internships centered around adventure education. Free Leadership and character development programs offered to Lansing Public School students.
- **Location:** We will be located on the northern edge of Adado Riverfront Park at the intersection of Saginaw and Grand and Saginaw and Center streets in Lansing, Michigan. We will work with Norfolk Southern Railways in an effort to allow access over their property which lies between our project and office site. An easement is not necessary but will prove to be a benefit for patrons to access the site. Upon site approval, we will make the formal application for a long term lease which will allow access between the two properties
- **Parking:** We will provide approximately (50) parking spaces on the grounds of our retail location at 711 Center Street. There are (7) public spaces in the park currently. Additionally, there are approximately (37) metered parking spaces along Grand Avenue and another (20) along Saginaw on the grounds of Lansing Community College. There are (25) spaces available to the public in the LCC parking ramp during the school week. The ramp is not utilized on Friday, Saturday or Sunday which could offer potential parking options.
- **Engineering/Safety:** Under the direction of Michigan based Ropes Courses, Inc., one of the nation's leading authorities on zip line construction, we will provide

the safest, most advanced ropes course construction available in the market. An annual safety check will be performed to insure that all features are working properly and safely. All participants will be required to sign a waiver which will indemnify and hold harmless, the City of Lansing and its employees should any accident occur while participating in the activities provided by Capitol Zip, Inc. The structure will be surrounded by a 6-8' security fence which will be locked and lighted during off hours. A security camera system will be installed and available to the department of public service should the need arise. All employees will be required to pass a legal background check to insure safety for all that work and participate in the business.

- **Customers:** We feel extremely confident that we can capture a sizable portion of the current downtown special event population, baseball fans, area college students, weekend warriors, thrill seekers, corporate team members, young professionals, families and convention attendees.
- **Marketing:** By utilizing cross media efforts, we will strategically and successfully promote Capitol Zip via facebook, twitter, email and text messaging. Aggressive outdoor/electronic billboard promotion will act as a compliment to all social media.
- **Successes achieved to date:** Our plan to introduce Capitol Zip to this region has received positive feedback from various departments at the City of Lansing staff as well as with economic leaders. With the necessary municipal approvals and financial support, we will be able to give visitors to Mid-Michigan a memorable experience.

Positioning

Capitol Zip is positioned to outperform competitors for the following reasons:

- **First to Market:** We will provides the first permanent zip line and ropes course in an urban setting where customers traverse a major waterway in the State of Michigan.
- **Best in Industry:** Our engineers at Ropes Courses, Inc. are a team of seasoned entrepreneurs, installers, project managers, educators and climbing enthusiasts with one common mission: to build adventures that take you and your customers to the edge and beyond.

- **Experienced Management Team:** Our management team brings over 60 years of sales, marketing and small business ownership experience to Capitol Zip.
- **Location:** Our location allows us to better serve customers because of its visibility and positioning on the northern end of Adado Riverfront Park as well as it's proximity to the major highway intersections and convention traffic. Based on 2013 Average Daily Traffic (ADT) Maps for the State of Michigan, nearly 30,000 cars a day will drive along Saginaw going through downtown Lansing. Our office/retail location will be located at 711 Center Street. Being located in close proximity to both downtown hotels and the Lansing Convention Center will allow us the ability to utilize corporate meeting space and lodging for "team building" programs. Capitol Zip will be a short walk (two bridges) along the bike path from the Radisson Hotel, the major hotel provider in the downtown area. Our site approval by Lansing Parks and Recreation Board allows us to ability to negotiate with property owner, Butch Ellis and his commercial broker on a long term lease agreement.
- **Parking:** We will provide approximately (50) parking spaces on the grounds of our retail location at 711 Center Street. There are (7) public spaces in the park currently. Additionally, there are approximately (37) metered parking spaces along Grand Avenue and another (20) along Saginaw on the grounds of Lansing Community College. There are (25) spaces available to the public in the LCC parking ramp during the school week. The ramp is not utilized on Friday, Saturday or Sunday which could offer potential parking options.
- **Restrooms:** Through our retail/office location at 711 Center Street, we will provide public restrooms during business hours.

Pricing

- Zip Line only (Minimum height 46" tall) \$15/ weekday \$20/ weekend
- Ropes Course only \$10/ weekday \$15/ weekend
- Zip Line and Ropes Course Combination \$20/ weekday \$30/ weekend
- Sky Tykes (Height under 46") \$10 anytime
- Quick Jump \$5 anytime
- Family Package (4 persons) \$70/ weekday \$100/ weekend
- Individual Package (10 zip - combo) \$150 flat rate
- Youth/ Church/ School Groups (10 person minimum - combo) \$15/ weekday \$25/ weekend

- Corporate: \$7,500 / Day

Promotion

Initial excitement will drive sales in the first two months of Capitol Zip. With the increased downtown traffic as a result of events like Common Ground, we will get maximum exposure. In addition, our initial marketing effort will be based on a percentage of sales. We anticipate relatively flat sales during the colder months, December, January and February. However, with frequent changes in temperature, we will be able to see small influxes of revenue during this period. Our strongest months will be March through November. We will offer Capitol Zip memberships at the beginning of November for the following year. These memberships will allow discounts on all products offered as well as "front of the line" perks. The number of memberships will be limited each year so as to encourage exclusivity. The increasing number of membership will be good for one year and will be re-offered annually to former Zip Line members. Capitol Zip clothing will be offered at our downtown retail location. We anticipate that 2 out of 10 riders will purchase either of these garments. Naming rights for Capitol Zip will allow a company located in Lansing area, the ability to gain maximum exposure. The ability to display signage affixed to the tower portion will provide a great deal of attention to the site and the attraction. As often as Zip the Grand is mentioned in literature, radio, billboard and television advertising, our naming rights partner is mentioned as well.

A new revenue stream. Investors as well as current and future patrons of Capitol Zip can take part in insuring that the grounds at Adado Riverfront Park will be properly maintained. As a part of our business model, we will return 2.5% of admission to the City of Lansing. These funds will be intended for the exclusive use by the Parks & Recreation Department for maintaining Adado Riverfront Park. Based on projections, this along with our monthly lease would generate approximately \$168,000 of additional revenue in the first five years alone.

Milestones

Milestone	Due Date	Who's Responsible	Details
Lansing Site Investigation	Completed	Jarl Brey	Visit Lansing to investigate potential sites for Ropes Course and Zip Line
Project Introduction	Completed	Jarl Brey / Jane Timmer	Meet with Lansing Convention and Visitors Bureau President, Jack Schripsema and Mike Price (Lansing Sports Authority) to discuss and introduce the project concept.
Parks & Recreation	Completed	Jarl Brey / Jane Timmer	Meet with Parks and Recreation Director, Brett Kaschinske to discuss utilizing park property in Old Town Lansing
Lansing Economic Connection	Completed	Jarl Brey / Jane Timmer	Meet with L.E.A.P. account manager, Tony Willis to introduce Capitol Zip and seek additional guidance in potential funding sources in the Mid Michigan area.
Lansing Waterfront	Completed	Jarl Brey	Meet with Lansing Kayak operators Paul Brogan for an overview of the economic climate along the downtown Lansing riverfront
Parks & Recreation Update	Completed	Jarl Brey	Meet with Brett Kaschinske for an update on existing conditions and strategy for utilizing public land for private use
L.E.A.P. Discussion	Completed	Jarl Brey	Meet with Karl Dorshimer and Keith Lambert to discuss potential funding sources for project. Phone: (517) 702-3387

Non-Profit Discussion	Completed	Jarl Brey	Meet with Jeffrey Smith, Director, MSU Foundation. Discuss "non-profit" options as a part of "for-profit" corporation
Investor Discussion	Completed	Jarl Brey	Meet with C.E.O. Matt Missad from Universal Forest Products to discuss potential partnership opportunities
Lansing City Planning	Completed	Jarl Brey	Meet with Brett Kaschinske, Bob Johnson and Susan Stachowiak to discuss challenges regarding Act 33 application as well as potential site stipulations
Site Visit	Completed	Jarl Brey	Meet with Brett Kaschinske at Old Town Lansing Grand River site to discuss challenges and specific location requirements
Act 33 Application	Completed	Jarl Brey	Submit formal application with City of Lansing to utilize public land by a private entity.
Investor Presentation	Completed	Jarl Brey / Jane Timmer	Meet with Lansing developer to present the project and seek funding for the project
Walnut Neighborhood Association	Completed	Jarl Brey	Overview and discussion with Dale Schrader, Association Member in order to gain support for the project
Old Town Commercial Association	Completed	Jarl Brey	Discussion and project overview with Board Member, Jamie Schriener-Hooper seeking endorsement of the project
MI Small Bus Dev Center - Plan Review	Completed	Jarl Brey / Jane Timmer	Business plan review by David Sayers

Public Presentation - Lansing Parks & Recreation /Planning	Completed	Jarl Brey / Jane Timmer	Formal presentation to Lansing Parks & Recreation requesting usage of Burchard Park in Old Town Lansing. Fielding questions and promoting application
Site Inspection - Turner Dodge Mansion	Completed	Jarl Brey	Meet with Parks & Recreation Director to look at the site located at 106 E. North Street in Lansing and determine the feasibility of utilizing the site
Physical Location - Adado Riverfront Park	Completed	Jarl Brey	Meet with Lansing Parks and Recreation and other member of the City of Lansing to agree on the specific location for the ropes course and zip line tower on each side of the river.
City of Lansing Overview	Completed	Brett Kaschinski	Presentation by Brett to clarify a specific location for the structure in downtown Lansing. Visuals will be discussed by city leaders for feedback and guidance.
Easment Discussion with Norfolk Southern	Completed	Jarl Brey	Contact representatives from Norfolk Southern to discuss easement options over property separating the proposed structure and retail locations
Site Approval Meeting - Parks / Rec City of Lansing	Completed	Jarl Brey	Present revised site plan and strategy surrounding the requested location along Saginaw at Grand presented and approved by the board
Retail Location Meeting	Completed	Jarl Brey	Meet with Butch Ellis and Tim Guyselman to discuss utilization of 711 Center Street for retail purposes

LCC Collaboration Discussion	Completed	Jarl Brey	Meet with Becca Sowa from LCC to discuss a possible internship program/marketing class research project.
L.E.A.P	Completed	Jarl Brey	Economic impact and potential investment discussion with L.E.A.P. leadership.
Revised Act 33 Application	Completed	Jarl Brey	Provide Bill Rieske, Assistant Planning Director with revised Act 33 Application for approval.
Lansing City Planning Commission	Completed	Jarl Brey / Jane Timmer	Presentation to City Planning Commission for approval. Plan then moves to Mayor's office for approval of further discussion by Planning & Development committee.
Business Plan Review	Completed	Jarl Brey	Business Plan review by David Sayers at the Michigan Small Business and Technology Development Center on the campus of Grand Valley State University.
Lansing City Council	Completed	Jarl Brey / Jane Timmer	As a result of City Planning Board approval, Capitol Zip will be recommended to be directed to the Planning and Development committee for in depth contract discussion.
Lansing Planning & Development	Completed	Jarl Brey	Committee meeting to review contract proposed with the City of Lansing before submission back to City Council for Approval
Lansing City Council	Completed	Jarl Brey / Jane Timmer	Seeking overall approval of Capitol Zip in downtown Lansing, Michigan following Planning & Development committee meeting.

Planning & Development	Completed	Jarl Brey	Seeking approval of revised lease agreement in order to proceed to City Council for overall acceptance by the City of Lansing.
City Council Appearance	Completed	Jarl Brey	Seeking full City Council approval of the license agreement which will enable partnership development in and around the Lansing area.
License Agreement Discussion / Input	October 10, 2016	Lansing City Council	Public discussion relative to the details surrounding the license agreement proposed with the City of Lansing

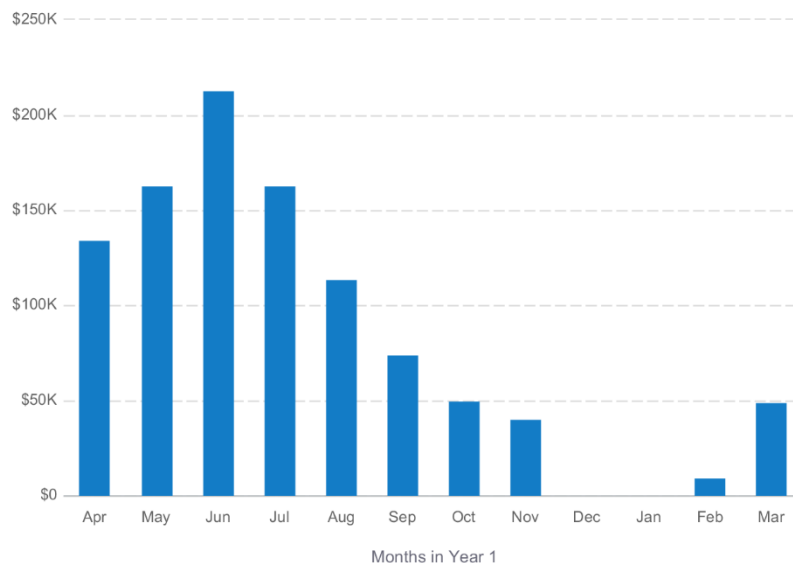
Financial Plan

Revenue Forecast

Revenue Forecast

	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue					
Ropes Course / Zip Line Ride	\$710,000	\$780,000	\$858,000	\$943,800	\$1,040,000
Corporate Group Events	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Ropes Course Membership	\$12,500	\$15,000	\$17,500	\$20,000	\$20,000
Clothing Sales	\$11,400	\$12,750	\$14,025	\$15,420	\$16,950
Naming Rights	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Quick Jump Sales	\$158,750	\$174,625	\$192,500	\$211,750	\$235,000
Total Revenue	\$1,012,650	\$1,102,375	\$1,202,025	\$1,310,970	\$1,431,950
Direct Cost					
Ropes Course / Zip Line Ride	\$17,750	\$19,500	\$21,450	\$23,595	\$26,000
Corporate Group Events	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Clothing Sales	\$5,700	\$6,375	\$7,013	\$7,710	\$8,475
Direct Labor					
Total Direct Cost	\$30,950	\$33,375	\$35,963	\$38,805	\$41,975
Gross Margin	\$981,700	\$1,069,000	\$1,166,062	\$1,272,165	\$1,389,975
Gross Margin %	97%	97%	97%	97%	97%

Revenue by Month



About the Revenue Forecast

Revenue forecast totals are based on capturing 6% (35,500 people) of the 608,000 total annual downtown market (Convention, Baseball, Common Ground & Festival of Sun/Moon). Current student population as well as annual Lansing visitors were taken into consideration but not included in that current downtown visitor market total. Revenue is expected to increase annually by 10%. We also took the following into consideration:

- Discussions with industry leaders including Brad Wuest, CEO, Natural Bridge Caverns, San Antonio, TX and Robin Turner, General Partner, WonderWorks, Inc., Myrtle Beach, SC
- Lansing Center attendance and discussions with Mike Price, Lansing Sports Authority: 4.7 Million annual Lansing visitors, 275K Annual Convention visitors
- Average nightly attendance for Lugnuts baseball: 3,560/night x 64 Home Games = 227,840 people
- Estimated annual commerce: \$424M
- Estimated attendance for local annual events: 90k Common Ground, 15-20K Old Town Festivals

- Student College population: 87,200 (MSU,LCC ,Cooley Law & Lansing Public Schools)
- Census data: 113,972 (City of Lansing) 464,036 (Metropolitan)
- Discussions with local business leaders: L.E.A.P., OTCA, Walnut Neighborhood & MSU
- City Size: 5th largest city in Michigan
- Largest Employer: State of Michigan (68,954)
- Traffic Count: Estimated 30k cars will travel past the site each day

Personnel Plan

Personnel Table

	FY2019	FY2020	FY2021	FY2022	FY2023
Team Leader	\$11,468	\$35,000	\$35,000	\$35,000	\$35,000
Team Associates	\$230,400	\$345,600	\$345,600	\$345,600	\$345,600
General Manager	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Total	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600

About the Personnel Plan

There will be (6) team associates working at all times. (2) gate/climber prep, (1) tower leads on the West side of the Grand River and (3) others working the three story ropes course structure on the East side of the Grand River. Our Team Leader will be responsible for day to day decisions as well as management of the retail office during the winter months. All team associates working on the ropes course structure and zip line tower will need to be at least 18 years of age and pass the necessary safety training through Ropes Courses, Inc. The General Manager will oversee all aspects of the operation with daily contact with Team Associates for the first six months and then hiring and training the Team Leader. All associates (employees) will be required to undergo a legal back ground check to insure the safety of all that participate in the day to day operation of Capitol Zip.

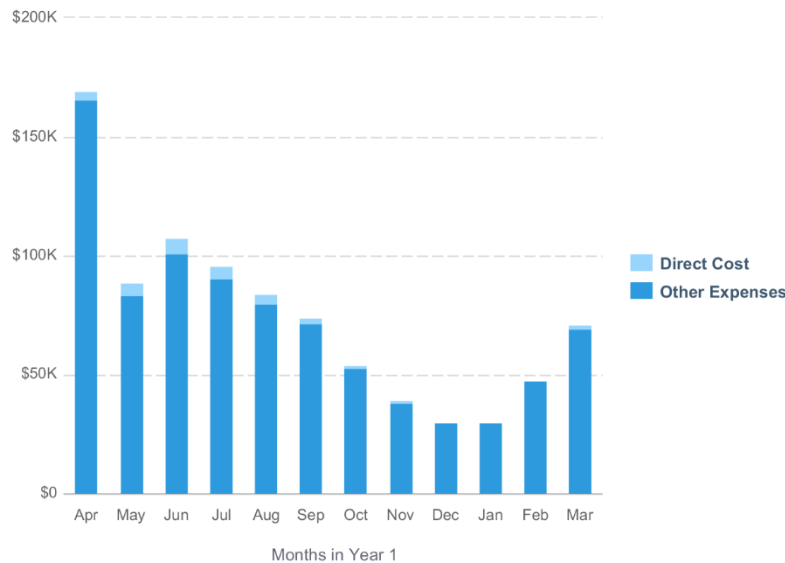
Challenges: Adequate number of staff on site at all times will continue to be a challenge. We anticipate needing fewer team members during low visitor hours and maximum staff during our peak hours of operation. Other similar operations have experienced "growing pains" with meeting this challenge. One of the most time consuming tasks for team members will be outfitting riders with their harness gear (staging). Our goal is to both have the proper number of staff on site at any given time that will allow for a enjoyable and safe experience and to be sure that riders never experience a "slow-down" during this phase.

Budget

Budget Table

	FY2019	FY2020	FY2021	FY2022	FY2023
Operating Expenses					
Salary	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600
Employee Related Expenses	\$62,374	\$90,120	\$90,120	\$90,120	\$90,120
Marketing & Promotions	\$20,253	\$22,048	\$24,041	\$26,219	\$28,639
Office Rent	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Utilities	\$2,300	\$3,600	\$3,600	\$0	\$0
Office Supplies / Equipment	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400
Liability Insurance	\$52,301	\$57,531	\$63,284	\$69,612	\$76,573
Accounting	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal	\$20,000	\$0	\$0	\$0	\$0
Location Lease	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Norfolk Southern Easement	\$1,700	\$1,200	\$1,200	\$1,200	\$1,200
City of Lansing Security Deposit	\$15,000				
Area Survey	\$5,000				
Total Operating Expenses	\$515,796	\$648,899	\$656,645	\$661,551	\$670,932

Expenses by Month



About the Budget

Payroll is by far the largest expense the company incurs. Staff will need to be managed and hours regulated so that hours worked correlate to sales. Emphasis will be placed on minimizing expenses that do not help generate bottom line. As discussed previously, one of the biggest challenges will be coordinating staff hours along with high traffic periods during the week.

We expect increases in our liability insurance as this is tied directly to sales and will be rectified at the end of each calendar year with our insurance providers.

Startup Costs

The majority of capital required to start the venture will be directly tied to construction and labor costs for the ropes course and return tower itself. In addition, we would like to have three months of operating costs as reserves prior to opening day.

Cash Flow Assumptions

Cash Flow Assumptions

Cash Inflow	
% of Sales on Credit	0%
Cash Outflow	
% of Purchases on Credit	0%
Inventory	
Months to Keep on Hand	0
Minimum Inventory Purchase	\$0

Loans and Investments

Loans and Investments Table

	FY2019	FY2020	FY2021	FY2022	FY2023
Capitol Zip Investor Equity investment	\$1,650,000				
Total Amount Received	\$1,650,000				

Sources of Funds

Capitol Zip will raise the necessary funds needed to pay for and install the ropes course structure, operating costs for the first three months and all office remodeling and retail upgrades. We plan to approach two different funding sources in order to raise the necessary capital, investors and lenders.

- We will secure funding via local business leaders that will have a vested interest in the success of Mid Michigan, the City of Lansing and/or the Lansing Public Schools.
- As part of our venture, we will be devoted to giving back to the Lansing community. We will actively work with the Lansing Public School system to develop a free Leadership Development program. Developed by Timmer Consulting. The program seeks to help children and young adults in the area public schools, become better leaders, overcome fear and improve team building skills.

Use of Funds

The \$1.65 million raised will go directly to construction costs and providing a three month cushion to maintain all operating expenses. As part of the original construction contract, a portion of those funds will be held in reserve, dedicated to end of life "deconstruction" expenses. The grounds along the Park, on both sides of the Grand River, will be returned back to their original configuration.

The total investment figure represents a 57% ownership stake in Capitol Zip with 43% ownership being retained by the founders. There will be no more than (17) investors in the project and any merger attempt will require unanimous support of all members and/or stockholders.

Financial Statements

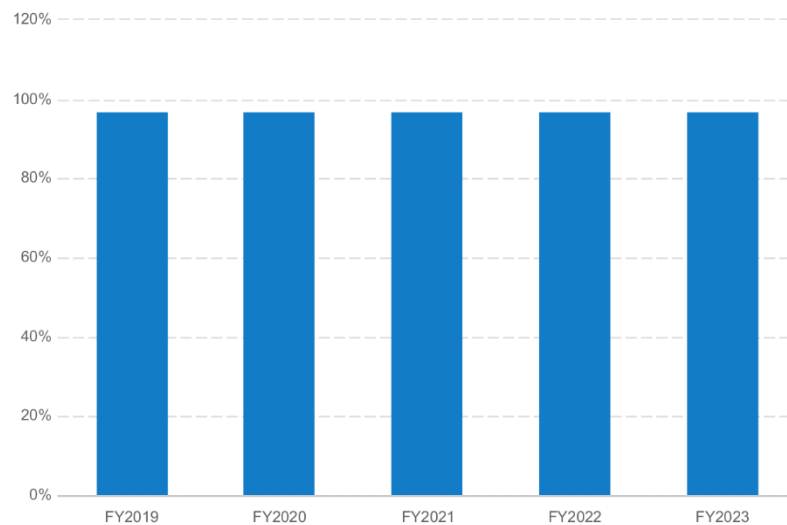
Profit and Loss Statement

Profit and Loss Statement

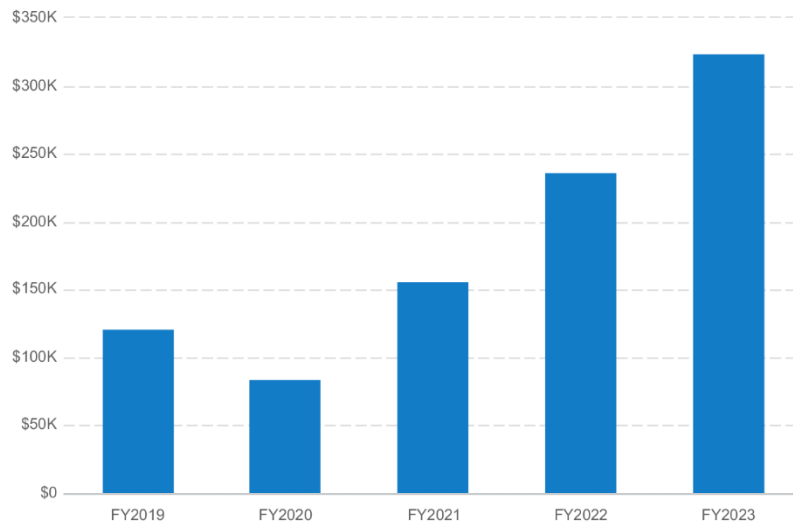
	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	\$1,012,650	\$1,102,375	\$1,202,025	\$1,310,970	\$1,431,950
Direct Costs	\$30,950	\$33,375	\$35,963	\$38,805	\$41,975
Gross Margin	\$981,700	\$1,069,000	\$1,166,062	\$1,272,165	\$1,389,975
Gross Margin %	97%	97%	97%	97%	97%
Operating Expenses					
Salary	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600
Employee Related Expenses	\$62,374	\$90,120	\$90,120	\$90,120	\$90,120
Marketing & Promotions	\$20,253	\$22,048	\$24,041	\$26,219	\$28,639
Office Rent	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Utilities	\$2,300	\$3,600	\$3,600	\$0	\$0
Office Supplies / Equipment	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400
Liability Insurance	\$52,301	\$57,531	\$63,284	\$69,612	\$76,573
Accounting	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal	\$20,000	\$0	\$0	\$0	\$0
Location Lease	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Norfolk Southern Easement	\$1,700	\$1,200	\$1,200	\$1,200	\$1,200
City of Lansing Security Deposit	\$15,000				
Area Survey	\$5,000				

Total Operating Expenses	\$515,796	\$648,899	\$656,645	\$661,551	\$670,932
Operating Income	\$465,904	\$420,101	\$509,417	\$610,614	\$719,043
Interest Incurred					
Depreciation and Amortization	\$314,300	\$314,299	\$314,301	\$314,300	\$314,299
Income Taxes	\$30,320	\$21,160	\$39,024	\$59,262	\$80,949
Total Expenses	\$891,366	\$1,017,733	\$1,045,933	\$1,073,918	\$1,108,155
Net Profit	\$121,284	\$84,642	\$156,092	\$237,052	\$323,795
Net Profit / Sales	12%	8%	13%	18%	23%

Gross Margin by Year



Net Profit (or Loss) by Year



About the Profit and Loss Statement

Month-by-month forecasts for profit and loss are included in the appendix. Our goal is a 10% increase in annual sales for the first five years. Although we are looking at \$1.65 million in construction costs, we do not anticipate any other large cash requirements during that period.

Balance Sheet

Balance Sheet

	FY2019	FY2020	FY2021	FY2022	FY2023
Cash	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078
Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Inventory					
Other Current Assets					
Total Current Assets	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078
Long-Term Assets	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166
Accumulated Depreciation	(\$314,300)	(\$628,599)	(\$942,900)	(\$1,257,200)	(\$1,571,499)
Total Long-Term Assets	\$1,263,866	\$949,567	\$635,266	\$320,966	\$6,667
Total Assets	\$1,736,576	\$1,780,594	\$1,875,148	\$2,007,183	\$2,177,745
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$30,320	\$21,160	\$39,024	\$59,262	\$80,949
Sales Taxes Payable	\$2,976	\$5,512	\$6,010	\$6,555	\$7,160
Short-Term Debt					
Prepaid Revenue					
Total Current Liabilities	\$33,296	\$26,672	\$45,034	\$65,817	\$88,109
Long-Term Debt					
Total Liabilities	\$33,296	\$26,672	\$45,034	\$65,817	\$88,109
Paid-in Capital	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000
Retained Earnings	(\$68,000)	\$19,280	\$24,022	\$54,314	\$115,841
Earnings	\$121,280	\$84,642	\$156,092	\$237,052	\$323,795

Total Owner's Equity	\$1,703,280	\$1,753,922	\$1,830,114	\$1,941,366	\$2,089,636
Total Liabilities & Equity	\$1,736,576	\$1,780,594	\$1,875,148	\$2,007,183	\$2,177,745

As the balance sheet shows, we do not expect any real trouble meeting our debt obligations. As long as we can achieve our specific objectives, we should not need to take on additional debt beyond the original \$1.65 million.

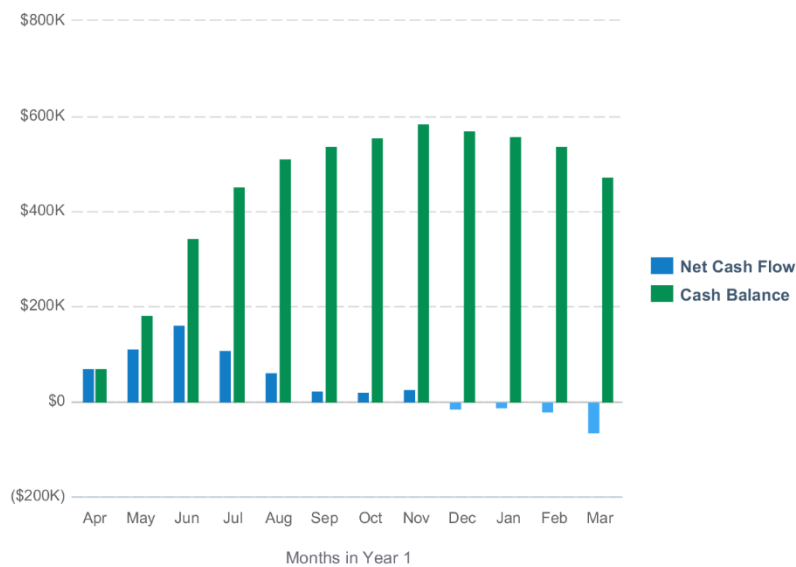
Cash Flow Statement

Cash Flow Statement

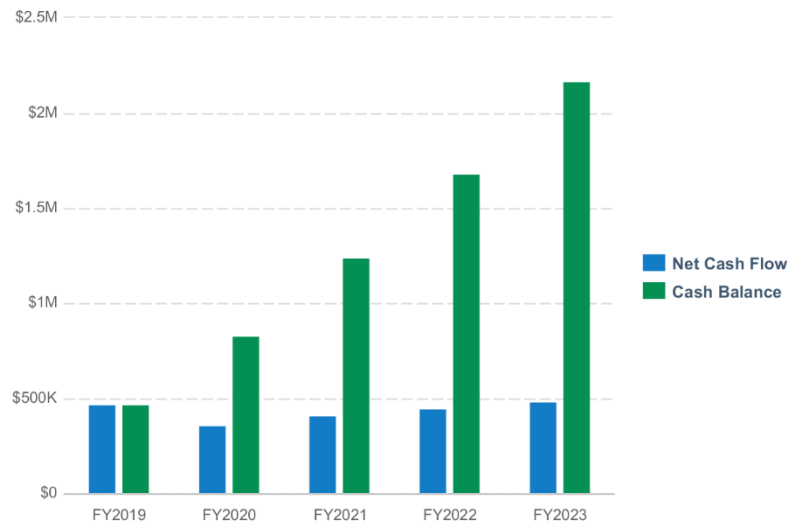
	FY2019	FY2020	FY2021	FY2022	FY2023
Net Cash Flow from Operations					
Net Profit	\$121,284	\$84,642	\$156,092	\$237,052	\$323,795
Depreciation and Amortization	\$314,300	\$314,299	\$314,301	\$314,300	\$314,299
Change in Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Change in Inventory					
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$30,320	(\$9,160)	\$17,864	\$20,238	\$21,687
Change in Sales Tax Payable	\$2,976	\$2,536	\$498	\$545	\$605
Change in Prepaid Revenue					
Net Cash Flow from Operations	\$468,880	\$392,317	\$488,755	\$572,135	\$660,386
Investing & Financing					
Assets Purchased or Sold	(\$1,578,166)				
Investments Received	\$1,650,000				
Change in Long-Term Debt					

Change in Short-Term Debt					
Dividends & Distributions	(\$68,000)	(\$34,000)	(\$79,900)	(\$125,800)	(\$175,525)
Net Cash Flow from Investing & Financing	\$3,834	(\$34,000)	(\$79,900)	(\$125,800)	(\$175,525)
Cash at Beginning of Period	(\$4)	\$472,710	\$831,027	\$1,239,882	\$1,686,217
Net Change in Cash	\$472,714	\$358,317	\$408,855	\$446,335	\$484,861
Cash at End of Period	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078

Cash Flow by Month



Cash Flow by Year



As you can see, a significant amount of cash is required to fund the first year of operations. The early months show steady growth as we plan to start the business at the beginning of the warmer months. We look to generate another influx of cash in November as this is when we will introduce the "Ropes Course Membership". This amount will be helpful leading into our down period due to colder weather during December January and February.

Appendix

Revenue Forecast

Revenue Forecast Table (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Revenue												
Ropes Course / Zip Line Ride	\$60,000	\$120,000	\$160,000	\$120,000	\$80,000	\$60,000	\$30,000	\$40,000	\$0	\$0	\$0	\$40,000
Corporate Group Events	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ropes Course Membership	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500	\$0	\$0	\$0	\$0	\$0
Clothing Sales	\$900	\$1,800	\$2,400	\$1,800	\$1,200	\$900	\$450	\$750	\$0	\$0	\$600	\$600
Naming Rights	\$45,000											
Quick Jump Sales	\$13,500	\$26,500	\$36,000	\$26,500	\$18,000	\$13,500	\$6,750	\$0	\$0	\$0	\$9,000	\$9,000
Total Revenue	\$134,400	\$163,300	\$213,400	\$163,300	\$114,200	\$74,400	\$49,700	\$40,750	\$0	\$0	\$9,600	\$49,600
Direct Cost												
Ropes Course / Zip Line Ride	\$1,500	\$3,000	\$4,000	\$3,000	\$2,000	\$1,500	\$750	\$1,000	\$0	\$0	\$0	\$1,000
Corporate Group Events	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clothing Sales	\$450	\$900	\$1,200	\$900	\$600	\$450	\$225	\$375	\$0	\$0	\$300	\$300
Direct Labor												
Total Direct Cost	\$3,450	\$5,400	\$6,700	\$5,400	\$4,100	\$1,950	\$975	\$1,375	\$0	\$0	\$300	\$1,300
Gross Margin	\$130,950	\$157,900	\$206,700	\$157,900	\$110,100	\$72,450	\$48,725	\$39,375	\$0	\$0	\$9,300	\$48,300

Capitol Zip

Gross Margin %	97%	97%	97%	97%	96%	97%	98%	97%	0%	0%	97%	97%
----------------	-----	-----	-----	-----	-----	-----	-----	-----	----	----	-----	-----

	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue					
Ropes Course / Zip Line Ride	\$710,000	\$780,000	\$858,000	\$943,800	\$1,040,000
Corporate Group Events	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Ropes Course Membership	\$12,500	\$15,000	\$17,500	\$20,000	\$20,000
Clothing Sales	\$11,400	\$12,750	\$14,025	\$15,420	\$16,950
Naming Rights	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Quick Jump Sales	\$158,750	\$174,625	\$192,500	\$211,750	\$235,000
Total Revenue	\$1,012,650	\$1,102,375	\$1,202,025	\$1,310,970	\$1,431,950
Direct Cost					
Ropes Course / Zip Line Ride	\$17,750	\$19,500	\$21,450	\$23,595	\$26,000
Corporate Group Events	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Clothing Sales	\$5,700	\$6,375	\$7,013	\$7,710	\$8,475
Direct Labor					
Total Direct Cost	\$30,950	\$33,375	\$35,963	\$38,805	\$41,975
Gross Margin	\$981,700	\$1,069,000	\$1,166,062	\$1,272,165	\$1,389,975
Gross Margin %	97%	97%	97%	97%	97%

Personnel Plan

Personnel Table (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Team Leader	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600	\$1,600	\$1,600	\$3,334	\$3,334
Team Associates	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$14,400	\$0	\$0	\$0	\$14,400	\$28,800
General Manager	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,834	\$5,834	\$5,834	\$5,834
Total	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$20,233	\$7,433	\$7,434	\$7,434	\$23,568	\$37,968

	FY2019	FY2020	FY2021	FY2022	FY2023
Team Leader	\$11,468	\$35,000	\$35,000	\$35,000	\$35,000
Team Associates	\$230,400	\$345,600	\$345,600	\$345,600	\$345,600
General Manager	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Total	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600

Budget

Budget Table (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Operating Expenses												
Salary	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$20,233	\$7,433	\$7,434	\$7,434	\$23,568	\$37,968
Employee Related Expenses	\$6,927	\$6,927	\$6,927	\$6,927	\$6,927	\$6,927	\$4,047	\$1,487	\$1,487	\$1,487	\$4,714	\$7,594
Marketing & Promotions	\$2,688	\$3,266	\$4,268	\$3,266	\$2,284	\$1,488	\$994	\$815	\$0	\$0	\$192	\$992
Office Rent	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Utilities	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$50	\$50	\$50	\$50	
Office Supplies / Equipment	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$150	\$150	\$150	\$350	\$350
Liability Insurance	\$52,301	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accounting	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$84	\$84	\$84	\$84
Legal	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Location Lease	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Norfolk Southern Easement	\$600	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
City of Lansing Security Deposit	\$15,000											
Area Survey	\$5,000											
Total Operating Expenses	\$139,582	\$47,359	\$48,361	\$47,359	\$46,377	\$45,581	\$27,807	\$11,818	\$11,005	\$11,005	\$30,758	\$48,788

	FY2019	FY2020	FY2021	FY2022	FY2023
Operating Expenses					
Salary	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600
Employee Related Expenses	\$62,374	\$90,120	\$90,120	\$90,120	\$90,120
Marketing & Promotions	\$20,253	\$22,048	\$24,041	\$26,219	\$28,639
Office Rent	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Utilities	\$2,300	\$3,600	\$3,600	\$0	\$0
Office Supplies / Equipment	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400
Liability Insurance	\$52,301	\$57,531	\$63,284	\$69,612	\$76,573
Accounting	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal	\$20,000	\$0	\$0	\$0	\$0
Location Lease	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Norfolk Southern Easement	\$1,700	\$1,200	\$1,200	\$1,200	\$1,200
City of Lansing Security Deposit	\$15,000				
Area Survey	\$5,000				
Total Operating Expenses	\$515,796	\$648,899	\$656,645	\$661,551	\$670,932

Loans and Investments

Loans and Investments Table (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Capitol Zip Investor Equity investment	\$1,650,000											
Total Amount Received	\$1,650,000											

	FY2019	FY2020	FY2021	FY2022	FY2023
Capitol Zip Investor Equity investment	\$1,650,000				
Total Amount Received	\$1,650,000				

Profit and Loss Statement

Profit and Loss Statement (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Revenue	\$134,400	\$163,300	\$213,400	\$163,300	\$114,200	\$74,400	\$49,700	\$40,750	\$0	\$0	\$9,600	\$49,600
Direct Costs	\$3,450	\$5,400	\$6,700	\$5,400	\$4,100	\$1,950	\$975	\$1,375	\$0	\$0	\$300	\$1,300
Gross Margin	\$130,950	\$157,900	\$206,700	\$157,900	\$110,100	\$72,450	\$48,725	\$39,375	\$0	\$0	\$9,300	\$48,300
Gross Margin %	97%	97%	97%	97%	96%	97%	98%	97%	0%	0%	97%	97%
Operating Expenses												
Salary	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$34,633	\$20,233	\$7,433	\$7,434	\$7,434	\$23,568	\$37,968
Employee Related Expenses	\$6,927	\$6,927	\$6,927	\$6,927	\$6,927	\$6,927	\$4,047	\$1,487	\$1,487	\$1,487	\$4,714	\$7,594
Marketing & Promotions	\$2,688	\$3,266	\$4,268	\$3,266	\$2,284	\$1,488	\$994	\$815	\$0	\$0	\$192	\$992
Office Rent	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Utilities	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$50	\$50	\$50	\$50	
Office Supplies / Equipment	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$150	\$150	\$150	\$350	\$350
Liability Insurance	\$52,301	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accounting	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$84	\$84	\$84	\$84
Legal	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Location Lease	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Norfolk Southern Easement	\$600	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100

Capitol Zip

City of Lansing Security Deposit	\$15,000											
Area Survey	\$5,000											
Total Operating Expenses	\$139,582	\$47,359	\$48,361	\$47,359	\$46,377	\$45,581	\$27,807	\$11,818	\$11,005	\$11,005	\$30,758	\$48,788
Operating Income	(\$8,632)	\$110,541	\$158,339	\$110,541	\$63,723	\$26,869	\$20,918	\$27,557	(\$11,005)	(\$11,005)	(\$21,458)	(\$488)
Interest Incurred												
Depreciation and Amortization	\$26,193	\$26,190	\$26,192	\$26,192	\$26,191	\$26,192	\$26,192	\$26,190	\$26,193	\$26,193	\$26,189	\$26,193
Income Taxes	\$0	\$9,905	\$26,430	\$16,869	\$7,507	\$135	(\$1,055)	\$274	(\$7,440)	(\$7,439)	(\$9,530)	(\$5,336)
Total Expenses	\$169,225	\$88,854	\$107,683	\$95,820	\$84,175	\$73,858	\$53,919	\$39,657	\$29,758	\$29,759	\$47,717	\$70,945
Net Profit	(\$34,825)	\$74,446	\$105,717	\$67,480	\$30,025	\$542	(\$4,219)	\$1,093	(\$29,758)	(\$29,759)	(\$38,117)	(\$21,345)
Net Profit / Sales	(26%)	46%	50%	41%	26%	1%	(8%)	3%			(397%)	(43%)

Capitol Zip

	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	\$1,012,650	\$1,102,375	\$1,202,025	\$1,310,970	\$1,431,950
Direct Costs	\$30,950	\$33,375	\$35,963	\$38,805	\$41,975
Gross Margin	\$981,700	\$1,069,000	\$1,166,062	\$1,272,165	\$1,389,975
Gross Margin %	97%	97%	97%	97%	97%
Operating Expenses					
Salary	\$311,868	\$450,600	\$450,600	\$450,600	\$450,600
Employee Related Expenses	\$62,374	\$90,120	\$90,120	\$90,120	\$90,120
Marketing & Promotions	\$20,253	\$22,048	\$24,041	\$26,219	\$28,639
Office Rent	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400
Utilities	\$2,300	\$3,600	\$3,600	\$0	\$0
Office Supplies / Equipment	\$3,600	\$2,400	\$2,400	\$2,400	\$2,400
Liability Insurance	\$52,301	\$57,531	\$63,284	\$69,612	\$76,573
Accounting	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Legal	\$20,000	\$0	\$0	\$0	\$0
Location Lease	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Norfolk Southern Easement	\$1,700	\$1,200	\$1,200	\$1,200	\$1,200
City of Lansing Security Deposit	\$15,000				
Area Survey	\$5,000				
Total Operating Expenses	\$515,796	\$648,899	\$656,645	\$661,551	\$670,932
Operating Income	\$465,904	\$420,101	\$509,417	\$610,614	\$719,043
Interest Incurred					
Depreciation and Amortization	\$314,300	\$314,299	\$314,301	\$314,300	\$314,299
Income Taxes	\$30,320	\$21,160	\$39,024	\$59,262	\$80,949

Total Expenses	\$891,366	\$1,017,733	\$1,045,933	\$1,073,918	\$1,108,155
Net Profit	\$121,284	\$84,642	\$156,092	\$237,052	\$323,795
Net Profit / Sales	12%	8%	13%	18%	23%

Balance Sheet

Balance Sheet (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Cash	\$71,266	\$183,541	\$344,886	\$452,421	\$513,198	\$537,679	\$557,115	\$584,135	\$570,685	\$559,680	\$538,798	\$472,710
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inventory												
Other Current Assets												
Total Current Assets	\$71,266	\$183,541	\$344,886	\$452,421	\$513,198	\$537,679	\$557,115	\$584,135	\$570,685	\$559,680	\$538,798	\$472,710
Long-Term Assets	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166
Accumulated Depreciation	(\$26,193)	(\$52,383)	(\$78,575)	(\$104,767)	(\$130,958)	(\$157,150)	(\$183,342)	(\$209,532)	(\$235,725)	(\$261,918)	(\$288,107)	(\$314,300)
Total Long-Term Assets	\$1,551,973	\$1,525,783	\$1,499,591	\$1,473,399	\$1,447,208	\$1,421,016	\$1,394,824	\$1,368,634	\$1,342,441	\$1,316,248	\$1,290,059	\$1,263,866
Total Assets	\$1,623,239	\$1,709,324	\$1,844,477	\$1,925,820	\$1,960,406	\$1,958,695	\$1,951,939	\$1,952,769	\$1,913,126	\$1,875,928	\$1,828,857	\$1,736,576
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$0	\$9,905	\$36,335	\$53,204	\$60,711	\$60,846	\$59,791	\$60,065	\$52,625	\$45,186	\$35,656	\$30,320
Sales Taxes Payable	\$8,064	\$9,798	\$12,804	\$9,798	\$6,852	\$4,464	\$2,982	\$2,445	\$0	\$0	\$576	\$2,976
Short-Term Debt												
Prepaid Revenue												
Total Current Liabilities	\$8,064	\$19,703	\$49,139	\$63,002	\$67,563	\$65,310	\$62,773	\$62,510	\$52,625	\$45,186	\$36,232	\$33,296
Long-Term Debt												

Total Liabilities	\$8,064	\$19,703	\$49,139	\$63,002	\$67,563	\$65,310	\$62,773	\$62,510	\$52,625	\$45,186	\$36,232	\$33,296
Paid-in Capital	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000
Retained Earnings												(\$68,000)
Earnings	(\$34,825)	\$39,621	\$145,338	\$212,818	\$242,843	\$243,385	\$239,166	\$240,259	\$210,501	\$180,742	\$142,625	\$121,280
Total Owner's Equity	\$1,615,175	\$1,689,621	\$1,795,338	\$1,862,818	\$1,892,843	\$1,893,385	\$1,889,166	\$1,890,259	\$1,860,501	\$1,830,742	\$1,792,625	\$1,703,280
Total Liabilities & Equity	\$1,623,239	\$1,709,324	\$1,844,477	\$1,925,820	\$1,960,406	\$1,958,695	\$1,951,939	\$1,952,769	\$1,913,126	\$1,875,928	\$1,828,857	\$1,736,576

	FY2019	FY2020	FY2021	FY2022	FY2023
Cash	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078
Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Inventory					
Other Current Assets					
Total Current Assets	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078
Long-Term Assets	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166	\$1,578,166
Accumulated Depreciation	(\$314,300)	(\$628,599)	(\$942,900)	(\$1,257,200)	(\$1,571,499)
Total Long-Term Assets	\$1,263,866	\$949,567	\$635,266	\$320,966	\$6,667
Total Assets	\$1,736,576	\$1,780,594	\$1,875,148	\$2,007,183	\$2,177,745
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$30,320	\$21,160	\$39,024	\$59,262	\$80,949
Sales Taxes Payable	\$2,976	\$5,512	\$6,010	\$6,555	\$7,160
Short-Term Debt					
Prepaid Revenue					
Total Current Liabilities	\$33,296	\$26,672	\$45,034	\$65,817	\$88,109
Long-Term Debt					
Total Liabilities	\$33,296	\$26,672	\$45,034	\$65,817	\$88,109
Paid-in Capital	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000	\$1,650,000
Retained Earnings	(\$68,000)	\$19,280	\$24,022	\$54,314	\$115,841
Earnings	\$121,280	\$84,642	\$156,092	\$237,052	\$323,795
Total Owner's Equity	\$1,703,280	\$1,753,922	\$1,830,114	\$1,941,366	\$2,089,636
Total Liabilities & Equity	\$1,736,576	\$1,780,594	\$1,875,148	\$2,007,183	\$2,177,745

Cash Flow Statement

Cash Flow Statement (With Monthly Detail)

FY2019	Apr '18	May '18	Jun '18	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19
Net Cash Flow from Operations												
Net Profit	(\$34,825)	\$74,446	\$105,717	\$67,480	\$30,025	\$542	(\$4,219)	\$1,093	(\$29,758)	(\$29,759)	(\$38,117)	(\$21,345)
Depreciation and Amortization	\$26,193	\$26,190	\$26,192	\$26,192	\$26,191	\$26,192	\$26,192	\$26,190	\$26,193	\$26,193	\$26,189	\$26,193
Change in Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Inventory												
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$9,905	\$26,430	\$16,869	\$7,507	\$135	(\$1,055)	\$274	(\$7,440)	(\$7,439)	(\$9,530)	(\$5,336)
Change in Sales Tax Payable	\$8,064	\$1,734	\$3,006	(\$3,006)	(\$2,946)	(\$2,388)	(\$1,482)	(\$537)	(\$2,445)	\$0	\$576	\$2,400
Change in Prepaid Revenue												
Net Cash Flow from Operations	(\$568)	\$112,275	\$161,345	\$107,535	\$60,777	\$24,481	\$19,436	\$27,020	(\$13,450)	(\$11,005)	(\$20,882)	\$1,912
Investing & Financing												
Assets Purchased or Sold	(\$1,578,166)											

Investments Received	\$1,650,000												
Change in Long-Term Debt													
Change in Short-Term Debt													
Dividends & Distributions													(\$68,000)
Net Cash Flow from Investing & Financing	\$71,834												(\$68,000)
Cash at Beginning of Period	\$0	\$71,266	\$183,541	\$344,886	\$452,421	\$513,198	\$537,679	\$557,115	\$584,135	\$570,685	\$559,680	\$538,798	
Net Change in Cash	\$71,266	\$112,275	\$161,345	\$107,535	\$60,777	\$24,481	\$19,436	\$27,020	(\$13,450)	(\$11,005)	(\$20,882)	(\$66,088)	
Cash at End of Period	\$71,266	\$183,541	\$344,886	\$452,421	\$513,198	\$537,679	\$557,115	\$584,135	\$570,685	\$559,680	\$538,798	\$472,710	

	FY2019	FY2020	FY2021	FY2022	FY2023
Net Cash Flow from Operations					
Net Profit	\$121,284	\$84,642	\$156,092	\$237,052	\$323,795
Depreciation and Amortization	\$314,300	\$314,299	\$314,301	\$314,300	\$314,299
Change in Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Change in Inventory					
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$30,320	(\$9,160)	\$17,864	\$20,238	\$21,687
Change in Sales Tax Payable	\$2,976	\$2,536	\$498	\$545	\$605
Change in Prepaid Revenue					
Net Cash Flow from Operations	\$468,880	\$392,317	\$488,755	\$572,135	\$660,386
Investing & Financing					
Assets Purchased or Sold	(\$1,578,166)				
Investments Received	\$1,650,000				
Change in Long-Term Debt					
Change in Short-Term Debt					
Dividends & Distributions	(\$68,000)	(\$34,000)	(\$79,900)	(\$125,800)	(\$175,525)
Net Cash Flow from Investing & Financing	\$3,834	(\$34,000)	(\$79,900)	(\$125,800)	(\$175,525)
Cash at Beginning of Period	(\$4)	\$472,710	\$831,027	\$1,239,882	\$1,686,217
Net Change in Cash	\$472,714	\$358,317	\$408,855	\$446,335	\$484,861
Cash at End of Period	\$472,710	\$831,027	\$1,239,882	\$1,686,217	\$2,171,078



NOTES:

- ROPES COURSE COLORS TBD
- COURSE PICTURED MAY CONTAIN CUSTOM COMPONENTS
- FINAL COURSE DESIGN SUBJECT TO ENGINEERING
- ROPE/BAM ELEMENTS SHOWN MAY VARY FROM THOSE RECEIVED
- FIELD VERIFY ALL DIMENSIONS, HEIGHTS, AND CLEARANCES PRIOR TO ENGINEERING

12.16.15

JARLS CAPITOL CITY ZIP
8 POLE EXPLORER WITH CTS ZIP, QJ, RAIL, & TYKES



NOTES:

- ROPES COURSE COLORS TBD
- COURSE PICTURED MAY CONTAIN CUSTOM COMPONENTS
- FINAL COURSE DESIGN SUBJECT TO ENGINEERING
- ROPE/BEAM ELEMENTS SHOWN MAY VARY FROM THOSE RECEIVED
- FIELD VERIFY ALL DIMENSIONS, HEIGHTS, AND CLEARANCES PRIOR TO ENGINEERING

12.16.15

JARLS CAPITOL CITY ZIP
8 POLE EXPLORER WITH CTS ZIP, QJ, RAIL, & TYKES





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: 9-21-16

RE: Resolution— Setting a Public Hearing for OPRA Certificate—1149 South
Washington Ave. — L & P Properties, Inc

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

VB/rh
Attachment



Virg Bernero, Mayor

City of Lansing
Inter-Departmental
Memorandum



To: Virg Bernero, Mayor

From: Karl Dorshimer

Subject: CITY COUNCIL AGENDA ITEM - 1149 South Washington Ave. — L & P Properties, Inc

Date: 9-22-16

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

“Equal Opportunity Employer”

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

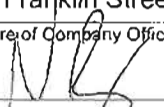
Applicant (Company) Name (applicant must be the OWNER of the facility) L & P Properties, LLC								
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 805 Lantern Hill Dr, East Lansing, MI 48823								
Location of obsolete facility (No. and street, City, State, ZIP Code) 1149 South Washington Avenue, Lansing, MI 48910								
City, Township, Village (indicate which) City of Lansing		County Ingham						
Date of Commencement of Rehabilitation (mm/dd/yyyy) 10/01/2016 est	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 12/31/2018	School District where facility is located (include school code) Lansing School District - 33020						
Estimated Cost of Rehabilitation \$294,500.00	Number of years exemption requested 6	Attach Legal description of Obsolete Property on separate sheet						
Expected project likelihood (check all that apply): <table border="0"><tr><td>☒ Increase Commercial activity</td><td>☐ Retain employment</td><td>☒ Revitalize urban areas</td></tr><tr><td>☒ Create employment</td><td>☐ Prevent a loss of employment</td><td>☐ Increase number of residents in the community in which the facility is situated</td></tr></table> Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment _____			☒ Increase Commercial activity	☐ Retain employment	☒ Revitalize urban areas	☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated
☒ Increase Commercial activity	☐ Retain employment	☒ Revitalize urban areas						
☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated						
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. ☐								

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Nicholas Pope	Telephone Number (517) 402-2224	Fax Number (517) 485-0009
Mailing Address 1717 Franklin Street SE, East Grand Rapids, MI 49506		Email Address nicholaspope15@gmail.com
Signature of Company Officer (no authorized agents) 		Title Owner

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

FOR STATE TAX COMMISSION USE		
Application Number	Date Received	LUCI Code

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date: _____		
☐ Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
☐ Denied		
Date District Established	LUCI Code	School Code

PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

A statement that the local unit is a Qualified Local Governmental Unit. A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000. A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit. A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years. A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing. A statement that the applicant is not delinquent in any taxes related to the facility. If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit. A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.	A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000. A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District. A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district. A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in. A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000. A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.
--	---

PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

Taxable Value		State Equalized Value (SEV)	
Building(s)			
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence	

PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury
State Tax Commission
P.O. Box 30471
Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Resolution to Approve an Obsolete Property Rehabilitation Act Certificate
1149 South Washington Avenue

WHEREAS, pursuant to the Michigan Obsolete Property Rehabilitation Act, being Public Act 146 of 2000 (PA 146 of 2000), L & P Properties, Inc. has filed an application for an Obsolete Property Rehabilitation Exemption Certificate (OPRA Certificate) with the Lansing City Clerk, for a proposed obsolete facility at 1149 South Washington Avenue, Lansing, Michigan (Obsolete Property); and

WHEREAS, L & P Properties, Inc. (the Developer) owns the proposed Obsolete Property; and

WHEREAS, the proposed Obsolete Property is located within an Obsolete Property Rehabilitation District legally established by resolution adopted (**Insert Date**), after a public hearing was held on (**Insert Date**), as provided by section 3 of PA 146 of 2000; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Lansing; and

WHEREAS, a public hearing was held on (**Insert Date**) in order to provide an opportunity for the applicant, the City Assessor, a representative of the affected taxing units, the residents, and other taxpayers of the City of Lansing general public appear and be heard regarding the approval of the OPRA Certificate; and

WHEREAS, the L & P Properties, Inc. has been certified in writing by the City of Lansing Treasurer to be not delinquent in any taxes related to the facility; and

WHEREAS, the application is for 6 years and under no circumstances or criteria will an extension of the exemption be considered; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant L & P Properties, Inc. has provided answers to all required questions under the application instructions to the City of Lansing; and

WHEREAS, the City of Lansing requires that rehabilitation of the facility shall be completed by December 31, 2018; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Lansing eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, revitalize an urban area, and increase the number of residents in the community in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council hereby grants an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in an Obsolete Property Rehabilitation District at 1149 South Washington legally described as the The South 21.8 feet of the West 83 feet of Lot 29 of Sparrow's Subdivision of Block 200 of the original plat of City of Lansing, Ingham County, Michigan -- Parcel Number: 33-01-01-21-257-095; for a period of 6 years, beginning December 31, 2016, and ending December 30, 2026, pursuant to the provisions of PA 146 of 2000, as amended.

BE IT FINALLY RESOLVED that the City Clerk shall cause the Application for Obsolete Property Rehabilitation Certificate to be completed, including the "Clerk Certification" and shall file the completed application, together with a certified copy of this resolution with the State Tax Commission.



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 16 day of September, 2016, by and between the City of Lansing, Michigan, a Michigan municipal corporation (“City”), and L & P Properties, LLC, a Michigan Corporation (“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: Redevelopment of 1141 and 1149 S. Washington Ave.

Location of Project (provide attached map): (See Attached)

Business Name of Applicant (*if applicable*): L & P Properties, LLC

Name of Parent Company (*if applicable*): N.A.

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

Reuben Levinsohn	50%
------------------	-----

Nicholas Pope	50%
---------------	-----

Project description:

1149 South Washington Ave will be redeveloped into a location that includes restaurant/food concept (Blue Owl Coffee, Co.) on the main level with commercial space (Michigan Creative) on the second level.

1141 South Washington Ave, a property adjacent to 1149 South Washington, will be redeveloped into a location that includes a restaurant/food concept on the main level and residential apartments on the second level.

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

N.A

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

OPRA Tax Abatement – 1141 S. Washington 10 Years

OPRA Tax Abatement – 1149 S. Washington 6 Years

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

N.A.

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):*

Independent Bank

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

2 FTE

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

\$ 709,500

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

\$ 40,000

**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)

NP 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.

- NP 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.
- NP 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.
- NP Applicant agrees that all employees, contractors and sub-contractors related to this Project will pay all City individual income tax.
- NP Applicant agrees to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees.
- NP 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 Dorshimer

Revenue currently paid to the City by the site or project: \$ 1,369

Estimated total revenue to the City upon Project Completion: \$ 3,849

Estimated total value of City Incentive(s): \$ 39,975

Estimated total new net revenue to the City: \$ 2,480

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

The project will continue the revival of REO Town and bring two underutilized privately owned buildings back into productive use.

Project Timeline: This project will begin as soon as the OPRA Certificates are approved by the Lansing City Council.

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 Incentive for the purpose of [insert project description] ("Project"). The Project is expected to hire at 2 or retain at least 0 new full-time equivalent employees (FTE) and requiring a total investment in real property of at least \$ 619,500 and personal property of at least \$ 90,000 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 Michigan PA 146 of 2000 (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 [insert address] ("Project Area") and legally described as follows:

[Insert legal descriptions for both properties here]

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 December 31, 2016 and ends December 31, 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. Hire at least 2 new, permanent full-time equivalent employees (FTE) and/or retain at least 0 full-time equivalent employees (FTE).
2. Purchase and/or locate within the Project Area, personal property with a fair market value of at least \$ 90,000. This personal property may not be moved to the Project Area from another location within the City of Lansing.

3. Make at least \$ 619,500 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 December 31, 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 (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. 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 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. 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 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:

Approved as to form:

James Smiertka

City Attorney

L & P PROPERTIES, LLC:

By: _____
Nicholas Pope

Its: Owner

CITY OF LANSING:

By: _____
Virg Bernero

Its: Mayor

**LANSING ECONOMIC
DEVELOPMENT CORPORATION:**

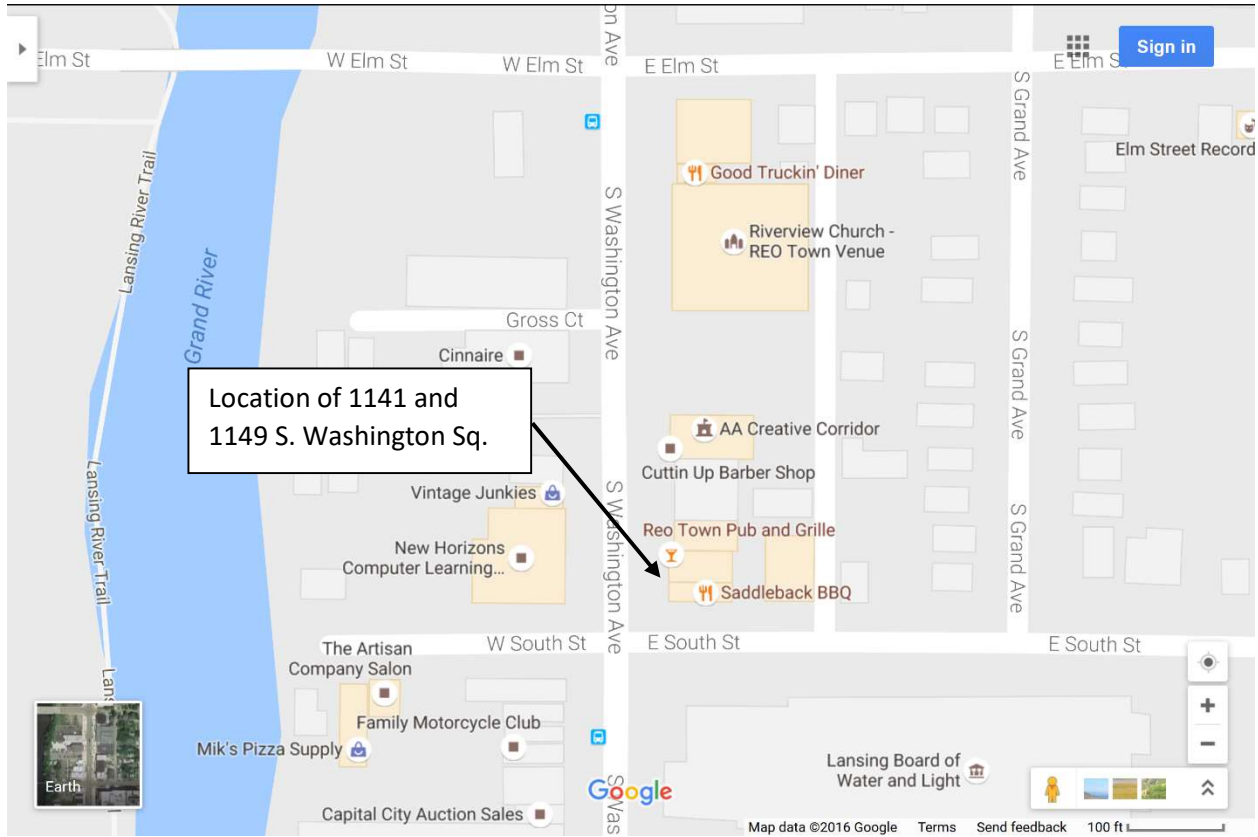
By: _____
Karl R. Dorshimer

Its: Authorized Representative

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

City
Controller

Map for 1141 and 1149 South Washington Square



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

TAMMY
ATTENTION: ~~Tamara~~-Good/Cheryl Atkins

Business Name: L & P Properties, Inc.
Business Contact Person: Nickolas Pope
Phone Number: (517) 402-2224

Type of EDC Service: OPRA Tax Abatement

EDC Contact Person Name: Karl Dorshimer

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

Due Date: 9/20/2016

Approval:

Tammy Good
City Treasurer

FOR LEASE

UP TO 4,290 SF RETAIL/OFFICE SPACE

WITH APARTMENT ON SECOND FLOOR

1141 S. WASHINGTON AVENUE

Lansing, MI

PROPERTY OVERVIEW

This all brick building is ready for creative design and build out.

- + Tenant improvement allowance available
- + Perfect for coffee shop, bakery or small office
- + Next to Saddleback BBQ and near Board of Water & Light—home to 200 employees
- + In the heart of Reo Town near General Motors

LEASE TERMS

- + \$14.00/SF
- + Plus utilities and janitorial

SPACE AVAILABLE

- + 2,145 - 4,290 SF

AREA HIGHLIGHTS

- + Close to downtown Lansing's central business district, the State Capitol, Cooley Law School and Lansing Community College
- + Fully renovated streetscape in 2014

BUILDING DATA

- + 4,290 SF two-story building
- + Situated on approx. 0.063 acre
- + Built in 1904 with charming architectural details



Near high profile corner of Washington Avenue and South Street



CONTACT US

LISA ALLEN KOST

Senior Associate/Office Advisor
+1 517 319 9252
lisa.kost@cbre-martin.com



www.lansingoffice.net

CBRE | Martin
Part of the CBRE affiliate network

Lisa Allen Kost

FOR LEASE
OFFICE/RETAIL SPACE
WITH APARTMENT ON SECOND FLOOR

Up to 4,290 SF
 1141 S. WASHINGTON AVE.
 Lansing, MI



* CBRE and the CBRE logo are service marks of CBRE, Inc. and/or its affiliated or related companies in the United States and other countries. All other marks displayed on this document are the property of their respective owners.



Next to Saddleback BBQ



Near Board of Water & Light Power Station

CBRE|Martin | 1111 Michigan Ave. | Suite 300 | East Lansing, MI 48823

© 2016 Martin Commercial Properties, Inc. d/b/a CBRE|Martin. This information has been obtained from sources believed reliable. We have not verified it and make no guarantee, warranty or representation about it. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Photos hereina are the property of their respective owners and use of these images without the express written consent of the owner is prohibited.

www.lansingoffice.net

CBRE|Martin
 Part of the CBRE affiliate network





CITY OF LANSING
ASSESSING DEPARTMENT

Phone #517-483-4020 Fax #517-483-4101

Mayor Virg Bernero

Address: 1141 S. Washington Ave
Parcel #: 33-01-01-21-257-076
Owner: L & P Properties, LLC

Statement of Obsolescence

The subject is improved with a two-story building. The first floor has two exterior doors, but has been opened up inside. The second floor has one apartment in half of the building. The other half of the upstairs needs complete remodeling in order to use it for apartment use. Because the stairway splits the building in half, the upstairs apartments are narrow and long. The electrical, plumbing and heating need updates. 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: 9-8-16



CITY OF LANSING
ASSESSING DEPARTMENT

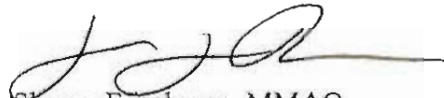
Phone #517-483-4020 Fax #517-483-4101

Mayor Virg Bernero

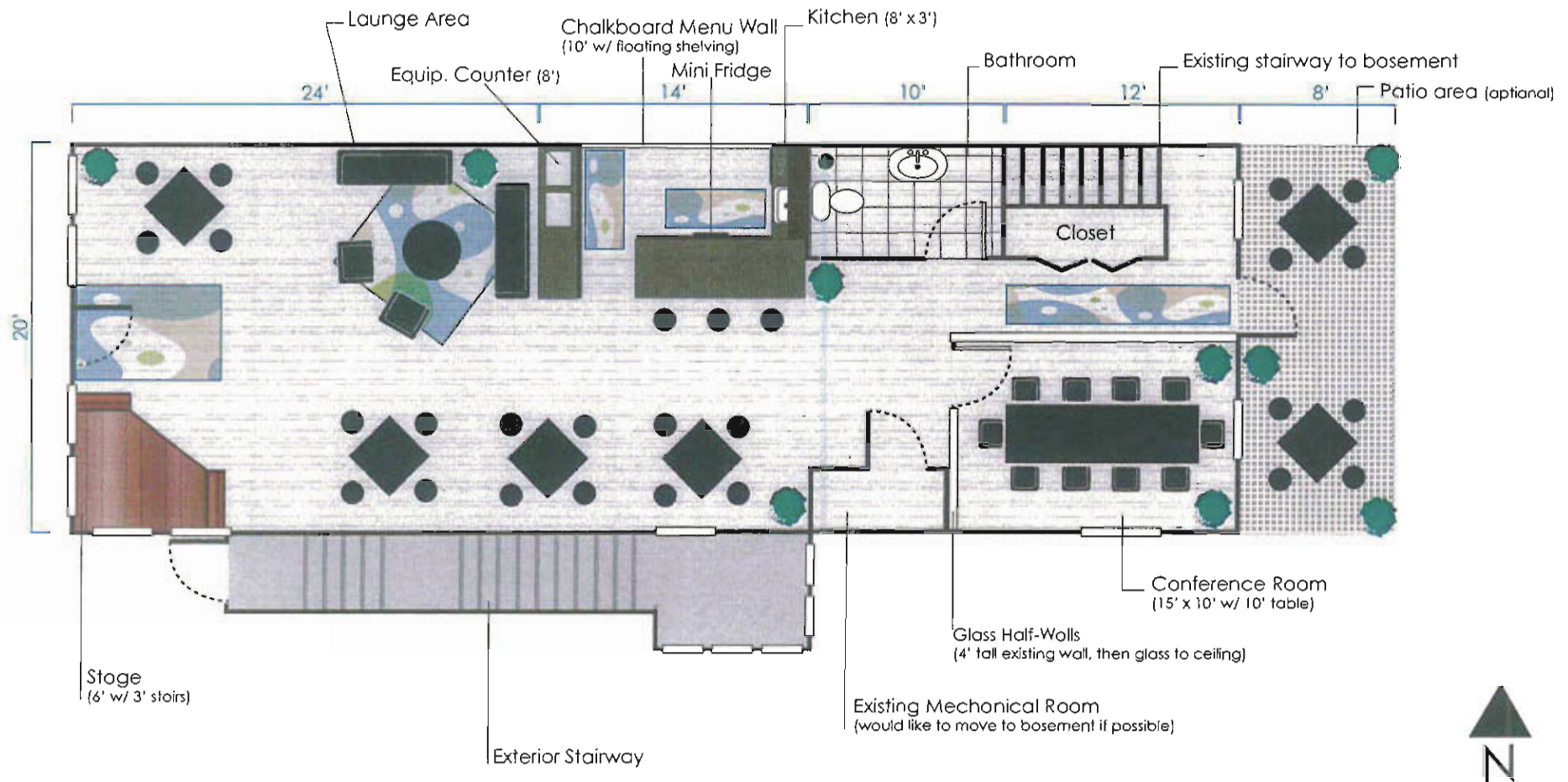
Address: 1149 S. Washington Ave
Parcel #: 33-01-01-21-257-095
Owner: L & P Properties, LLC

Statement of Obsolescence

The subject is improved with a two-story building. The only access to the second story is from an exterior stairway. An exterior stairway in Michigan is difficult to maintain and may be hazardous in winter weather. Electrical, plumbing and heating need updates. The second floor has previously been used as a residential apartment but would require extensive remodeling to update it to today's standards. 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: 9-8-16



Dinning Areas:

- (4) 3' square tall top tables
- Seating for 16
- Large lagoon on south wall

Lounge Area:

- Open concept
- (2) 6' sofas
- (2) chairs
- coffee table
- Remove to add more tables if needed

Stage Area:

- 6' corner platform
- 3' wide stairs on either side

Kitchen Area:

- 14' x 8'
- Upper cabinets on east wall
- Sink with garbage disposal
- Dishwasher
- 8' x 3' Espresso Bar top and 3 stools
- Mini fridge and cabinets under bar top
- 10' Chalkboard menu wall w/ floating shelves
- 8' equipment counter - (register + espresso)
- Cabinet under equip. counter

Bathroom:

- Unisex
- (1) toilet
- (1) sink
- Frosted glass door
- Existing pipe shown in north/west corner

Conference Room:

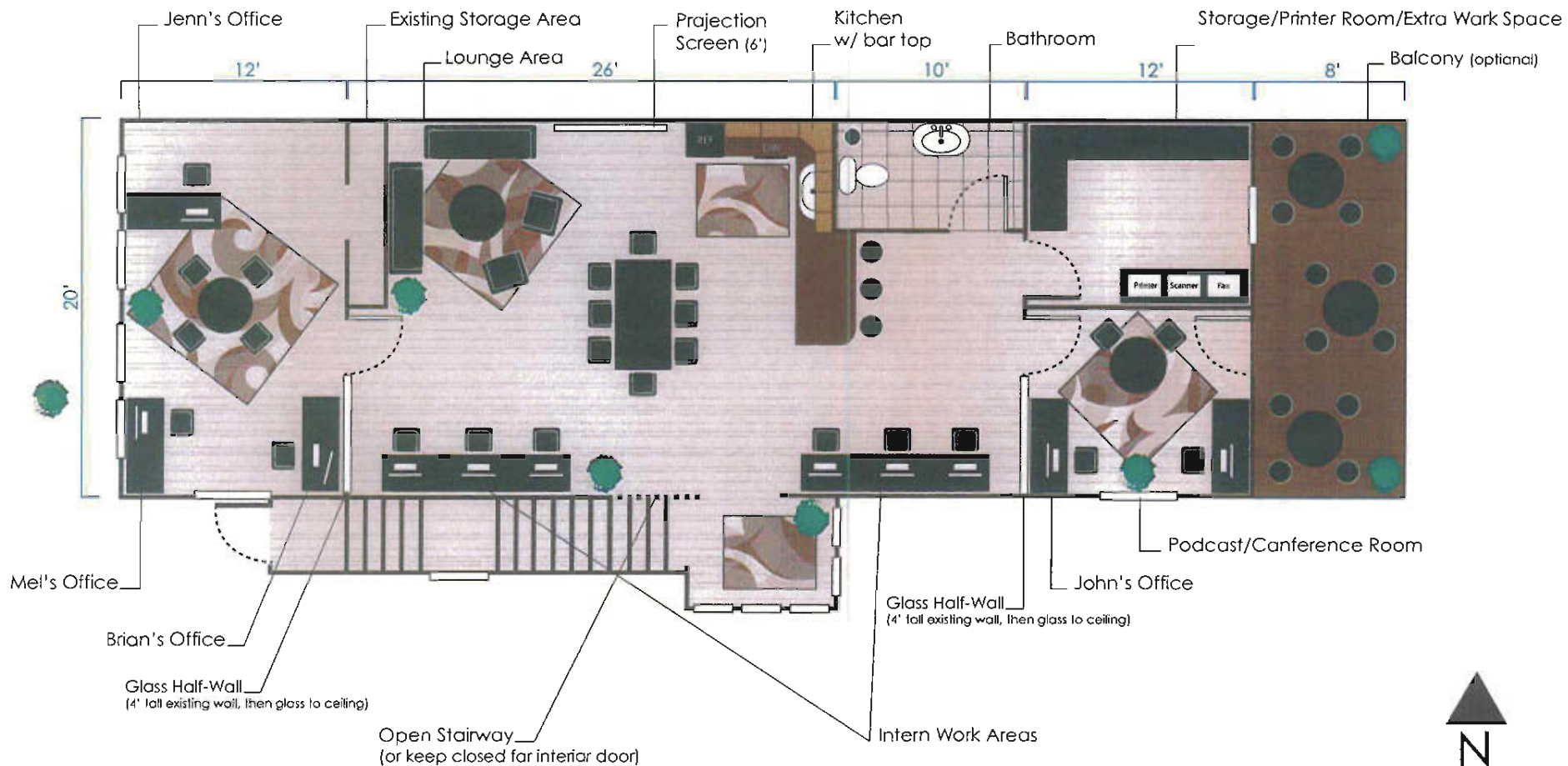
- 15' x 10' conference area (larger if mech. room moves)
- Can accommodate a 10' table
- Glass paneled door
- 4' tall half-walls, then glass to ceiling

Mechanical Room:

- Would like to move this to basement
- If it can be moved:
 - Optional merchandise area OR...
 - Additional tables added OR...
 - Conference room extended to 22' OR...
 - Conference room extended to 17' AND, additional table added.

EXTRAS:

- Optional patio area
- Tall-top tables and chairs
- Plants in large pots to define area



Front Offices:

- Shared office space for Brian, Mel, Jenn
- Built-in storage area for files and supplies
- Small conference area
- Glass half-wall
- Glass in door

Lounge Area:

- Open concept
- (2) 6' sofas
- (2) chairs
- coffee table

Main Conference Area:

- Open concept
- 3' x 6' table w/ 8 chairs
- 6' projection screen on brick wall
- White board space behind screen

Kitchen Area:

- 8' x 12' open concept
- Upper and lower cabinets
- Sink with garbage disposal
- Dishwasher
- Refrigerator
- Bar top and 3 stools

Intern Work Areas:

- (6) 2' x 5' desks
- (6) computers
- (6) swivel chairs

Bathroom:

- Unisex
- (1) toilet
- (1) sink
- Frosted glass door

Storage Room:

- Large storage racks
- Wall table/cabinet for printers

Podcast/Conference Room/John's Office:

- Small conference area with table and chairs
- Podcast desk area
- Existing door to outside - add glass door

EXTRAS:

- Optional balcony area
- Tall-top tables and chairs
- Plants and throw rugs

September 16, 2016

Lansing City Clerk
City Hall
124 West Michigan Ave.
Lansing, MI 48933

Re: Obsolete Property Rehabilitation Act District Application
L & P Properties, LLC
OPRA District to include 1149 South Washington Ave and 1141 South Washington Ave

General Project Description

The undersigned applicant L & P Properties, LLC, who is also the owner of the above properties named above, hereby requests the establishment of an OPRA District covering those properties. The adjacent properties have been inspected by the City of Lansing assessor who determined that they both suffer from functional obsolescence. The applicant intends to rehabilitate both buildings as follows:

1149 South Washington Ave will be redeveloped into a location that includes restaurant/food concept (Blue Owl Coffee, Co.) on the main level with commercial space (Michigan Creative) on the second level.

1141 South Washington Ave will be redeveloped into a location that includes a restaurant/food concept on the main level and residential apartments on the second level.

District Establishment Purpose

In an effort to maximize the utility value of two separate but adjacent functionally obsolete buildings, the applicant is committed to doing complete rehabilitation of both buildings. In that context, and as more fully detailed below, the developer will incur considerable renovation costs. The establishment of the OPRA District, with its multi-year property tax deferment benefit is vital to making the economics of both of these projects work. The Developer will be applying separately for two separate OPRA Certificates one for each building.

Community Benefits

Redevelopment of the two property will provide numerous benefits to the City. While the specific facilities would undergo considerable renovation, the entire area would benefit from the transformation of two vacant buildings into a thriving and alive properties.

Basis of Eligibility

Both properties have been determined in writing by the City of Lansing Assessor to be Functionally Obsolete as require and per the Michigan PA 146 of 2000 as amended.

Project Costs and Phasing

The OPRA tax abatement is a significant component of this project. The petitioner has estimated the renovation costs of both projects combined at approximately \$709,500. The renovation estimate are as follows:

1149 South Washington	1st Floor	2nd Floor	Totals
Architect Drawings	\$6,000	\$6,000	\$12,000
Fire Rated Ceiling/Abatement	\$0	\$0	\$0
Demolition	\$2,500	\$5,000	\$7,500
Mechanical, Electrical, plumbing	\$35,000	\$50,000	\$85,000
Loft Apartment Construction	\$0	\$0	\$0
Restrooms	\$25,000	\$10,000	\$35,000
Flooring	\$10,000	\$0	\$10,000
Finishings	\$5,000	\$30,000	\$35,000
Outside Staircase	\$20,000	\$0	\$20,000
Entryway/Façade	\$0	\$0	\$0
Grading Pavement	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
subtotal	\$103,500	\$101,000	\$204,500
Personal Property Investment			\$90,000
1141 South Washington	1st Floor	2nd Floor	Totals
Architect Drawings	\$7,500	\$7,500	\$15,000
Fire Rated Ceiling/Abatement	\$20,000	\$0	\$0
Demolition	\$0	\$5,000	\$5,000
Mechanical, Electrical, plumbing	\$20,000	\$40,000	\$60,000
Loft Apartment Construction	\$0	\$220,000	\$220,000
Restrooms	\$25,000	\$0	\$25,000
Flooring	\$15,000	\$0	\$15,000
Finishings	\$0	\$0	\$0
Outside Staircase	\$0	\$0	\$0
Entryway/Façade	\$35,000	\$0	\$35,000
Grading Pavement	<u>\$0</u>	<u>\$20,000</u>	<u>\$20,000</u>
subtotal	\$122,500	\$292,500	\$415,000
Personal Property Investment			\$0
Grand Project Total			\$709,500

Property Taxable Value and Legal Description

The Specifics on the property are as follows:

Property Address: 1149 South Washington Ave.
Owner's Name: L & P Properties, LLC
Sq Feet of Building: Approximately 2880
Tax ID Number: 61-1774451
Tax Value Land: \$3,200 (2016)
Tax Value Building: \$58,900 (2016)
SEV Value Total: \$62,100 (2016)
Legal Description: The South 21.8 feet of the West 83 feet of Lot 29 of Sparrow's Subdivision of Block 200 of the original plat of City of Lansing, Ingham County, Michigan -- Parcel Number: 33-01-01-21-257-095

Property Address: 1141 South Washington Ave.
Owner's Name: L & P Properties, LLC
Sq. Feet of Building: Approximately 4200
Tax ID Number: 61-1774451
Tax Value Land: \$3,200 (2016)
Tax Value Building: \$39,602 (2016)
SEV Value Total: \$85,300 (2016)
Legal Description: The North 2 rods of the West 83 feet of Lot 30, Sparrow's Subdivision of Block 200, Original Plat of City of Lansing, according to the recorded plat thereof, of record in Liber 2 of Plats, Page 42, Ingham County, Michigan -- Parcel Number: 33-01-01-21-257-076 (building)

The West 17.5 feet of the East 65.5 feet of Lots 29 and 30, Sparrow's Subdivision of Block 200 of the original plat of City of Lansing, according to the recorded plat thereof, of record in Liber 2 of Plats, Page 42, Ingham County, Michigan -- Parcel Number: 33-01-01-21-257-100 (vacant lot)

Thank you in advance for your assistance and consideration in this matter.

Sincerely,

Name

L & P Properties, LLC., Owner Nicholas Pope

October 5, 2016

Lansing City Clerk
City Hall
124 West Michigan Ave.
Lansing, MI 48933

Re: Obsolete Property Rehabilitation Act District Application
221 E. Saginaw Street, Lansing MI 48933

General Project Description

The project at 221 E. Saginaw in Lansing will be the new headquarters of M3 Group. Currently, M3 Group, a branding and publications agency established in 2002, is located at 610 and 614 Seymour Ave. M3 Group has used the two buildings to continue growth over the last 14 years. At 25 full-time employees, the two buildings are inefficient and becoming too small.

The new renovation project proposed at 221 E. Saginaw would put all M3 Group employees under one roof with room to grow. Specifics for the project include: creating additional windows in the lower level; updating the HVAC, electric and plumbing; creating a mezzanine level to add additional square footage and making use of the vaulted ceilings; newly insulated walls, ceiling and floors; and develop an open environment that is suitable for a creative team to thrive.

District Establishment Purpose

In an effort to maximize the utility value of the functionally obsolete building, the applicant is committed to doing complete rehabilitation of the building. In that context, and as more fully detailed below, the developer will incur considerable renovation costs. The establishment of the OPRA District, with its multi-year property tax deferment benefit is vital to making the economics of this project work.

Community Benefits

Redevelopment of the property would provide numerous benefits to the City. While the specific facility would undergo considerable renovation, the entire area would benefit from the transformation of a vacant building into a thriving and fully utilized property. The OPRA District designation, and resulting tax benefits, would not only permit the applicant to attract new businesses and new business owners, operators and employees to the area, while at the same time retaining existing businesses and existing businesses surrounding the community at-large. The owners of the applicant have provided a full range of marketing services to commercial organizations in and around the City of Lansing for many years and are thoroughly committed to seeing the City thrive and continue to grow. Through this rehabilitation project, the applicant and its owners are confident that the City of Lansing will be further on its way to achieving both.

Basis of Eligibility

As to the eligibility of this project under OPRA, an investigation of the Subject Property by Sharon Frischman, City of Lansing Assessor, on June 9, 2016 resulted in a finding that the Building meets the definition of functionally obsolete. Functionally obsolete property is property that is “unable to be used to adequately perform the function of which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super inadequacies in design, or other similar factors that affect the property itself or the property’s relationship with other surrounding property.” MCL § 125.2652(s).

The Subject Property has two structures currently on the parcel. The main building is a one story, former church and the secondary building is a two story residential dwelling converted to offices. Ms. Frischman’s inspection of the Subject Property revealed physical deterioration on the secondary building resulting from extensive deferred maintenance. The primary building’s windows and doors are out of date and inefficient to today’s standards, as well as the electrical, mechanical and plumbing. Since the building’s original purpose was a church, it is functionally obsolete to be used as an office due in part to the higher than normal ceiling heights and other characteristics that are not typically found in a modern office building.

Project Costs and Phasing

The OPRA tax abatement is a significant component of the funding of this project. The applicant has estimated the total costs for this rehabilitation project to be \$816,500.00. Renovations are scheduled to commence promptly following the approval of the ORPA tax abatement and are targeted for completion approximately twelve (12) months following such commencement. The renovation estimate includes:

Building Renovations: (Incl. Imprv. to home)	\$ 448,000.00
Building Leasehold Improvements:	\$ 25,000.00
Furniture & Fixtures:	\$ 269,000.00
Computers:	\$ 10,000.00
Baseline Environmental Activities:	\$ 2,000.00
Paving:	\$ 30,000.00
Demolition:	\$ 0.00
Site preparation:	\$ 32,500.00

TOTAL (estimate): **\$ 816,500.00**

Property Taxable Value and Legal Description

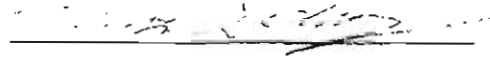
This property covers one parcel of real property containing a total of .365 acres and listed in the City of Lansing’s Assessment records as having an address of 221 E. Saginaw, Lansing, MI 48933. Specifics on the Subject Property are as follows:

Address:	221 E. Saginaw, Lansing, MI 48933
Owner’s Name:	Motion Properties
Acreage of Land:	.365
Sq. Feet of Building:	Approximately 5,611
Tax Parcel Identification No.:	33-01-01-16-127-001

Taxable Value Land:	\$ 25,979.00
SEV Land:	\$ 33,300.00
Taxable Value Building:	\$ 118,348.00
SEV Building:	\$ 151,700.00
Legal Description:	LOT 8 & N 1 R LOT 7 BLOCK 63 ORIG PLAT

Thank you in advance for your assistance and consideration in this matter.

Sincerely,
MOTION PROPERTIES





AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS AGREEMENT in Consideration of Development Incentives ("Agreement") is made and entered this 5 day of October, 2016, by and between the City of Lansing, Michigan, a Michigan municipal corporation ("City"), and Motion Properties, a Michigan Corporation ("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: M3 Group Expansion Project

Business Name of Applicant (*if applicable*): Motion Properties

Name of Parent Company (*if applicable*): _____

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

_____Patrick Dowling_____	100 %
_____	_____ %
_____	_____ %
_____	_____ %

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

OPRA Certificate	12 Years
_____	_____ Years
_____	_____ Years
_____	_____ Years

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

N.A.

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)*:

MSUFCU

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

5 FTE

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

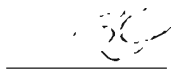
\$ 816,500

Estimated average hourly wage or annual salary of new, permanent employees *(if applicable)*:
(Tiffany please fill this out if there are new jobs)

\$ 225,000 to 250,000

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

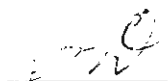
(initial spaces below to indicate acceptance) (on the final executed copy the client needs to be willing to initial each of these)


Applicant agrees to notify the LEDC and City Assessor of any and all partnership 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.



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 Dorshimer

Revenue currently paid to the City by the site or project: \$ 7,768

Estimated total revenue to the City upon Project Completion: \$ 24,582

Estimated total value of City Incentive(s): \$ 41,224

Estimated total new net revenue to the City: \$ 16,814

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

The Developer is purchasing and completely renovating a functionally obsolete building. This project will allow the business to stay and grow in Lansing.

Project Timeline: December 31, 2016 to December 31, 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 Incentive for the purpose of M3 Group Expansion Project (“Project”). The Project is expected to hire at least **5** and/or retain at least **25** full-time equivalent employees (FTE) and requiring a total investment in real property of an estimated \$537,500 and personal property of at least \$279,000, 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 146 of 2000, 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 221 West Saginaw St. ("Project Area") and legally described as follows:

Address:	221 W. Saginaw, Lansing, MI 48933
Owner's Name:	Motion Properties
Acreage of Land:	.365
Sq. Feet of Building:	Approximately 5,611
Tax Parcel Identification No.:	33-01-01-16-127-001
Taxable Value Land:	\$ 25,979.00
SEV Land:	\$ 33,300.00
Taxable Value Building:	\$ 118,348.00
SEV Building:	\$ 151,700.00
Legal Description:	LOT 8 & N 1 R LOT 7 BLOCK 63 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 12/31/2016 and ends 12/31/2018.

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. Hire at least 5 new, permanent full-time equivalent employees (FTE) and/or retain at least 25 full-time equivalent employees (FTE).
2. Purchase and/or locate within the Project Area, personal property with a fair market value of at least \$279,000. This personal property may not be moved to the Project Area from another location within the City of Lansing.
3. Make at least \$537,500 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 12/31/18

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 12/31/2019, 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:

[Signature]

APPLICANT NAME:

By: [Signature]

Its: President

CITY OF LANSING:

By: _____
Virg Bernero

Its: Mayor

**LANSING ECONOMIC
DEVELOPMENT CORPORATION:**

By: _____
Karl R. Dorshimer

Its: Representative

Approved as to form:

City Attorney

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

City Controller

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Resolution to Establish an Obsolete Property Rehabilitation Act District
221 West Saginaw Street

WHEREAS, the owner of property located at 221 West Saginaw Street in the City of Lansing, Michigan (the "Properties") has requested in writing that the City of Lansing establish an Obsolete Property Rehabilitation District (the "District") as enabled by Public Act 146 of 2000, the Obsolete Property Rehabilitation Act (the "Act"), and

WHEREAS, the owner is Motion Properties, hereinafter called the "Developer", and

WHEREAS, the Developer is the legal owner of greater than fifty percent (50%) of all taxable value of the property located within the proposed District, and

WHEREAS, the Developer has, in writing, requested the District for the Properties and for the City of Lansing to take all necessary steps and actions to establish the District on their behalf, and

WHEREAS, the properties in question and the proposed boundary of the District is legally described as:

LOT 8 & N 1 R LOT 7 BLOCK 63 ORIG PLAT, 33-01-01-16-127-001, and

WHEREAS, the Act requires that before establishing the District the Lansing City Council shall give written notice by certified mail to the owners of all real property within the proposed District and shall hold a public hearing in order to provide an opportunity for owners, residents or other taxpayers of the City of Lansing to appear and be heard regarding the establishment of the District and that such notice was given and said public hearing was held on **(Insert Date)**;

NOW THEREFORE BE IT RESOLVED that the following properties are hereby approved and established as an Obsolete Property Rehabilitation District as provided by Public Act 146 of 2000 legally described as:

LOT 8 & N 1 R LOT 7 BLOCK 63 ORIG PLAT, 33-01-01-16-127-001.

BE IT FINALLY RESOLVED that this resolution shall not be construed as the City Council's approval of any future application for an Obsolete Properties Rehabilitation Exemption Certificate for the Developer or any other applicant.

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

Business Name: Motion Properties

Business Contact Person: Patrick and Tiffany Dowling

Phone Number: 517-206-1661

Project Location: 221 W. Saginaw, Lansing, MI 48933

Type of EDC Service: OPRA Application

EDC Contact Person Name: Gabriela Allum

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

Due Date: As soon as possible

Approval:



City Treasurer

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

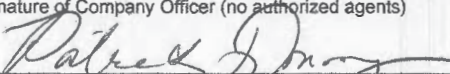
Applicant (Company) Name (applicant must be the OWNER of the facility) Motion Properties								
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 610 Seymour Ave., Lansing MI 48912								
Location of obsolete facility (No. and street, City, State, ZIP Code) 221 E. Saginaw, Lansing MI 48912								
City, Township, Village (indicate which) Lansing		County Ingham						
Date of Commencement of Rehabilitation (mm/dd/yyyy) 08/3/2016	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 02/14/2017	School District where facility is located (include school code) 33020 - Lansing						
Estimated Cost of Rehabilitation \$816,500	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet						
Expected project likelihood (check all that apply): <table border="0"><tr><td>☒ Increase Commercial activity</td><td>☒ Retain employment</td><td>☒ Revitalize urban areas</td></tr><tr><td>☒ Create employment</td><td>☐ Prevent a loss of employment</td><td>☐ Increase number of residents in the community in which the facility is situated</td></tr></table> Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment _____			☒ Increase Commercial activity	☒ Retain employment	☒ Revitalize urban areas	☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated
☒ Increase Commercial activity	☒ Retain employment	☒ Revitalize urban areas						
☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated						
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. ☒								

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Patrick Dowling	Telephone Number 517-206-1661	Fax Number
Mailing Address 610 Seymour Ave., Lansing MI 48933		Email Address patrick.dowling@att.net
Signature of Company Officer (no authorized agents) 		Title President

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date: _____		
☒ Exemption Approved for <u>12</u> Years, ending December 30, <u>2029</u> (not to exceed 12 years)		
☐ Denied		
Date District Established	LUCI Code	School Code
		33020

PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

A statement that the local unit is a Qualified Local Governmental Unit. A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000. A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit. A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years. A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing. A statement that the applicant is not delinquent in any taxes related to the facility. If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit. A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.	A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000. A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District. A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district. A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in. A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000. A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.
--	---

PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

Taxable Value		State Equalized Value (SEV)	
Building(s)	\$144,327	\$185,000	
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence	
City of Lansing, Michigan		June 9, 2016	

PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Chris Swope			
Clerk's Mailing Address	City	State	ZIP Code
City Hall, 9th Floor	Lansing	MI	48933
124 W. Michigan Ave.	Telephone Number	Fax Number	Email Address
	517-483-4131		chris.swope@lansingmi.gov

Mail completed application and attachments to: Michigan Department of Treasury
State Tax Commission
P.O. Box 30471
Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Resolution to Approve an Obsolete Property Rehabilitation Act Certificate
221 West Saginaw Street

WHEREAS, pursuant to the Michigan Obsolete Property Rehabilitation Act, being Public Act 146 of 2000 (PA 146 of 2000), Motion Properties has filed an application for an Obsolete Property Rehabilitation Exemption Certificate (OPRA Certificate) with the Lansing City Clerk, for a proposed obsolete facility at 221 West Saginaw Street, Lansing, Michigan (Obsolete Property); and

WHEREAS, Motion Properties (the Developer) owns the proposed Obsolete Property; and

WHEREAS, the proposed Obsolete Property is located within an Obsolete Property Rehabilitation District legally established by resolution adopted (**Insert Date**), after a public hearing was held on (**Insert Date**), as provided by section 3 of PA 146 of 2000; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Lansing; and

WHEREAS, a public hearing was held on (**Insert Date**) in order to provide an opportunity for the applicant, the City Assessor, a representative of the affected taxing units, the residents, and other taxpayers of the City of Lansing general public appear and be heard regarding the approval of the OPRA Certificate; and

WHEREAS, the Motion Properties has been certified in writing by the City of Lansing Treasurer to be not delinquent in any taxes related to the facility; and

WHEREAS, the application is for 12 years and under no circumstances or criteria will an extension of the exemption be considered; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant Motion Properties has provided answers to all required questions under the application instructions to the City of Lansing; and

WHEREAS, the City of Lansing requires that rehabilitation of the facility shall be completed by December 31, 2018; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Lansing eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, revitalize an urban area, and increase the number of residents in the community in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council hereby grants an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in an Obsolete Property Rehabilitation District at 1149 South Washington legally described as LOT 8 & N 1 R LOT 7 BLOCK 63 ORIG PLAT, 33-01-01-16-127-001; for a period of 12 years, beginning December 31, 2016, and ending December 30, 2026, pursuant to the provisions of PA 146 of 2000, as amended.

BE IT FINALLY RESOLVED that the City Clerk shall cause the Application for Obsolete Property Rehabilitation Certificate to be completed, including the "Clerk Certification" and shall file the completed application, together with a certified copy of this resolution with the State Tax Commission.

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

Business Name: Motion Properties

Business Contact Person: Patrick and Tiffany Dowling

Phone Number: 517-206-1661

Project Location: 221 W. Saginaw, Lansing, MI 48933

Type of EDC Service: OPRA Application

EDC Contact Person Name: Gabriela Allum

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

Due Date: As soon as possible

Approval:



City Treasurer

Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

INSTRUCTIONS: File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

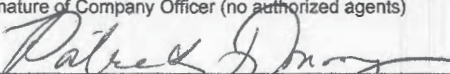
Applicant (Company) Name (applicant must be the OWNER of the facility) Motion Properties								
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 610 Seymour Ave., Lansing MI 48912								
Location of obsolete facility (No. and street, City, State, ZIP Code) 221 E. Saginaw, Lansing MI 48912								
City, Township, Village (indicate which) Lansing		County Ingham						
Date of Commencement of Rehabilitation (mm/dd/yyyy) 08/3/2016	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 02/14/2017	School District where facility is located (include school code) 33020 - Lansing						
Estimated Cost of Rehabilitation \$816,500	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet						
Expected project likelihood (check all that apply): <table border="0"><tr><td>☒ Increase Commercial activity</td><td>☒ Retain employment</td><td>☒ Revitalize urban areas</td></tr><tr><td>☒ Create employment</td><td>☐ Prevent a loss of employment</td><td>☐ Increase number of residents in the community in which the facility is situated</td></tr></table> Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment _____			☒ Increase Commercial activity	☒ Retain employment	☒ Revitalize urban areas	☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated
☒ Increase Commercial activity	☒ Retain employment	☒ Revitalize urban areas						
☒ Create employment	☐ Prevent a loss of employment	☐ Increase number of residents in the community in which the facility is situated						
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. ☒								

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Patrick Dowling	Telephone Number 517-206-1661	Fax Number
Mailing Address 610 Seymour Ave., Lansing MI 48933		Email Address patrick.dowling@att.net
Signature of Company Officer (no authorized agents) 		Title President

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

PART 1: ACTION TAKEN

Action Date: _____		
☒ Exemption Approved for <u>12</u> Years, ending December 30, <u>2029</u> (not to exceed 12 years)		
☐ Denied		
Date District Established	LUCI Code	School Code
		33020

PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

A statement that the local unit is a Qualified Local Governmental Unit. A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000. A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit. A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years. A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing. A statement that the applicant is not delinquent in any taxes related to the facility. If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit. A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.	A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000. A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District. A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district. A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in. A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000. A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.
--	---

PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

Taxable Value		State Equalized Value (SEV)	
Building(s)	\$144,327	\$185,000	
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence	
City of Lansing, Michigan		June 9, 2016	

PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Chris Swope			
Clerk's Mailing Address	City	State	ZIP Code
City Hall, 9th Floor 124 W. Michigan Ave.	Lansing	MI	48933
	Telephone Number	Fax Number	Email Address
	517-483-4131		chris.swope@lansingmi.gov

Mail completed application and attachments to: Michigan Department of Treasury
State Tax Commission
P.O. Box 30471
Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.



studio
[intrigue]
ARCHITECTS

221 S. WASHINGTON AVE. • SUITE 100 • LANSING • MICHIGAN • 48203
313.332.8284 PHONE • 313.332.8285 FAX • WWW.STUDIOINTRIGUE.COM

Project

M3
GROUP
221 W. SAGINAW ST.
LANSING, MI

COPYRIGHT 2016 STUDIO
INTRIGUE ARCHITECTS

DATE
10/12/16
PROJECT #
16.059



NORTH ELEVATION

NTS



PRELIMINARY
NOT FOR
CONSTRUCTION

FOR ILLUSTRATIVE PURPOSES ONLY

THESE DRAWINGS ARE TO BE USED
FOR ILLUSTRATIVE PURPOSES ONLY
AND ARE NOT TO BE USED AS A
BASIS FOR CONSTRUCTION OR
ALTERATIONS.

STUDIO [INTRIGUE] ARCHITECTS LLC
EXPRESSLY DISCLAIMS ANY AND
ALL LIABILITY RESULTING FROM OR
CONNECTED WITH THE USE OF THESE
DRAWINGS FOR ANY PURPOSE OTHER
THAN ILLUSTRATION.

LICENSE TO USE OF THIS DRAWING
SHALL BE LIMITED TO CLIENT
REVIEW ONLY.

submit to client

Z:\Projects\2016\16.059\Drawings\16059REV.dwg, 10/12/2016 4:51:56 PM, stephanies



studio
[intrigue]
ARCHITECTS

804 E. PRAIRIEVIEW AVE. • SUITE 100 • LANSING • MICHIGAN • 48202
TEL: 313.832.8888 FAX: 313.832.8888 WWW.STUDIOINTRIGUE.COM

Project

M3
GROUP
221 W. SAGINAW ST.
LANSING, MI

COPYRIGHT 2016 STUDIO
INTRIGUE ARCHITECTS

DATE
10/12/16
PROJECT #
16.059



EAST ELEVATION



NTS

PRELIMINARY
NOT FOR
CONSTRUCTION

FOR ILLUSTRATIVE PURPOSES ONLY

THESE DRAWINGS ARE TO BE USED
FOR ILLUSTRATIVE PURPOSES ONLY
AND ARE NOT TO BE USED AS A
BASIS FOR CONSTRUCTION OR
ALTERATIONS.

STUDIO [INTRIGUE] ARCHITECTS LLC
EXPRESSLY DISCLAIMS ANY AND
ALL LIABILITY RESULTING FROM OR
CONNECTED WITH THE USE OF THESE
DRAWINGS FOR ANY PURPOSE OTHER
THAN ILLUSTRATION.

LICENSE TO USE OF THIS DRAWING
SHALL BE LIMITED TO CLIENT
REVIEW ONLY.

Z:\Projects\2016\16059\Drawings\16059REV.dwg, 10/12/2016 4:50:21 PM, stephanies



Project

M3
GROUP
221 W. SAGINAW ST.
LANSING, MI

DATE
10/12/16
PROJECT #
16.059



WEST ELEVATION

NTS



PRELIMINARY
NOT FOR
CONSTRUCTION

FOR ILLUSTRATIVE PURPOSES ONLY

THESE DRAWINGS ARE TO BE USED FOR ILLUSTRATIVE PURPOSES ONLY AND ARE NOT TO BE USED AS A BASIS FOR CONSTRUCTION OR ALTERATIONS.

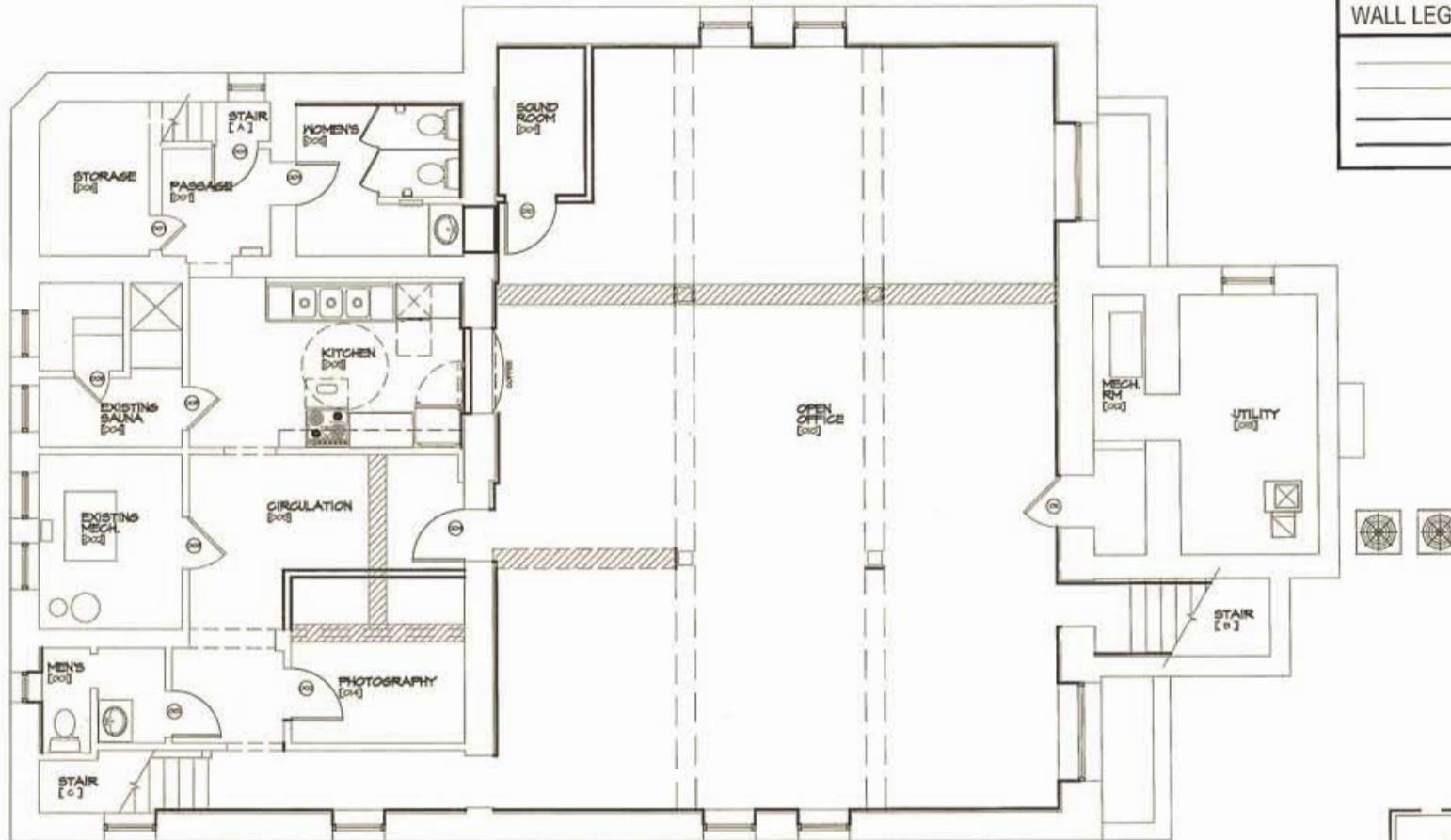
STUDIO [INTRIGUE] ARCHITECTS LLC EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR CONNECTED WITH THE USE OF THESE DRAWINGS FOR ANY PURPOSE OTHER THAN ILLUSTRATION.

LICENSE TO USE OF THIS DRAWING SHALL BE LIMITED TO CLIENT REVIEW ONLY.



Project	M3 GROUP 221 W. SAGINAW ST. LANSING, MI	DATE 10/12/16 PROJECT # 16.059
---------	--	---

WALL LEGEND	
	EXISTING
	NEW CONSTRUCTION



LOWER LEVEL PLAN

NTS



PRELIMINARY
NOT FOR
CONSTRUCTION

FOR ILLUSTRATIVE PURPOSES ONLY
THESE DRAWINGS ARE TO BE USED FOR ILLUSTRATIVE PURPOSES ONLY AND ARE NOT TO BE USED AS A BASIS FOR CONSTRUCTION OR ALTERATIONS.
STUDIO [INTRIGUE] ARCHITECTS LLC EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR CONNECTED WITH THE USE OF THESE DRAWINGS FOR ANY PURPOSE OTHER THAN ILLUSTRATION.
LICENSE TO USE OF THIS DRAWING SHALL BE LIMITED TO CLIENT REVIEW ONLY.



**studio
[intrigue]**
ARCHITECTS

94 S. WASHINGTON AVE. • SUITE 100 • LANSING • MICHIGAN • 48201
TEL: 313.222.8888 FAX: 313.222.8888 WWW.STUDIOINTRIGUE.COM

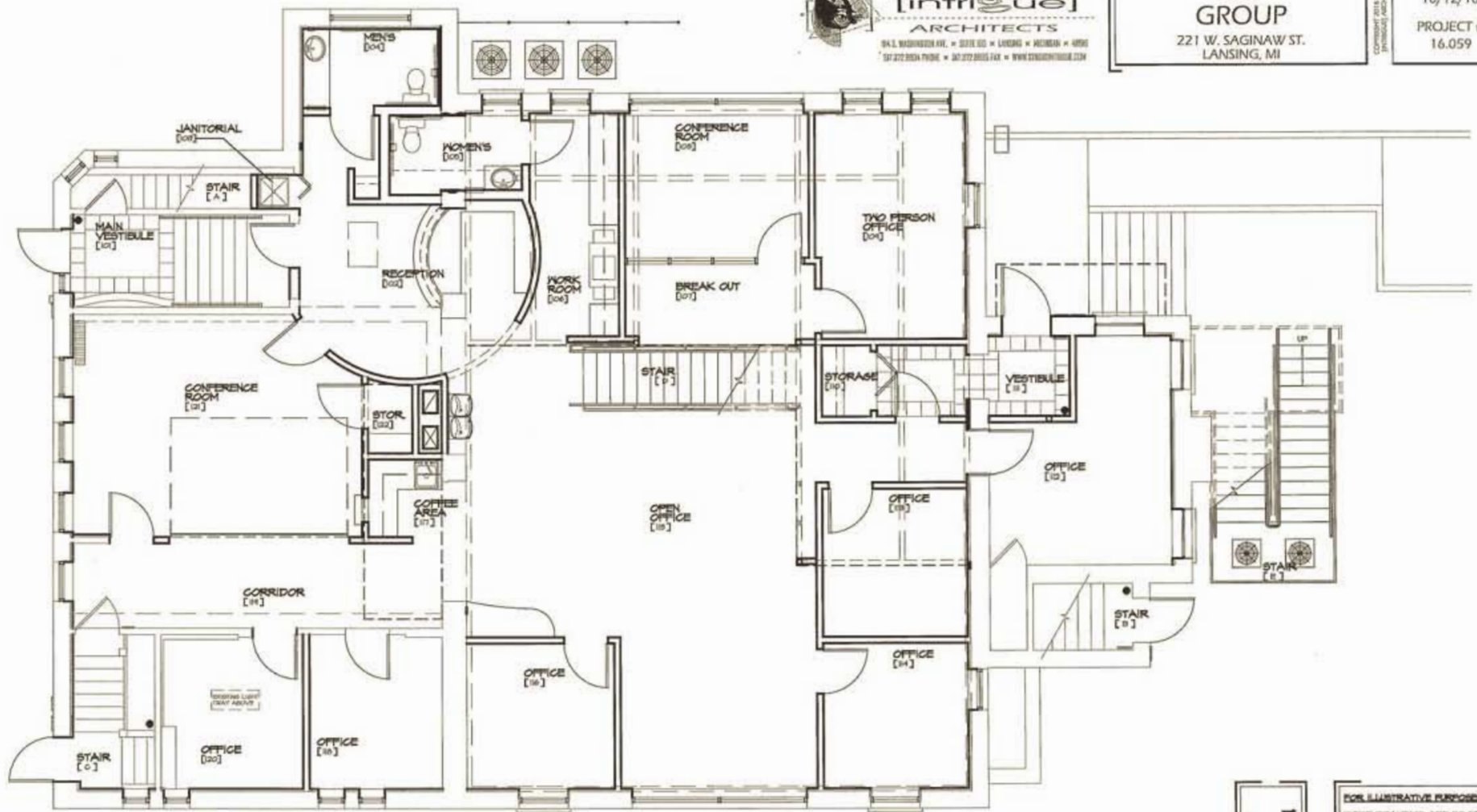
Project

**M3
GROUP**

221 W. SAGINAW ST.
LANSING, MI

COMMITTEE 2016.05.09
PRELIMINARY ARCHITECTS

DATE
10/12/16
PROJECT #
16.059



WALL LEGEND

	EXISTING
	NEW CONSTRUCTION

FIRST FLOOR PLAN



NTS



**PRELIMINARY
NOT FOR
CONSTRUCTION**

FOR ILLUSTRATIVE PURPOSES ONLY

THESE DRAWINGS ARE TO BE USED FOR ILLUSTRATIVE PURPOSES ONLY AND ARE NOT TO BE USED AS A BASIS FOR CONSTRUCTION OR ALTERATIONS.

STUDIO [INTRIGUE] ARCHITECTS LLC EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR CONNECTED WITH THE USE OF THESE DRAWINGS FOR ANY PURPOSE OTHER THAN ILLUSTRATION.

LICENSE TO USE OF THIS DRAWING SHALL BE LIMITED TO CLIENT REVIEW ONLY.

Z:\Projects\2016\16.059\Drawings\16059PL2.dwg, 10/12/2016 4:49:50 PM, stephanies



studio
[intrigue]
ARCHITECTS

104 E. WASHINGTON AVE. • SUITE 100 • LANSING • MICHIGAN • 48201
313.222.8814 PHONE • 313.222.8815 FAX • WWW.STUDIOINTRIGUE.COM

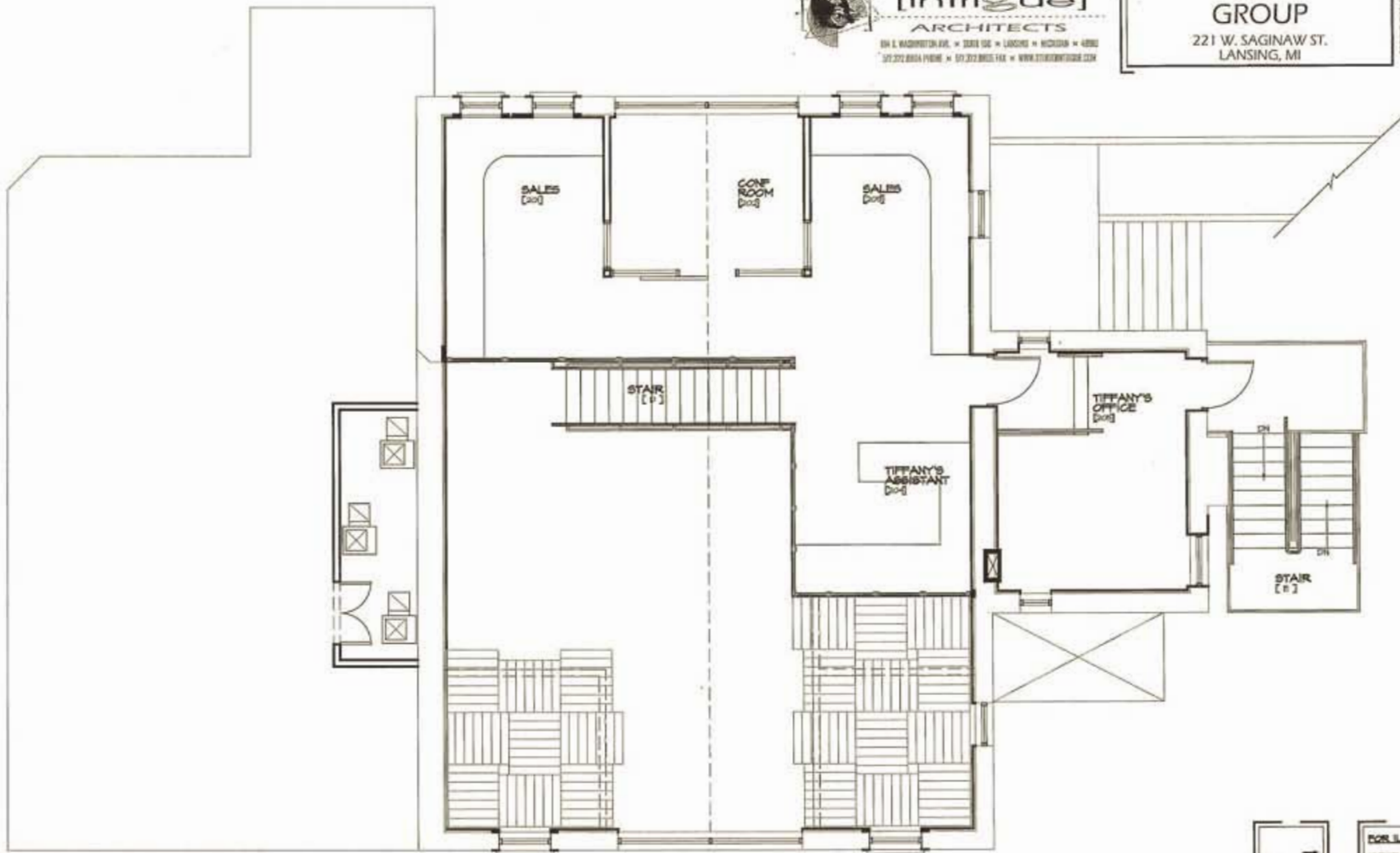
Project

M3
GROUP

221 W. SAGINAW ST.
LANSING, MI

COPYING © 2016 STUDIO
INTRIGUE ARCHITECTS

DATE
10/12/16
PROJECT #
16.059



WALL LEGEND

	EXISTING
	NEW CONSTRUCTION

UPPER LEVEL PLAN

NTS



PRELIMINARY
NOT FOR
CONSTRUCTION

FOR ILLUSTRATIVE PURPOSES ONLY

THESE DRAWINGS ARE TO BE USED
FOR ILLUSTRATIVE PURPOSES ONLY
AND ARE NOT TO BE USED AS A
BASIS FOR CONSTRUCTION OR
ALTERATIONS.

STUDIO [INTRIGUE] ARCHITECTS LLC
EXPRESSLY DISCLAIMS ANY AND
ALL LIABILITY RESULTING FROM OR
CONNECTED WITH THE USE OF THESE
DRAWINGS FOR ANY PURPOSE OTHER
THAN ILLUSTRATION.

LICENSE TO USE OF THIS DRAWING
SHALL BE LIMITED TO CLIENT
REVIEW ONLY.



Virg Bernero, Mayor

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)

TO: City Council President Judi Brown Clarke and Councilmembers
FROM: Mayor Virg Bernero
DATE: 11/10/16
RE: Z-8-2016, 3001 S. Washington Avenue, Rezoning

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

VB/rh
Attachment



City of Lansing
Inter-Departmental
Memorandum



To: Virg Bernero, Mayor

From: Susan Stachowiak, Zoning Administrator

Subject: CITY COUNCIL AGENDA ITEM - Z-8-2016, 3001 S. Washington Avenue, Rezoning

Date: November 2, 2016

The Lansing Planning Board, at its regular meeting held on November 1, 2016, voted (6-0) to recommend approval of a request by Green Key Properties, LLC to rezone the property at 3001 S. Washington Avenue from “D-1” Professional Office & “J” Parking Districts to “F” Commercial District. The purpose of the rezoning is to permit a retail establishment (medical marijuana dispensary) on the subject property.

The Planning Board found, based on testimony, evidence and the staff report, that the proposed rezoning will be consistent with the existing zoning and land use patterns in the area. The Board also found that the proposed rezoning will have no negative impacts on traffic patterns, the environment or future patterns of development in the area.

At the Planning Board public hearing held on November 1, 2016, the applicants and one other person spoke in favor of and two persons spoke in opposition to the rezoning.

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

GENERAL INFORMATION

APPLICANT/OWNER: Gordon Green, Member-Manager
Green Key Properties, LLC
6824 Brightwood Avenue
Waterford, MI 48329

REQUESTED ACTIONS: Rezone 3001 S. Washington Avenue from "D-1" Professional Office & "J" Parking Districts to F" Commercial District

EXISTING LAND USE: Unauthorized Medical Marijuana Dispensary

EXISTING ZONING: "D-1" Professional Office & "J" Parking Districts

PROPOSED ZONING: "F" Commercial District

PROPERTY SIZE: Irregular Shape - .39 acres

SURROUNDING LAND USE: N: Kent Cleaners
S: Church
E: Residential
W: Residential

SURROUNDING ZONING: N: "F" Commercial & "J" Parking Districts
S: "A" Residential & "D-1" Professional Office Districts
E: "A" Residential District
W: "A" Residential & "D-1" Professional Office Districts

MASTER PLAN: The Design Lansing Comprehensive Plan designates the subject property for "Residential Corridor" land use. S. Washington Avenue is designated as a minor arterial.

DESCRIPTION:

This is a request by Green Key Properties, LLC to rezone the property at 3001 S. Washington Avenue from "D-1" Professional Office & "J" Parking Districts to "F" Commercial District. The purpose of the rezoning is to permit a retail establishment (medical marijuana dispensary) on the subject property.

It was recently brought to the attention of the Planning Office that a medical marijuana dispensary was being operated out of the building at 3001 S. Washington Avenue. Since this property is zoned "D-1" Professional Office, which district does not permit medical marijuana dispensaries, the owner of the property was issued a violation notice requiring the discontinuation of this use. In response, the owner has applied to have the property rezoned to the "F" Commercial district which, if approved, would allow a medical marijuana dispensary, once an ordinance is enacted and the current moratorium on these types of facilities has been lifted.

AGENCY RESPONSES

BWL:

Building Safety: The BSO has no objection to the rezoning. However, FYI, the current retail occupant (without a C of O) is a Medical Marijuana facility.

Fire Marshal:

Parks & Recreation: No comments.

Public Service:

Traffic Engineer: The Transportation and Non-motorized has no objection to the rezoning request, however, this does not constitute a review or approval of any site plan or other process that may be required for a project to move forward on this property

COMPATIBILITY WITH SURROUNDING LAND USE

The subject property is currently zoned "D-1" Professional Office district, with the exception of the parking lot east of the building that is zoned "J" Parking district. The area of the site that is zoned "D-1" was rezoned from "F" Commercial in 2002 at the request of the owner at that time. The purpose of that rezoning was to allow an expansion of the child care center capacity because the requirements for such use are less stringent under the "D-1" district.

The property directly to the north of the subject property is zoned "F" Commercial and therefore, the proposed rezoning will not result in a "spot zone" which is typically considered to be an unacceptable planning practice.

It is not anticipated that the rezoning will be disruptive to the residential neighborhood to the east. Medical marijuana dispensaries typically do not generate much traffic, noise or other nuisances that would negatively impact the quality of life for nearby residents. In fact, the City has not received any complaints about the existing medical marijuana facility that has been operating illegally at this location for several weeks. The facility is illegal because it was established after the moratorium on such facilities went into effect in March of this year. This violation was brought to the attention of the Planning Office after the City electrical inspector noticed that the facility was operating without having obtained the necessary permits to ensure that the electrical system in the building was adequate to accommodating the use. Medical marijuana grow operations typically require an inordinate amount of heat and lighting which can place a serious burden on the building's electrical system.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the subject property for “Residential Corridor” land use. The Plan specifies the following for this land use classification:

“To allow medium-density residential development in a variety of urban formats, rather than a conversion of residential to commercial use, along certain high-traffic streets that also serve as transit routes or are within easy walking distance (¼ mile).”

The proposed rezoning is clearly not in compliance with the Master Plan. It is, however, consistent with a general goal of Master Planning which is to concentrate commercial land uses along major or minor arterials that already have a strong presence of nonresidential land uses and a transportation system designed to accommodate the traffic.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The proposed rezoning will have no impact on traffic in the area. The site is located on S. Washington Avenue which is a minor arterial designed to carry a high volume of traffic.

IMPACT ON PUBLIC FACILITIES

The site is already served by all necessary public facilities. No changes are proposed for the site that would have an impact on public facilities.

ENVIRONMENTAL IMPACT

The proposed rezoning will have no environmental impacts as the site is already developed and no changes are proposed at this time. New construction would require administrative site plan review at which time the site would have to be brought into compliance with all City codes and ordinance including those regulating storm water management.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

Approval of the requested rezoning is not anticipated to have any negative impacts on future patterns of development in the area. The proposed zoning will not result in a “spot zone” as the property directly to the north is already zoned “F” Commercial. Furthermore, in 2002, the subject property was rezoned from “F” Commercial to “D-1” Professional Office so that the child care center that occupied the site at that time could expand its capacity without having to provide as much outdoor play area. The current owner of the property is requesting that the 2002 rezoning be reversed so that the site can be used for retail sales that would include medical marijuana. If the rezoning were to be denied, it would deprive the property owner of land use rights that are already afforded to the property owner directly to the north and to the previous owners of the property, prior to them having the property rezoned. If the site had not previously been zoned “F” Commercial, staff would not be making a positive recommendation on this request. Since there are no other sites in the area that have been downzoned from “F” Commercial, approval of this rezoning will not set a negative precedent for future requests to rezone property in the area to the “F” Commercial district.

SUMMARY

This is a request by Green Key Properties, LLC to rezone the property at 3001 S. Washington Avenue from "D-1" Professional Office & "J" Parking Districts to "F" Commercial District. The purpose of the rezoning is to permit a retail establishment (medical marijuana dispensary) on the subject property. The findings of fact as outlined in this staff report support a positive recommendation for the requested rezoning.

RECOMMENDATIONS

Pursuant to the findings described above, the following recommendation is offered for the Planning Board's consideration:

Z-8-2016 be approved to rezone the property at 3001 S. Washington Avenue from "D-1" Professional Office and "J" Parking Districts to "F" Commercial District.

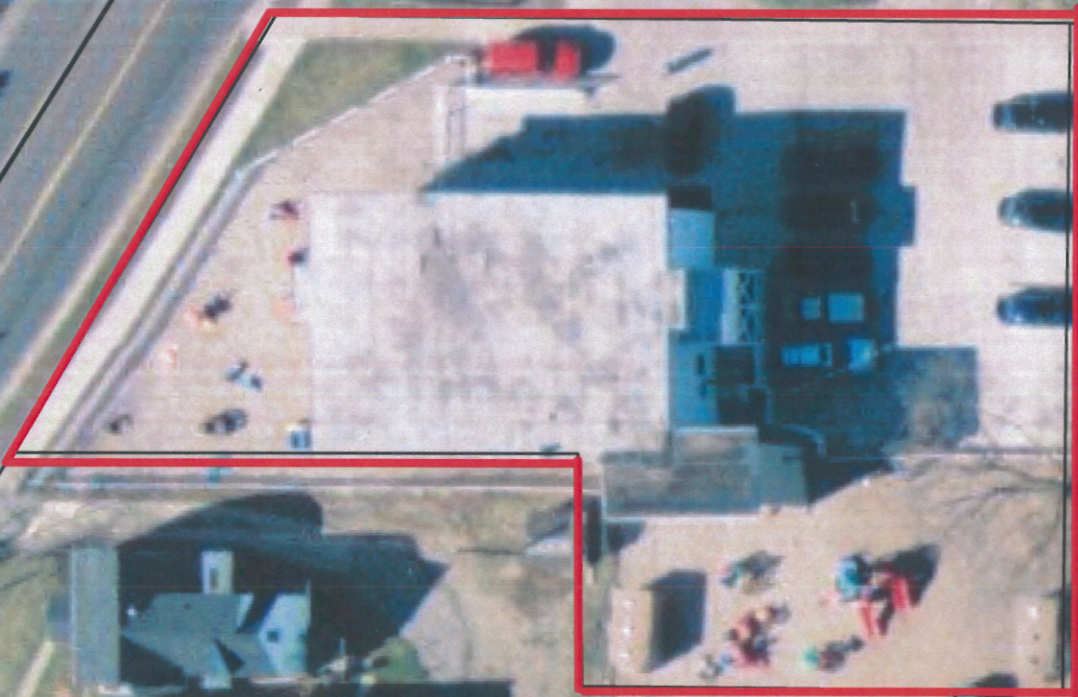
Respectfully Submitted,

**Susan Stachowiak
Zoning Administrator**



S Washington Ave

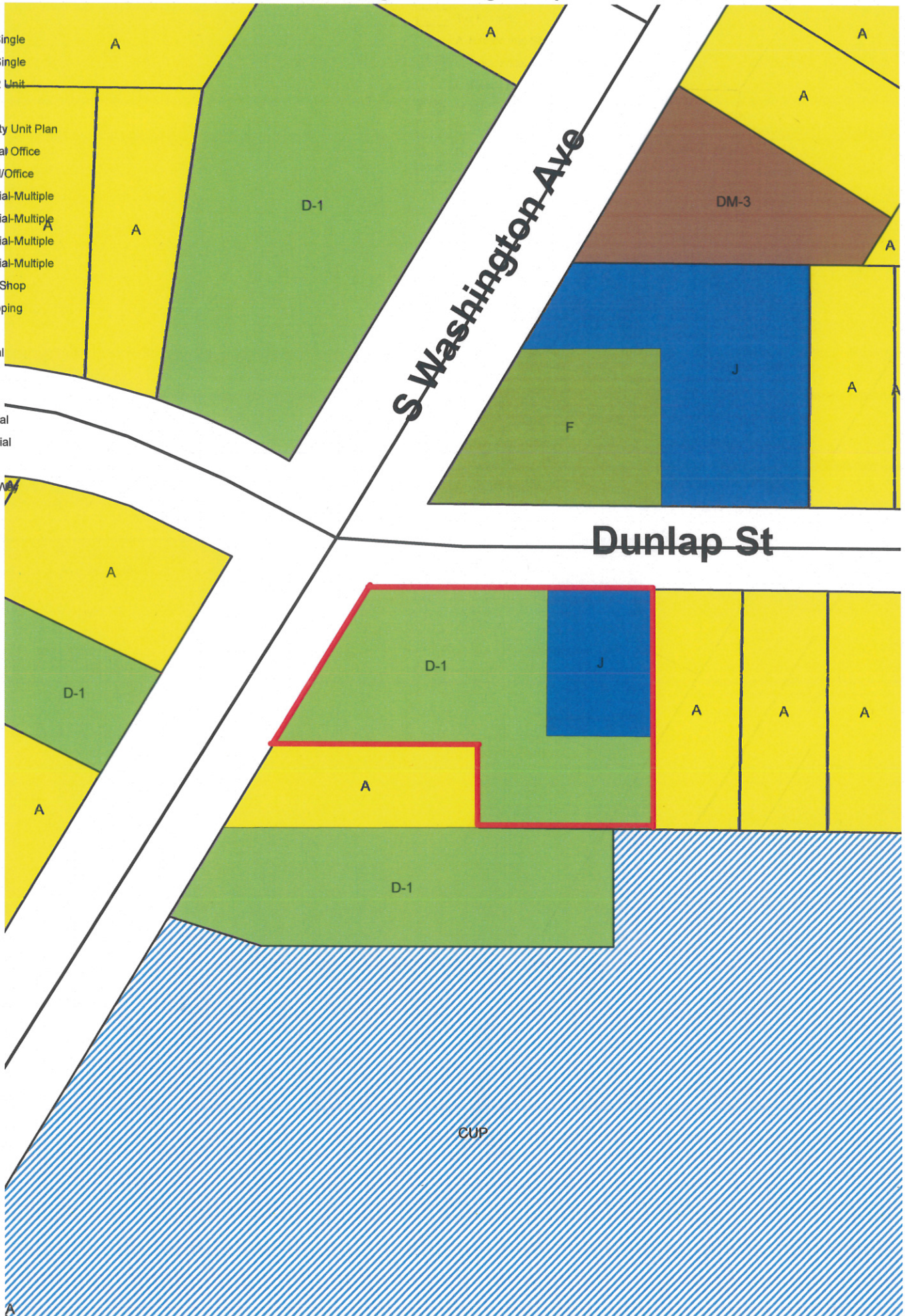
Dunlap St



Legend

-  roads_final
-  Tax Parcels
-  A Residential-Single
-  B Residential-Single
-  C Residential-2 Unit
-  NONE
-  CUP Community Unit Plan
-  D-1 Professional Office
-  D-2 Residential/Office
-  DM-1 Residential-Multiple
-  DM-2 Residential-Multiple
-  DM-3 Residential-Multiple
-  DM-4 Residential-Multiple
-  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

City of Lansing Zoning Map



BY THE COMMITTEE ON DEVELOPMENT & PLANNING

RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Resolved by the City Council of the City of Lansing that a public hearing be set for Monday, _____, 2016, at 7 p.m. in City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of approving and/or opposing the Ordinance for rezoning:

Z-8-2016: 3001 S. Washington Avenue, Rezoning from “D-1” Professional Office
and “J” Parking Districts to “F” Commercial District

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-8-2016

Parcel Number's: 33-01-01-28-304-002

Legal Descriptions: Lots 4 & 5 & the East 90 feet of Lot 6, Holmesdale Subdivision, City of Lansing, Ingham County, MI, from "D-1" Professional Office & "J" Parking Districts to "F" Commercial 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.

INTRODUCTION OF ORDINANCES

The following ordinance of the City of Lansing, Michigan, providing that the Code of Ordinances be amended by providing for the rezoning of property located in the City of Lansing, Michigan, and for the revision of the district maps adopted by Section 1246.02 of the Code for property located at:

Z-8-2016: 3001 S. Washington Avenue, Rezoning from “D-1” Professional Office and “J” Parking Districts to “F” Commercial District

was introduced by the Committee on Development & Planning, read a first and second time by its title and referred to the Committee on Development and Planning.

CITY OF LANSING
NOTICE OF PUBLIC HEARING

Z-8-2016, 3001 S. Washington Avenue

Rezoning from “D-1” Professional Office & “J” Parking Districts to “F” Commercial District

The Lansing City Council will hold a public hearing on Monday, , 2016, at 7:00 p.m. in Council Chambers, 10th Floor, Lansing City Hall, 124 W. Michigan Avenue, Lansing, Michigan to consider **Z-8-2016**. This is a request by Green Key Properties, LLC to rezone the property at 3001 S. Washington Avenue from “D-1” Professional Office & “J” Parking Districts to “F” Commercial District. The purpose of the rezoning is to permit a commercial retail establishment on the subject property.

For more information, please call Lansing City Council at 517-483-4177. 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, , 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, City Clerk

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-8-2016

Parcel Number's: 33-01-01-28-304-002

Legal Descriptions: Lots 4 & 5 & the East 90 feet of Lot 6, Holmesdale Subdivision, City of Lansing, Ingham County, MI, from "D-1" Professional Office & "J" Parking Districts to "F" Commercial 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.



Virg Bernero, Mayor

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)

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



Virg Bernero, Mayor

City of Lansing
Inter-Departmental
Memorandum



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 TO SET A PUBLIC HEARING FOR
BROWNFIELD PLAN #66
FLUID CHILLER EXPANSION REDEVELOPMENT PROJECT

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 3005 Alpha Access Street 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 48912, 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 December 12, 2016 at 7:00 p.m. on Brownfield Plan #66 – Fluid Chiller Redevelopment Project under the Brownfield Redevelopment Financing Act, for property more particularly described as:

A parcel of land in the Southwest $\frac{1}{4}$ 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 $\frac{1}{4}$ 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 $\frac{1}{4}$ corner of said Section 27; thence N00°03'11"W, along the North-South $\frac{1}{4}$ 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 $\frac{1}{4}$ 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 $\frac{1}{4}$ line of Section 27, 959.52 feet to the North-South $\frac{1}{4}$ line of Section 27; thence S00°03'11"E, along the North-South $\frac{1}{4}$ line, 257.42 feet to the POINT OF BEGINNING; containing 5.44 acres of land, Parcel # 33-01-01-27-327-113.

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 Plan #66 – Fluid

Chiller Expansion Redevelopment Project and the scheduled public hearing.

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 $\frac{1}{4}$ 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 $\frac{1}{4}$ 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 $\frac{1}{4}$ corner of said Section 27; thence N00°03'11"W, along the North-South $\frac{1}{4}$ 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 $\frac{1}{4}$ 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 $\frac{1}{4}$ line of Section 27, 959.52 feet to the North-South $\frac{1}{4}$ line of Section 27; thence S00°03'11"E, along the North-South $\frac{1}{4}$ 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.

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 activities 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'.



PROVIDING SERVICES NATIONWIDE

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

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

TABLE OF CONTENTS

PROJECT SUMMARY	1
I. INTRODUCTION AND PURPOSE	2
II. GENERAL PROVISIONS	2
A. Description of the Eligible Property (Section 13 (1)(h)) and Project.....	2
B. Basis of Eligibility (Section 13 (1)(h) and Section 2(o))	4
C. Summary of Eligible Activities and Description of Costs (Sec. 13 (1)(a-b))	4
D. Estimate of Captured Taxable Value and Tax Increment Revenues (Sec. 13 (1)(c))	5
E. Method of Financing and Description of Advances by the Municipality (Sec. 13 (1)(d))	5
F. Maximum Amount of Note or Bonded Indebtedness (Sec. 13 (1)(e))	5
G. Duration of Brownfield Plan (Sec. 13 (1)(f))	5
H. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions (Sec. 13 (1)(g)).....	5
I. Legal Description, Property Map, Statement of Qualifying Characteristics and Personal Property (Sec. 13 (1)(h))	7
J. Displacement/Relocation of Individuals on Eligible Property (Sec. 13 (1)(i-l))	7
K. Local Site Remediation Revolving Fund ("LSRRF") (Sec. 13 (1)(m))	7
L. Other Material that the Authority or Governing Body Considers Pertinent (Sec. 13 (1)(n))	7

APPENDICIES

Appendix A	Property Location Maps
Appendix B	Legal Description and Documentation of Parcel Split
Appendix C	Preliminary Site Plans and Elevations
Appendix D	Functional Obsolescence Determination
Appendix E	Estimated Costs of Eligible Activities
Appendix F	Tax Increment Financing Table

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	24.0000	\$ 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 Mills 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.

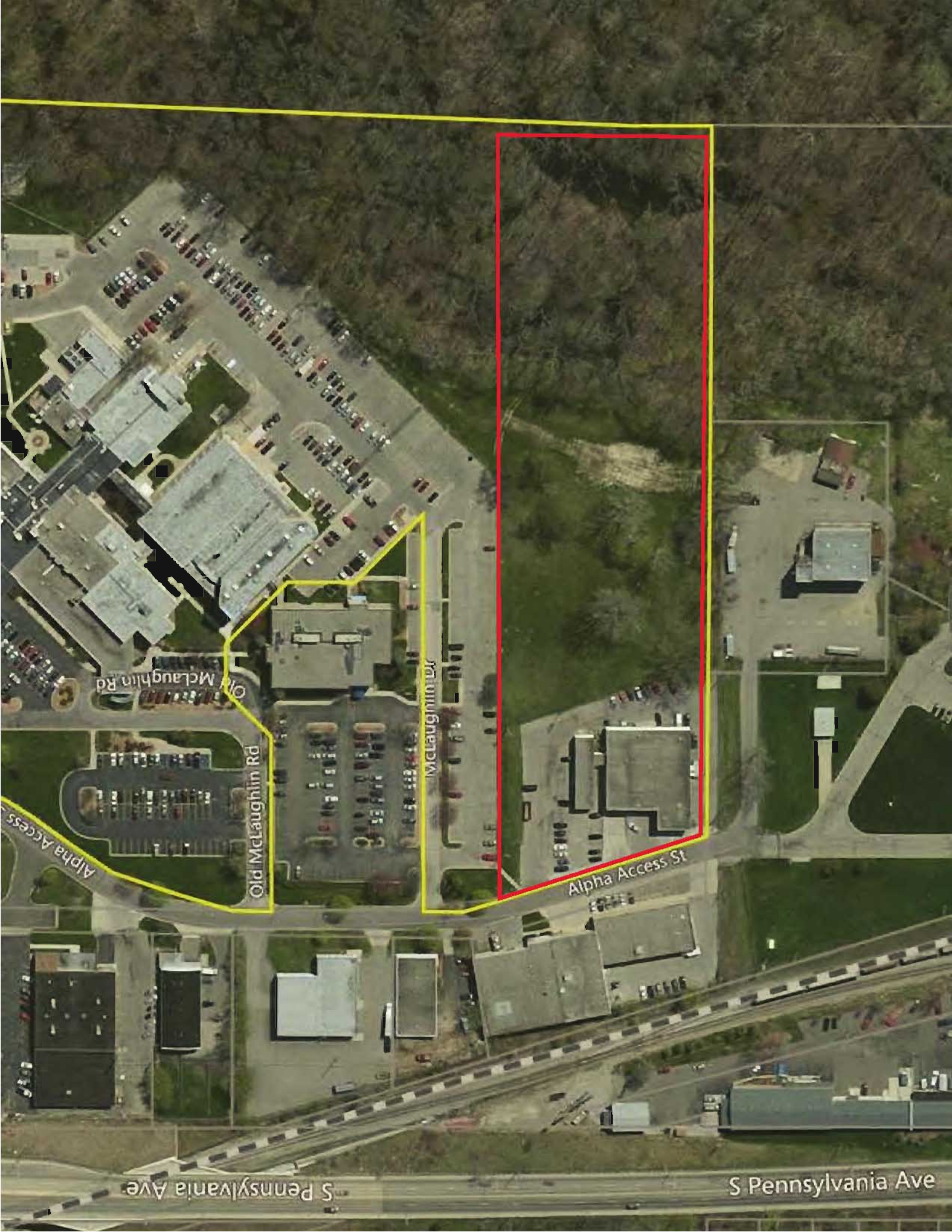
K. Local Site Remediation Revolving Fund ("LSRRF") (Sec. 13 (1)(m))

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



S Pennsylvania Ave

S Pennsylvania Ave

Old McLaughlin Rd

Old McLaughlin Rd

McLaughlin Dr

Alpha Access St

2777 SOUTH PENNSYLVANIA
AVENUE
INGHAM REGIONAL
MEDICAL CENTER
(CLOSED LUST SITE)

2815 SOUTH PENNSYLVANIA
AVENUE
MEDICAL OFFICE BUILDING



VACANT LAND

VACANT LAND

3015 ALPHA ACCESS STREET
LANSING FIRE TRAINING
ACADEMY

3100 ALPHA ACCESS STREET
LANSING BOARD OF WATER AND
LIGHT AND BESOC

LEGEND:

- ① SUBJECT PROPERTY
- ② POLE MOUNTED TRANSFORMER
- ③ SWAMP
- SEALED TRENCH DRAIN



FIGURE 2

GENERALIZED DIAGRAM OF THE SUBJECT
PROPERTY AND ADJOINING PROPERTIES

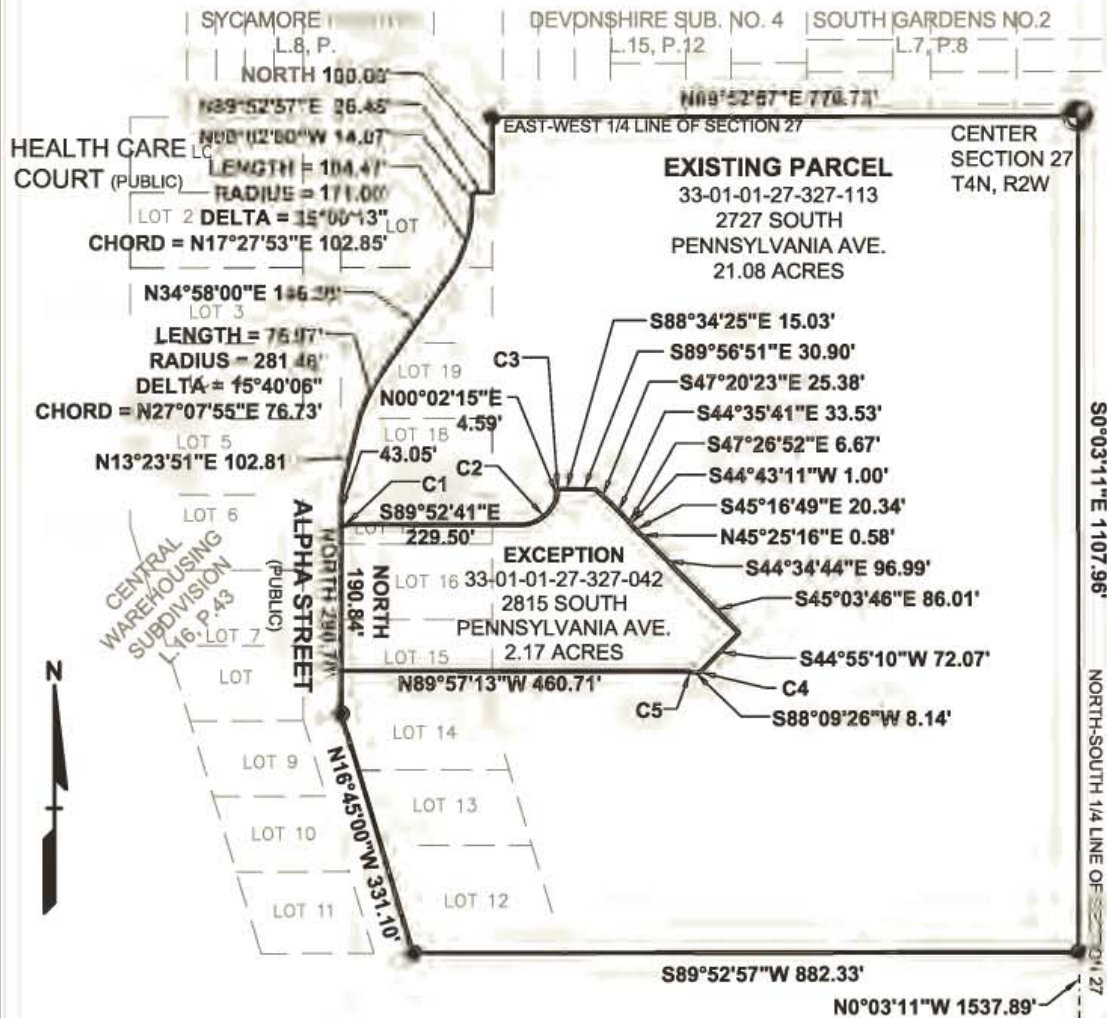
PROJ:

COMMERCIAL PROPERTY
3005 ALPHA ACCESS STREET
LANSING, MI

FILES IN SET: 1 SMALL 2024-06-24/2016	DWG BY: CS	DATE: 6/24/2016
0	DWG BY: JS	SCALE: 1" = 80'
0	FILE NAME: 01-7254-0-001F02R00	

Appendix B

CERTIFICATE OF SURVEY



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

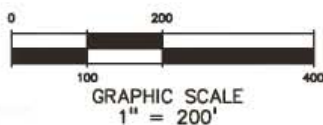
CURVE 2 (C2)
LENGTH = 63.73'
RADIUS = 50.91'
CHORD = N50°35'31"E 59.65'

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'

SOUTH 1/4
SECTION 27
T4N, R2W



LEGEND

- ✕ IRON SET #32334
- IRON FOUND
- ⊘ P.K. NAIL SET
- ⊙ MONUMENT FOUND
- ⊕ SECTION CORNER FOUND



PEA, Inc.

7927 Nemo 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

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

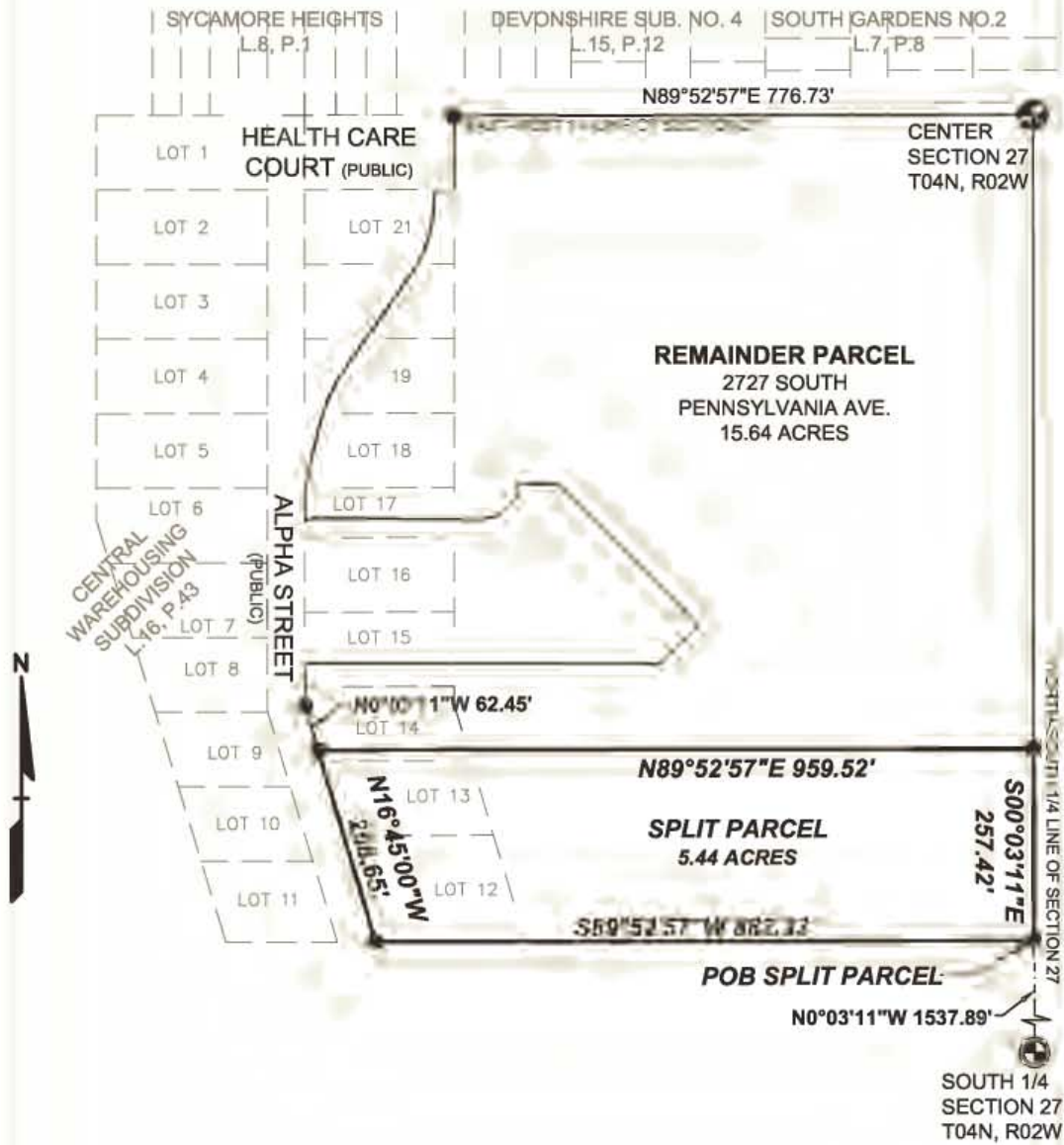
(Tax Parcel No. 33-01-01-27-327-042; 2.17 acres)

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
	DATE: 19-Aug-2016	DWG. No: 2 of 4

CERTIFICATE OF SURVEY



LEGEND

- ✕ IRON SET #32334
- IRON FOUND
- ⊘ P.K. NAIL SET
- ⊙ MONUMENT FOUND
- ⊕ SECTION CORNER FOUND

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



PEA, Inc.

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

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 the requirements of Section 3 of 1970 PA 132, Certified Surveys, MCL 54.213, have been met.



Christopher T. Beland, P.S., 49108

August 19, 2016

Date:



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
N84°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 #2808
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

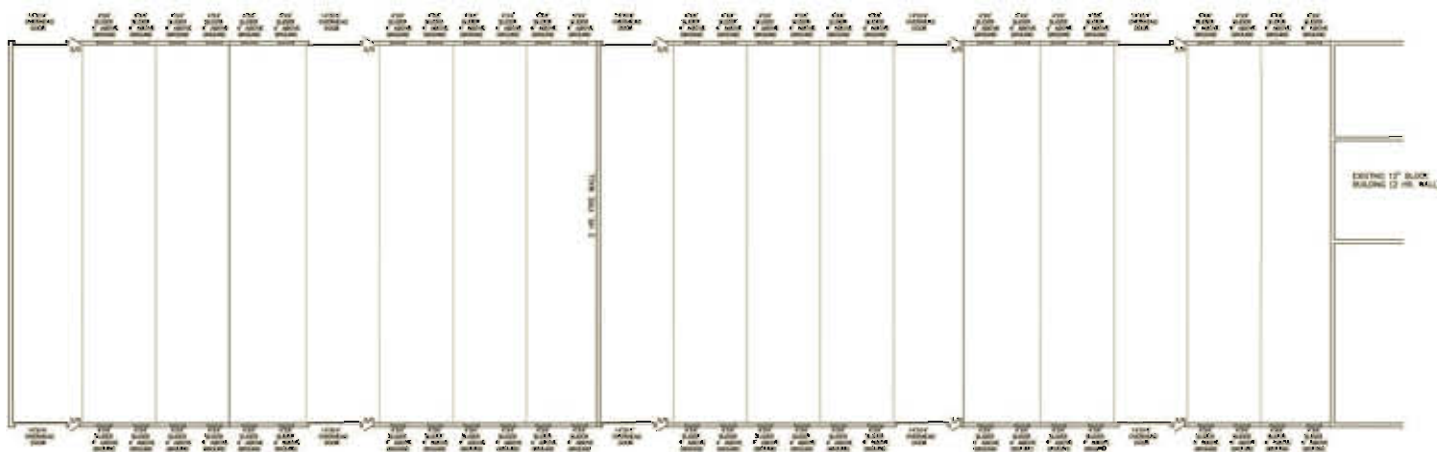
PEA

PEA, Inc.

7527 Harmon Way, Ste 116
Brighton, MI 48116
T: 517.546.8803
F: 517.546.8873
www.peainc.com

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

Appendix C



REAR ADDITIONS FLOOR PLAN
SCALE: 1/16" = 1'-0"

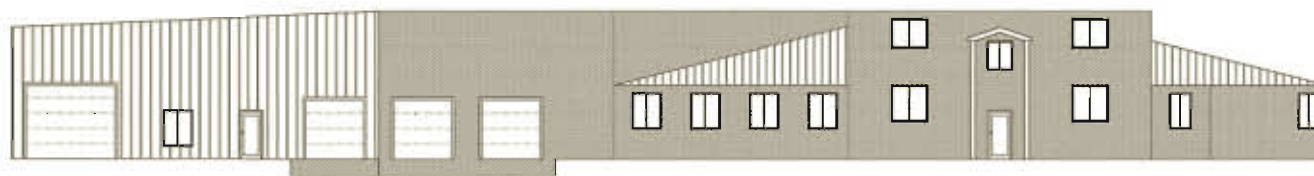
REVISIONS	BY	
	OWNER	BLDR

FLUID CHILLERS, INC.
3005 ALPHA ACCESS
LANSING MI 48910

KATLER 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	BUILDER

FLUID CHILLERS, INC.
 3005 ALPHA ACCESS
 LANSING MI 48910

KATER ENGINEERING ASSOCIATES
 6093 ANCHOR COVE
 LANSING MI 48910
 PHONE: (517) 974-2343 kateengr@aol.com

ACCEPTED

OWNER

BUILDER

DRAWN

T. BAKER

CHECKED

T. BAKER

DATE

9-9-16

DRAWING NO.

01504301

SHEET 1 OF 9

[illegible]

Appendix D



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

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

Tax Increment Financing Estimates
Table 2

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Totals	10% Capture for Local Tax Units Summary
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12			
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	\$ 21,529	\$ 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	\$ 12,006	\$ 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	\$ 33,538	\$ 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

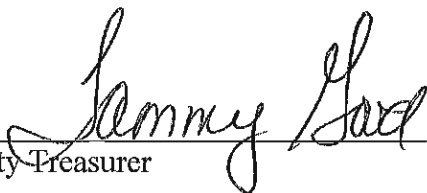
Type of EDC Service: Brownfield Plan

EDC Contact Person Name: Karl Dorshimer

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

Due Date: As soon as possible

Approval:



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:

<u>Tim Ayres</u>	<u>50</u> %
<u>Tom Ayres</u>	<u>50</u> %
<u></u>	<u></u> %
<u></u>	<u></u> %

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

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? 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 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 \$600,000 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. 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 (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. 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 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. 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 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:

Approved as to form:

James Smiertka

City Attorney

**AYRES REAL ESTATE
HOLDINGS, LLC**

By: Tim Ayres
Tim Ayres

Its: President

CITY OF LANSING:

By: _____
Virg Bernero

Its: Mayor

**LANSING ECONOMIC
DEVELOPMENT CORPORATION:**

By: _____
Karl R. Dorshimer

Its: Authorized Representative

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

Controller City



Virg Bernero, Mayor

DEPARTMENT OF PLANNING AND NEIGHBORHOOD DEVELOPMENT

316 N. CAPITOL AVENUE • LANSING, MI 48933-1236 • (517) 483-4060 • FAX: (517) 483-6036

DIRECTOR'S OFFICE

TO: Chad Gamble, Chief Operating Officer

FROM: Bob Johnson, Director 
Planning and Neighborhood Development

DATE: October 31, 2016

SUBJECT: Property Foreclosed for 2013 Delinquent Taxes – Rejection Resolution – Eaton and Ingham County

Chad, we have reviewed the attached properties and recommend that the City decline taking possession of those identified in the list of foreclosed properties provided by Mr. Eric Schertzing, Treasurer-Ingham County and Mr. Bob Robinson, Treasurer-Eaton County.

The next step is to have City Council pass a resolution declining to receive the properties.

I have included the City of Lansing (Ingham County) list of foreclosed properties for your review. The lone property within Eaton County is identified by the parcel number as presented in the first paragraph of Mr. Robinson's letter dated October 25, 2016.

The inventory for the 2013 DELINQUENT TAX PROPERTIES foreclosed in 2016 is 88 properties (Eaton – 1; Ingham – 87).

The City must notify the Ingham and Eaton County Treasurer before December 30, 2016 of its rejection of the tax foreclosed properties, failure to do so results in the City taking possession of each parcel that it has not rejected.

Thank you.

CC: Angie Bennett, Finance Director
Tammy Good, Treasurer
Don Kulhanek, Manager Development Division – PNDD
Jim Smiertka, City Attorney
Chris Swope, City Clerk

RESOLUTION #2016-_____

BY THE COMMITTEE ON DEVELOPMENT & PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

RESOLUTION OBJECTING TO THE TRANSFER OF ALL UNSOLD TAX REVERTED
PROPERTIES FROM THE INGHAM COUNTY TREASURER TO THE CITY OF
LANSING

WHEREAS, Public Act 123 of 1999, hereinafter referred to as the “Act,” established an expedited process whereby property on which taxes have not been paid could be sold for unpaid taxes; and

WHEREAS, the Act creates a series of stages through which a property on which the taxes have not been paid must pass before that property can be sold; and

WHEREAS, the Act allowed each county in the State of Michigan to decide whether its treasurer or the State of Michigan would act as the governmental entity responsible for overseeing the stages through which a property on which the taxes have not been paid must pass before the property is sold; and

WHEREAS, the Act refers to the governmental entity responsible for overseeing the stages through which a property on which the taxes have not been paid must pass before the property is sold as the foreclosing governmental unit; and

WHEREAS, pursuant to a concurring resolution of the County Board of Commissioners, the Treasurer of Ingham, (hereinafter referred to as the “Treasurer”), is the foreclosing governmental unit under the Act with authority to take all actions, judicial or otherwise, required under the Act in order to sell property on which the taxes have not been paid in Ingham County; and

WHEREAS, pursuant to the Act fee simple title to a property on which the Treasurer has foreclosed vest in the Treasurer effective on the March 31st immediately succeeding the hearing for uncontested cases or 10 days after the conclusion of the hearing for contested cases; and

WHEREAS, the Act prescribes how the Treasurer is to dispose of property obtained by foreclosure; and

WHEREAS, the Act requires that the Treasurer give a list to the Clerk of the City of Lansing which list shall contain all the property in that city on which the Treasurer has foreclosed that has not been sold prior to December 1st of the year in which it is foreclosed upon; and

WHEREAS, unless the City of Lansing objects in writing, the Act requires the Treasurer to transfer to that city fee simple title to the property on that list; and

WHEREAS, the City has received from the Treasurer a list of property that may be transferred to it if it does not object; and

WHEREAS, the City of Lansing does not wish to obtain from the Treasurer any property upon which the Treasurer has foreclosed but not sold because of the cost of maintaining such property will exceed any benefit that will be obtained.

NOW, THEREFORE, BE IT RESOLVED, the City of Lansing hereby objects to the transfer of property foreclosed upon by the Treasurer but not sold that are contained on the list thereof filed with the City of Lansing Clerk and said transfers are, therefore, refused.

33-01-01-03-101-091
LOT 73 WOODLAWN SUB
Property Address: SANFORD AVE LANSING MI

33-01-01-03-378-051
LOT 143 PARK MANOR HEIGHTS
Property Address: 2324 COMMONWEALTH AVE LANSING MI

33-01-01-04-109-101
LOTS 53 & 54 IDEAL HOMESITES
Property Address: 622 CARRIER ST LANSING MI

33-01-01-04-276-081
LOT 46 SUPERVISORS PLAT OF COMMUNITY HOME SITES
Property Address: 541 E PAULSON ST LANSING MI

33-01-01-04-301-141
N 75 FT OF S 335 FT LOT 15 & N 50 FT OF S 335 FT LOT 16 ASSESSORS PLAT NO 34
REC L 11 P 15
Property Address: 2703 TAYLOR ST LANSING MI

33-01-01-04-328-231
LOT 53 ASSESSORS PLAT NO 45
Property Address: TURNER ST LANSING MI

33-01-01-04-426-592
COM 793 FT W OF E 1/4 POST, TH N 12.75 FT TO S LINE CHILSON AVE, W 50 FT, S
179.75 FT, E 50 FT, N 167 FT TO BEG; SEC 4 T4N R2W
Property Address: 426 CHILSON AVE LANSING MI

33-01-01-05-427-041
LOT 5 ASSESSORS PLAT NO 57
Property Address: 2730 N M L KING JR BLVD LANSING MI

[29899:2:20161101:153031]

33-01-01-05-451-021

W 140.7 FT, S 23DEG 44MIN W 272.45 FT TO N BANK OF GRAND RIVER, S 64DEG 16MIN E 161.55 FT
ALONG SAID BANK, N 21DEG 34MIN E 284 FT TO SAID S R/W LINE, N 68DEG 26MIN W 10.13 FT TO BEG;
SEC 5 T4N R2W

Property Address: N GRAND RIVER AVE LANSING MI

33-01-01-05-451-031

COM ON S'LY LINE OF 100 FT R/W GRAND RIVER AVE S 68DEG 26MIN E 10.13 FT FROM
INTERSECTION R2W

WITH N&S 1/4 LINE, TH S 68DEG 26MIN E 270 FT, S 21DEG 34MIN W 397.6 FT TO N BANK GRAND
RIVER,

N 45DEG 37MIN W 292.9 FT ALONG SAID BANK, N 21DEG 34MIN E 284 FT TO BEG; SEC 5 T4N

Property Address: N GRAND RIVER AVE LANSING MI

33-01-01-06-131-035

LOT 237 WESTMONT SUB

Property Address: ALFRED AVE LANSING MI

33-01-01-08-201-571

W 32 FT OF E 70.25 FT LOT 1 ASSESSORS PLAT NO 12

Property Address: 1217 MUSKEGON AVE LANSING MI

33-01-01-08-282-051

S 26 FT LOT 130 & N 17 FT LOT 129 KNOLLWOOD PARK

Property Address: ROOSEVELT AVE LANSING MI

33-01-01-08-378-251

LOT 22 BLOCK 2 DAYTONS ADD

Property Address: 817 N JENISON AVE LANSING MI

33-01-01-08-406-161

LOT 29 BUNGALOW HOME ADD

Property Address: 1123 THEODORE ST LANSING MI

33-01-01-08-408-071

LOT 162, N 15 FT LOT 163 & S 20 FT LOT 161 CHARLES KUDNERS SUB

Property Address: 1003 WESTMORELAND AVE LANSING MI

33-01-01-08-479-011

W 110 FT OF N 16.31 FT LOT 128 & W 110 FT OF S 16.69 FT LOT 129 ENGLEWOOD PARK ADD

Property Address: 922 CHICAGO AVE LANSING MI

33-01-01-08-482-191

N 34 FT LOT 106 ENGLEWOOD PARK ADD

Property Address: 729 CHICAGO AVE LANSING MI

[29899:2:20161101:153031]

33-01-01-09-352-221
S 2 R LOT 10 BLOCK B SUB OF BLOCKS 26 & 27 ORIG PLAT
Property Address: 1118 N PINE ST LANSING MI

33-01-01-09-352-221
E 1/2 LOT 5 BLOCK 2 MOORES SUB ON BLOCK 27
Property Address: 623 BROOK ST LANSING MI

33-01-01-09-360-231
E 37 FT LOTS 11 & 12 BLOCK E SUB OF BLOCKS 26 & 27 ORIG PLAT
Property Address: 515 W OAKLAND ST LANSING MI

33-01-01-09-476-041
S 2 R OF W 6 R LOT 22 BLOCK 21 ORIG PLAT
Property Address: 808 CENTER ST LANSING MI

33-01-01-10-103-011
LOT 2 BLOCK 2 BALLARDS ADD
Property Address: 1913 N HIGH ST LANSING MI

33-01-01-10-103-031
S 14 FT LOT 3 & N 26 FT LOT 4 BLOCK 2 BALLARDS ADD
Property Address: 1903 N HIGH ST LANSING MI

33-01-01-10-106-051
LOT 19 & PART OF VAC ALLEY DESC AS COM NE COR LOT 19, TH W 33 FT, N 3.96 FT, E
33 FT, S 3.96 FT TO BEG; REPLAT OF BLOCK 3 OF BALLARDS ADD
Property Address: 825 E NORTH ST LANSING MI

33-01-01-10-180-161
LOT 182 HIGHLAND PARK
Property Address: 1315 MASSACHUSETTS AVE LANSING MI

33-01-01-10-254-121
LOT 208 CAPITOL HEIGHTS
Property Address: 1419 OHIO AVE LANSING MI

33-01-01-10-326-551
LOT 2 BROWNS SECOND SUB
Property Address: E GRAND RIVER AVE LANSING MI

33-01-01-10-326-561
LOT 1 BROWNS SECOND SUB
Property Address: 1108 E GRAND RIVER AVE LANSING MI

[29899:2:20161101:153031]

33-01-01-10-401-140

LOT 27, ALSO PARTS LOTS 28 & 29 LYING S OF A LINE COM 10.815 FT N OF SE COR LOT 29, TH W'LY 102 FT =/-

TO POINT ON W LINE LOT 28 LYING 10.815 FT S OF NW COR THEREOF & POE; OTTO'S ADD

Property Address: CLARK ST LANSING MI

33-01-01-10-408-061

LOT 54 FARRANDS ADD

Property Address: 1108 CLEVELAND ST LANSING MI

33-01-01-14-309-111

E 94 FT LOT 396 LESLIE PARK SUB

Property Address: 2221 E KALAMAZOO ST LANSING MI

33-01-01-14-352-041

LOT 80 LESLIE PARK SUB

Property Address: 413 S CLEMENS AVE LANSING MI

33-01-01-14-360-001

W 99 FT LOTS 431 & 432 LESLIE PARK SUB

Property Address: 501 S HAYFORD AVE LANSING MI

33-01-01-15-104-401

LOT 11 BLOCK 2 ASSESSORS PLAT NO 7

Property Address: 508 LESHER PLACE LANSING MI

33-01-01-15-310-001

N 42 FT LOT 5 & W 12 FT OF N 42 FT LOT 4 BLOCK 16 GREEN OAK ADD

Property Address: 301 S HOSMER ST LANSING MI

33-01-01-15-376-241

LOT 4 BLOCK 2 LANSING IMPROVEMENT COMPANYS ADD

Property Address: 1116 E KALAMAZOO ST LANSING MI

33-01-01-15-432-431

LOT 1 BLOCK 3 ASSESSORS PLAT NO 16

Property Address: 134 LESLIE ST LANSING MI

33-01-01-15-479-121

LOT 92 PAUL PARK ADD

Property Address: 513 LESLIE ST LANSING MI

33-01-01-17-227-241

E 1/2 LOT 5 WHITES SUB E OF BUTLER REC L 1 P 15

Property Address: 727 W SAGINAW ST LANSING MI

[29899:2:20161101:153031]

33-01-01-17-227-311

E 1/2 LOT 15 WHITES SUB E OF BUTLER REC L 1 P 15

Property Address: 825 W SAGINAW ST LANSING MI

33-01-01-17-258-121

E 3 R LOT 17 BLOCK 2 FRENCHS SUB

Property Address: 1210 W OTTAWA ST LANSING MI

33-01-01-17-258-181

S 9 R OF E 2 R OF W 4 R LOTS 1, 2 & 3 BLOCK 2 FRENCHS SUB

Property Address: 1112 W OTTAWA ST LANSING MI

33-01-01-20-130-131

W 37 FT LOT 38 RIVERVIEW HEIGHTS SUB REC L 4 P 44

Property Address: 1607 W MALCOLM X ST LANSING MI

33-01-01-20-489-041

LOT 10 FLORAL SUB

Property Address: 1817 S RUNDLE AVE LANSING MI

33-01-01-21-258-085

E 2 R OF S 5 1/2 R LOT 15 BLOCK 203 ORIG PLAT

Property Address: 227 E SOUTH ST LANSING MI

33-01-01-21-277-070

LOT 3 BLOCK 220 ORIG PLAT

Property Address: 1016 BEECH ST LANSING MI

33-01-01-21-430-040

LOT 15 & S 6.5 FT OF E 21 FT LOT 14 TORRANCE COURT SUB REC L 8 P 29

Property Address: 535 TORRANCE CT LANSING MI

33-01-01-21-431-095

S 56.5 FT LOT 32 TORRANCE FARM ADD

Property Address: 1508 BAILEY ST LANSING MI

33-01-01-21-451-015

LOT 10 BLOCK 2 HALLS THIRD ADD

Property Address: 138 GARDEN ST LANSING MI

33-01-01-21-484-020

N 31 FT LOT 129 TORRANCE FARM ADD

Property Address: 1815 LINVAL ST LANSING MI

33-01-01-22-203-161

LOT 253 EXCELSIOR LAND COMPANYS SUB

Property Address: 924 DAKIN ST LANSING MI

[29899:2:20161101:153031]

33-01-01-22-206-142
LOTS 232 & 233 EXCELSIOR LAND COMPANYS SUB
Property Address: 1042 DAKIN ST LANSING MI

33-01-01-22-207-021
LOT 281 EXCELSIOR LAND COMPANYS SUB
Property Address: 1015 DAKIN ST LANSING MI

33-01-01-22-228-041
LOTS 46 & 47 ASSESSORS PLAT NO 49
Property Address: 721 LESLIE ST LANSING MI

33-01-01-22-277-121
LOT 154 & N 1/2 LOT 153 CITY PARK SUB
Property Address: 1132 LESLIE ST LANSING MI

33-01-01-22-280-162
LOTS 105, 106 & 107 PARKVIEW LAND CO ADD
Property Address: 1236 ALLEN ST LANSING MI

33-01-01-22-283-262
W 34 FT LOT 63 CITY PARK SUB
Property Address: 1820 PERKINS ST LANSING MI

33-01-01-22-309-291
LOT 7 BLOCK 6 ASSESSORS PLAT NO 28 REC L 10 P 33
Property Address: 912 BAKER ST LANSING MI

33-01-01-22-352-011
LOT 3 BLOCK 4 ASSESSORS PLAT NO 28 REC L 10 P 33
Property Address: 1507 LYONS AVE LANSING MI

33-01-01-22-353-031
LOT 9 REO MOTOR CAR CO'S SUB REC L 6 P 30
Property Address: 1609 DONORA ST LANSING MI

33-01-01-23-103-091
LOT 53 LANSING ADDITION COMPANYS SUB REC L 5 P 20
Property Address: 704 S MAGNOLIA AVE LANSING MI

33-01-01-23-127-061
LOTS 18 & 19 J L PUTMANS SUB REC L 7 P 35
Property Address: 723 S FRANCIS AVE LANSING MI

33-01-01-23-153-021
S 14 FT LOT 27 & N 36 FT LOT 28 AVIS SUB REC L 9 P 30
Property Address: 1210 S CLEMENS AVE LANSING MI

[29899:2:20161101:153031]

33-01-01-26-302-021

LOT 3 GREEN MEADOWS SUB

Property Address: 2023 HAMELON ST LANSING MI

33-01-01-27-476-050

S 330 FT OF E 792 FT OF SE 1/4 OF SE 1/4 EXC E 173 FT OF S 240 FT; SEC 27 T4N
R2W

Property Address: AURELIUS RD LANSING MI

33-01-01-27-476-055

COM 330 FT N OF SE COR SEC 27, TH W ON LINE 330 FT N OF & PARLL TO S SECTION
LINE 792 FT, N 14.68 FT TO S LINE GOODHOME SUB, E'LY TO E LINE SAID SECTION, S
15.48 FT TO BEG; SEC 27 T4N R2W

Property Address: AURELIUS RD LANSING MI

33-01-01-28-285-071

LOTS 129, 130 & N 5 FT LOT 133 ALSO COM NW COR LOT 129, TH N 5 FT E 120 FT, S 5 FT, W 120 FT TO
BEG; ADDMORE PARK

Property Address: 569 LINCOLN AVE LANSING MI

33-01-01-28-452-231

N 46 FT OF S 132 FT LOT 1 BLOCK 1 OAK CREST SUB

Property Address: 3116 S CEDAR ST LANSING MI

33-01-01-29-277-051

LOTS 13 & 14 BLOCK 1 RESUB OF BLOCKS 17, 21, 22 AND LOTS 35 TO 72 INCL, BLOCK 30 ELMHURST SUB

Property Address: 2501 STIRLING AVE LANSING MI

33-01-01-29-278-021

LOT 12 BLOCK 3 RESUB OF BLOCKS 17, 21, 22 AND LOTS 35 TO 72 INCL, BLOCK 30 ELMHURST SUB

Property Address: 2509 S M L KING JR BLVD LANSING MI

33-01-01-30-478-121

LOT 429 PLEASANT GROVE SUB NO 1

Property Address: 3318 AVALON ST LANSING MI

33-01-01-31-126-281

COM 1638.8 FT E OF NW COR SEC 31, TH S 596.75 FT, W 136 FT, N 596.75 FT, E 136 FT TO BEG;
SEC 31 T4N R2W

Property Address: W HOLMES RD LANSING MI

33-01-01-31-279-011

LOT 6 PLEASANT SUB

Property Address: 4209 RICHMOND ST LANSING MI

33-01-01-32-353-131

LOT 150 PLEASANT GROVE SUB

Property Address: 4909 HUGHES RD LANSING MI

[29899:2:20161101:153031]

33-01-01-33-151-101
LOT 32 SUPERVISORS PLAT OF BURCHFIELD SUB
Property Address: 3827 BURCHFIELD DR LANSING MI

33-01-01-34-229-045
LOT 38 SUPERVISORS PLAT OF CHERRY HILL
Property Address: REX ST LANSING MI

33-01-01-35-326-131
LOT 20 SONNYBROOK PLAT
Property Address: 2621 DIER ST LANSING MI

33-01-01-35-353-132
LOTS 52 & 53 SUPERVISORS PLAT OF CULVER-DALE SUB
Property Address: 2018 IRENE ST LANSING MI

33-01-05-04-377-001
LOT 19 SUPERVISORS PLAT OF HOME OWNERS SUB
Property Address: 5835 ROLFE RD LANSING MI

33-01-05-05-301-081
COM ON SW'LY LINE LOT 14 961.7 FT S 44DEG 20MIN E OF W'LY COR, TH S 44DEG 20MIN E 105 FT, N 45
DEGVALLEAUS SUB
E 57.5 FT, N 44DEG 20MIN W 105 FT, S 45DEG W 57.5 FT TO BEG; SUPERVISORS PLAT OF
Property Address: SELFRIDGE BLVD LANSING MI

33-01-05-05-302-081
LOT 4 SUPERVISORS PLAT OF VALLEAUS SUB
Property Address: 5812 S M L KING JR BLVD LANSING MI

33-01-05-06-201-282
E 78.5 FT OF N 1/2 LOT 55 ALSO W 15 FT OF N 1/2 LOT 56 MAPLE GROVE FARMS NO 2
Property Address: 3009 W JOLLY RD LANSING MI

33-01-05-06-226-041
E 57.5 FT OF S 176.25 FT LOT 67 MAPLE GROVE FARMS NO 2
Property Address: 2416 MIDWOOD ST LANSING MI

33-01-05-06-433-041
LOT 51 EXC E 10 FT SUPERVISORS PLAT OF WEBSTER FARM SUB NO 2
Property Address: 2422 WEBSTER ST LANSING MI

33-01-05-06-434-061
LOT 76 WEBSTER FARM SUB NO 1
Property Address: 5840 PIPER AVE LANSING MI

[29899:2:20161101:153031]

33-01-05-09-203-001

W 65 FT OF N 140 FT LOT 4 GARDENDALE SUB

Property Address: 300 E MILLER RD LANSING MI



Virg Bernero, Mayor

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)

TO: City Council President Judi Brown Clarke and Councilmembers
FROM: Mayor Virg Bernero
DATE: 11/10/16
RE: Decline possession of Eaton County Tax Foreclosed Properties

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

VB/rh
Attachment



Virg Bernero, Mayor

City of Lansing
Inter-Departmental
Memorandum



To: Virg Bernero, Mayor

From: Susan Stachowiak, Zoning Administrator

Subject: CITY COUNCIL AGENDA ITEM
Decline possession of Eaton County Tax Foreclosed Properties

Date: November 1, 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

EATON COUNTY TREASURER



Bob Robinson

1045 Independence Blvd. • Charlotte, Michigan 48813
(517) 543-4262 Fax: (517) 543-9983

October 25, 2016

Chris Swope
City of Lansing Clerk
124 W. Michigan Ave
Lansing, MI 48933

Dear Chris:

The office of the Eaton County Treasurer foreclosed on property code #23-50-40-36-407-061 on March 31, 2016 for unpaid property taxes.

Pursuant to PA 123 of 1999, the property was offered first right of refusal to the State of Michigan and subsequently offered to the City of Lansing and the County of Eaton for purchase. All 3 units declined the purchase of the property.

The property was offered for sale at a Public Auction in September of 2016 and remained unsold. It was re-offered for sale in October of 2016 and still remained unsold.

Public Act 123 of 1999 states that a property that remains unsold after the final public auction will be transferred to the unit in which the property is located on December 30 immediately succeeding the date of the sale.

The property referenced in this letter will be transferred to the City of Lansing on December 30, 2016 unless the township objects to the transfer of the property in writing to the Eaton County Treasurer prior to that date. If the township declines the transfer of the property, the Eaton County Treasurer will retain possession of the property and all taxes for 2016 shall be cancelled.

Please contact me if you should have any questions related to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Robinson", is written over a horizontal line.

Bob Robinson, Treasurer

Cc: Tammy Good, Treasurer

RESOLUTION #2016-_____

BY THE COMMITTEE ON DEVELOPMENT & PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

RESOLUTION OBJECTING TO THE TRANSFER OF ALL UNSOLD TAX REVERTED
PROPERTIES FROM THE EATON COUNTY TREASURER TO THE CITY OF
LANSING

WHEREAS, Public Act 123 of 1999, hereinafter referred to as the “Act,” established an expedited process whereby property on which taxes have not been paid could be sold for unpaid taxes; and

WHEREAS, the Act creates a series of stages through which a property on which the taxes have not been paid must pass before that property can be sold; and

WHEREAS, the Act allowed each county in the State of Michigan to decide whether its treasurer or the State of Michigan would act as the governmental entity responsible for overseeing the stages through which a property on which the taxes have not been paid must pass before the property is sold; and

WHEREAS, the Act refers to the governmental entity responsible for overseeing the stages through which a property on which the taxes have not been paid must pass before the property is sold as the foreclosing governmental unit; and

WHEREAS, the Treasurer of Eaton, (hereinafter referred to as the “Treasurer”), is the foreclosing governmental unit under the Act with authority to take all actions, judicial or otherwise, required under the Act in order to sell property on which the taxes have not been paid in Eaton County; and

WHEREAS, pursuant to the Act fee simple title to a property on which the Treasurer has foreclosed vest in the Treasurer effective on the March 31st immediately succeeding the hearing for uncontested cases or 10 days after the conclusion of the hearing for contested cases; and

WHEREAS, the Act prescribes how the Treasurer is to dispose of property obtained by foreclosure; and

WHEREAS, the Act requires that the Treasurer give a list to the Clerk of the City of Lansing which list shall contain all the property in that city on which the Treasurer has foreclosed that has not been sold prior to December 1st of the year in which it is foreclosed upon; and

WHEREAS, unless the City of Lansing objects in writing, the Act requires the Treasurer to transfer to that city fee simple title to the property on that list; and

WHEREAS, the City has received from the Treasurer a list of property that may be transferred to it if it does not object; and

WHEREAS, the City of Lansing does not wish to obtain from the Treasurer any property upon which the Treasurer has foreclosed but not sold because of the cost of maintaining such property will exceed any benefit that will be obtained.

NOW, THEREFORE, BE IT RESOLVED, the City of Lansing hereby objects to the transfer of property foreclosed upon by the Treasurer but not sold that are contained on the list thereof filed with the City of Lansing Clerk and said transfers are, therefore, refused.

Parcel Number: 23-50-40-36-407-061

Property Description: LOT 326 GLENBURNE NO 5, City of Lansing, Eaton County

Property Address: Glenburne Blvd. (Vacant)

INTRODUCTION OF ORDINANCE

Council Member Dunbar introduced:

An Ordinance of the City of Lansing, Michigan, to amend Chapter _____ to the Lansing Codified Ordinances for the purpose of amending he regulations of community gardens in commercial and industrial districts, except in Overlay Districts.

The Ordinance is referred to the Committee on Development and Planning

RESOLUTION SETTING PUBLIC HEARING BY CITY COUNCIL

RESOLVED BY THE CITY COUNCIL, CITY OF LANSING, that a public hearing be set for December 12, 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 amendment of the City of Lansing, Michigan, to amend Chapter _____

Interested Persons are invited to attend this Public Hearing

**AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN TO AMEND PART 12, TITLE 6, ZONING, OF THE
CODIFIED ORDINANCES OF THE CITY OF LANSING; SPECIFICALLY, TO AMEND CHAPTERS 1240, 1248,
1250, 1252, 1254, 1256, 1258, 1268, 1274, 1276, 1279, AND 1294 TO PROVIDE FOR URBAN
AGRICULTURE USES IN RESIDENTIAL, COMMERCIAL, LIGHT INDUSTRIAL, AND HEAVY INDUSTRIAL
DISTRICTS; TO PROVIDE FOR NON CONFORMING USES; AND TO SET THE REQUIREMENTS AND
CONDITIONS FOR URBAN AGRICULTURE USES THEREOF**

THE CITY OF LANSING ORDAINS:

**SECTION ONE: SECTIONS 1240, 1248, 1250, 1252, 1254, 1256, 1258, 1268, 1274, 1276, 1279, AND 1294
OF PART 12, TITLE 6, ZONING, OF THE CODIFIED ORDINANCES OF LANSING, MICHIGAN ("CODE") ARE
HEREBY AMENDED AS MORE SPECIFICALLY SET FORTH BELOW:**

SECTION 1240.03 IS AMENDED BY ADDING THE FOLLOWING DEFINITIONS:

COMMERCIAL PURPOSES means performing commercial production of any amount, without any
minimum threshold of commercial activity.

COMMUNITY GARDEN means a garden collective grown by an incorporated association of
people, utilizing either individual or shared plots for personal or institutional use, consumption,
education, or donation.

URBAN FARM STAND means a part of an Urban Farm operation which is a place or area where
transactions between a farm market operator and customers take place seasonally or year-round. This
includes roadside stands, farm stands, an area without a physical structure, a temporary structure such
as a tent, etc., where at least 50 percent of the products or name-sake products marketed and offered
for sale (measured as an average over the farm market's marketing season or up to a five-year time
frame) are produced on and by the affiliated agriculture establishment. (Primary measure of the 50
percent will be the percentage of the retail space used to display products and name-sake products
offered for retail sale. If measurement of retail space is not feasible, then the percent of the gross sales
dollars of the farm market will be used.) Farm products may be processed more extensively into a form
that adds value and makes them more marketable for direct customer sales at the farm market, as long
as allowed by law.

GARDEN means the ground area used for growing of plants for landscaping purposes which may
consist of any plant (flowers, bushes, hedges, arbors, trees, groundcover, manicured lawn); food for
human consumption (vegetable, fruits, herbs); fibers; garden maintenance facilities (potting work area,
composting); greenhouse, hoop house, and other storage structures A GARDEN is not COMMERCIAL.

URBAN FARM STRUCTURES means a structure that is built for a garden operation and containing
activities, materials, tools, or equipment incidental to the garden, including hoop houses, green houses,
and storage structures.

URBAN FARM means a growing garden for COMMERCIAL PURPOSES, including garden accessory uses and urban farm structures subject to applicable setback, height, parcel coverage, and other regulations.

SECTION 1248.03 OF CHAPTER 1248 – A, A1, AND B RESIDENTIAL DISTRICTS, IS AMENDED BY ADDING A SUBSECTION (O) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8” in height.
2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.
3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1250.03 OF CHAPTER 1250 – C RESIDENTIAL DISTRICT, IS AMENDED BY ADDING A SUBSECTION 1250.03 (E) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8” in height.

2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.

1. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

2. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1252.03 OF CHAPTER 1252 – DM-1 RESIDENTIAL DISTRICT, IS AMENDED BY ADDING SUBSECTION 1252.03 (K) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.

2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.

3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1254.03 OF CHAPTER 1254 – DM-2 RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1254.03 (M) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.
2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.
3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1256.03 OF CHAPTER 1256 – DM-3 RESIDENTIAL DISTRICT, IS AMENDED BY ADDING SUBSECTION 1256.03 (O) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.
2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.
3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property.

Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1258.03 OF CHAPTER 1258 – DM-4 RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1258.03 (I) AS FOLLOWS:

GARDENS AND COMMUNITY GARDENS ARE ALLOWABLE AS AN ACCESSORY USE SUBJECT TO THE FOLLOWING SPECIAL CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.

2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.

1. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

2. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1268.02 OF CHAPTER 1268 – F AND F-1 COMMERCIAL DISTRICTS IS AMENDED BY ADDING A SUBSECTION (M) AS FOLLOWS:

(M) GARDENS

SECTION 1274.02 OF CHAPTER 1274 – H LIGHT INDUSTRIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1274.02 (M) AS FOLLOWS:

(M) GARDENS

SECTION 1276.02 OF CHAPTER 1276 – I HEAVY INDUSTRIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1276.02 (H) AS FOLLOWS:

(H) GARDENS

SECTION 1248.04 – SPECIAL LAND USES – IN A, A-1, AND B RESIDENTIAL DISTRICTS, IS AMENDED BY ADDING SUBSECTIONS 1248.04 (P) AND (Q) AS FOLLOWS:

(P) URBAN FARM

(Q) FARM STAND AS AN ACCESSORY USE TO AN URBAN FARM WITH A SPECIAL LAND USE PERMIT

AN URBAN FARM WITH A SPECIAL LAND USE PERMIT AND A FARM STAND AS AN ACCESSORY USE TO AN URBAN FARM WITH A SPECIAL LAND USE PERMIT ARE SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.
2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.
3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1268.03 OF CHAPTER 1268 – F AND F-1 COMMERCIAL DISTRICTS IS AMENDED BY ADDING SUBSECTION (N) AS FOLLOWS:

(N) URBAN FARM AND A FARM STAND AS AN ACCESSORY USE TO AN URBAN FARM IF LOCATED ON THE SAME PARCEL OF LAND, SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

1. All setbacks, noise restrictions, etc. and all other applicable standards in Lansing Zoning Ordinance shall apply. These include, but not limited to, restrictions on NUISANCES as defined in Sec. 655.03 (prohibiting water barrels and compost piles that attract and breed pests) and the provisions in Ch. 1290 on LANDSCAPING, SCREENING AND BUFFERING (prohibiting any features that restrict site lines) and building height and placement and lot coverage restrictions of the zone in which the property is located still apply. Except that vegetation in defined planting beds may be over 8" in height.
2. The person or entity responsible must submit a plot plan and conflict resolution plan to the zoning administrator. Approval must be obtained prior to commencing operations.
3. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
4. There shall be a sign visible and legible from the front of the property with the name and contact information for the person or organization responsible for managing the property. Contact information may be a phone number or email address. Signs shall not be larger than 16 square feet and no higher than 6 feet tall.

SECTION 1294.02 OF CHAPTER 1294 – NONCONFORMITIES IS AMENDED BY ADDING SUBSECTION 1294.02 (E) AS FOLLOWS:

Any GARDEN, COMMUNITY GARDEN, URBAN FARM and FARM MARKET operation that was present prior to the adoption of this section of this Ordinance and does not conform to this Ordinance shall be considered a nonconforming use and is subject to the following provisions:

1. Scale shall be measured by the total square footage of the GARDEN, COMMUNITY GARDEN, URBAN FARM or FARM MARKET, including the square footage of structures.
2. Type is defined by the variety of crop(s) produced.
3. Nonconforming GARDEN, COMMUNITY GARDEN, URBAN FARM or FARM MARKET operations are subject to all previously existing setbacks, and all other applicable standards in the respective zoning district and overlay district.
4. Any change in scale or type beyond what is allowed in the nonconforming provisions of this Ordinance will cause the nonconforming GARDEN, COMMUNITY GARDEN, URBAN FARM or FARM MARKET to lose its nonconforming status which will require compliance with this Ordinance.

SECTION 1248.04 –SPECIAL LAND USES- A, A-1, AND B RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1248.04 (P), URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED SPECIAL LAND USE FOR AND URBAN FARM SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

SPECIAL USE PERMITS

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.
2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1250.04 – SPECIAL LAND USES- C RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1250.04 (J) URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED SPECIAL LAND USE FOR AN URBAN FARM SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

(J) URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED SPECIAL LAND USE FOR AN URBAN FARM

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.
2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.
3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1252.04 OF CHAPTER 1252 – DM-1 RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1252.04 (K), URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED SPECIAL LAND USE FOR AN URBAN FARM SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

SPECIAL USE PERMITS

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.
2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1254.04 OF CHAPTER 1254 –DM-2 RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1254.04 (J) AS FOLLOWS:

(J) URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED URBAN FARM SUBJECT TO THE FOLLOWING CONIDITIONS AND REQUIREMENTS:

SPECIAL USE PERMITS

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.

2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1256.04 OF CHAPTER 1256 – DM-3- RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1256.04 (I) AS FOLLOWS:

(I) URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED URBAN FARM SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

SPECIAL USE PERMITS

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.

2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1258.04 OF CHAPTER 1258 – DM 4 RESIDENTIAL DISTRICT IS AMENDED BY ADDING SUBSECTION 1258.04 (I) AS FOLLOWS:

(I) URBAN FARM AND FARM STAND AS AN ACCESSORY USE TO AN APPROVED URBAN FARM SUBJECT TO THE FOLLOWING CONDITIONS AND REQUIREMENTS:

SPECIAL USE PERMITS

1. The person responsible for managing the property must submit a special use permit application to the City containing a site review plan demonstrating how the land use will comply with all applicable ordinance provisions and a conflict resolution plan.

2. Conflict resolution: The person responsible for managing the property shall have a neighbor conflict resolution plan. If conflicts cannot be resolved, they will be referred to the zoning administrator for enforcement.

3. There shall be a sign visible and legible from the front of the property with the name and contact information for the person responsible for managing the property. Contact information may be a phone number or email address.

SECTION 1279.06 OF CHAPTER 1279 – OVERLAY DISTRICTS IS AMENDED BY ADDING THE FOLLOWING:

GARDENS, COMMUNITY GARDENS, AND URBAN FARMS REQUIRE A SPECIAL LAND USE PERMIT IN ACCORDANCE WITH THE CONDITIONS AND REQUIREMENTS OF THE UNDERLYING DISTRICT.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules, inconsistent with the provisions hereof are hereby repealed in their entirety and shall be void and of no effect.

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

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

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357



**Regular Meeting
LANSING PLANNING BOARD
August 4, 2016
6:30 p.m., Conference Room
Neighborhood Empowerment Center
600 W. Maple Street**

MINUTES

1. OPENING SESSION

Mr. Ruge called the meeting to order at 6:30 p.m.

- a. Present: John Ruge, Josh Hovey, Alisande Henry, Tony Cox, Beth Graham, Lynne Martinez, Marta Cerna & Council Representative Judy Brown Clarke
- b. Absent: None
- c. Staff: Bill Rieske & Susan Stachowiak

2. APPROVAL OF AGENDA – Mr. Ruge approved the agenda by unanimous consent, with the removal of Act-8-2016.

3. COMMUNICATIONS – None

4. HEARINGS – None

5. COMMENTS FROM THE AUDIENCE - None

6. RECESS – None.

7. BUSINESS

A. Consent Items

- 1. **Minutes for approval:** June 7, 2016 – approved without objection
- 2. **Minutes for approval:** June 21, 2016 – approved without objection
- 3. **Minutes for approval:** July 5, 2016 – approved without objection – Mr. Ruge should be listed as having requested an excused absence

B. Old Business

1. Act-4-2016, 1200 Block, Turner Street, Vacate Alley

Mr. Rieske said that Clair Lindemann is requesting that the City vacate the alley behind his property at 1224 Turner Street. He said that the alley winds between buildings facing Turner St. and Grand River Ave., in the Old Town commercial district. The alley is shaped like an inverted “L”, beginning in the 1200 Block of Turner Street.

Mr. Rieske said that according to the application, Mr. Lindemann proposes to regrade and pave the alley, providing a snow storage area at the south end of the alley behind 1224 (in the north 50' of the N-S Alley. This has been discussed and agreed with the other property owners bordering the alley, and the repaving of Mr. Lindemann's portion of the alley has since been completed.

Mr. Rieske said that the City's Public Service Department has no issues with the vacation of the alleys that adjoin Mr. Lindemann's property, provided the following conditions are met.

- A non-specific utility easement is retained the full width of both alleys and no dumpsters, vehicles, etc., shall be placed so as to interfere with access to existing utilities.
- Any hard surfacing of the alley shall be of sufficient strength to drive City maintenance vehicles on it.
- The adjoining property owner shall be responsible for maintaining the hard surfacing in a manner that is drivable by maintenance vehicles.
- The necessary sewer improvements are to be made prior to the hardsurfacing by Mr. Lindemann.

The Public Service Department further recommended that the remaining southerly 170 feet of the north-south alley be vacated. This is due to the alley no longer serving its purpose to provide secondary access to because of parked vehicles blocking the alley. By vacating this southern 170 feet of the alley, it eliminates the dead end created by the vacation of the north 50 feet of the alley. The vacation of the south 170 feet of the north-south alley should be subject to the following conditions.

- A non-specific utility easement should be retained.
- An access easement for each adjoining property should be retained.

Mr. Rieske said that, according to the Public Service Department, implementation of the recommendation can be in two phases:

1. The first phase would be to vacate the alley as Mr. Lindemann requested in his application. Cars, let alone larger vehicles cannot make the 90 degree turn at the north end of the alley. If someone parks in this portion of the alley, Mr. Lindemann cannot access his garage, so it would be self-policing.
2. The second part would be vacating the remainder of the alley, with the condition that it not be executed until a shared driveway agreement is created. Until the agreement is in place, the illegal private parking needs to be removed and a parking prohibition in this portion of the alley be enforced. This will give the owners at the south end of the alley incentive to create the shared drive agreement. It will also give Mr. Lindemann what he requested with minimal entanglements.

Mr. Rieske said that the Public Service Department proposal would take the applicant's proposal a step further by vacating the entire "L" shaped alley, reserving easements for access and utilities. This would eliminate the dead

end and legitimize the private parking in the (public) alley. However, this can be done in a second phase, after action on Mr. Lindemann's proposal.

Mr. Rieske said that staff recommends vacation of the entire "L"-shaped alley, reserving easements for utilities and access in two phases:

1. Vacate the alley and the north 50' of the N-S alley as requested in the application, reserving easements for access and for overhead and underground utilities,
2. Vacate the remainder of the alley, reserving the easements, to be completed after a shared driveway agreement is created in recordable form and subject to Public Service Department review and approval.

Ms. Martinez said that she went over to look at the alley and there are 2 garage doors on the back of the Old Town Main Street building that face the alley. She expressed concern about how vehicles will be able to access those garages if the alley is vacated.

Clair Lindemman, 222 Mosley Street, stated that he owns the building that Ms. Martinez is referring to. He said that he owns all of the lots on both sides of that section of the alley to be vacated. Mr. Lindemann stated that the alley serves no purpose as it is impassible and has not been maintained by the City. He said that he met with representatives from several City departments regarding the alley and has met all of their requirements. He has paved the alley, relocated the underground utilities and the above ground utility poles, replaced drains, provided for better BWL service to the area so that the power outages are less frequent and made other improvements to the alley, all at his expense.

Mr. Ruge said that it is very clear that Mr. Lindemann has done a wonderful job improving the alley/area behind his buildings.

Ms. Martinez asked if the sewer system in the area has been separated. She also asked where the water goes that flows into the manhole.

Mr. Lindemann said that the sewer has been separated. He said that the old clay tiles have been removed and replaced with PVC tile. Mr. Lindemann stated that the water goes down the alley which slopes to the sewer drain at the south end of the north/south alley. He said he put a crest in so that all water does not go in same direction.

Ms. Martinez said that as more and more of Old Town gets paved, that means more run-off into the Grand River.

Mr. Ruge said that he drove down the alley and it is very tight and difficult to navigate. He asked if there will be an agreement in place that prevents the alley from being closed off so that there can continue to be a free flow of traffic. Mr. Ruge said that it is a very long way to back up if someone were to find themselves in that position.

Mr. Lindemann said that the alley is completely obstructed to through traffic right now. He said that the only way that Mr. Ruge would have been able to drive through behind the buildings is to drive on his property. Mr. Lindemann said that he has to remove the dumpster from in front of the building on Turner Street and relocate it to the alley.

Mr. Ruge said that he just does not want anyone to be blocked from accessing the back of their building.

Mr. Cox stated that he is supportive of the request. He said that Mr. Lindemann has made significant improvements to the area and vacating the alley will allow him to further improve the area by relocating the dumpster to an area that is not even functional right now.

Mr. Rieske said that the reason for reserving easements is because vacating the alley converts it to private ownership. The City needs to retain easements for the utilities and the shared driveway agreement assures that other property owners in the area will continue to be able to drive behind the buildings.

Ms. Graham made a motion, seconded by Mr. Cox to approve Act-4-2016, a request by Clare Lindemann to vacate the entire "L"-shaped alley adjacent to 1224 Turner Street, reserving easements for utilities and access in two phases:

- 1. Vacate the alley and the north 50' of the N-S alley as requested in the application, reserving easements for access and for overhead and underground utilities,**
- 2. Vacate the remainder of the alley, reserving the easements, to be completed after a shared driveway agreement is created in recordable form and subject to Public Service Department review and approval.**

On a roll call vote, the motion carried 7-0.

Mr. Cox thanked Mr. Lindemann for his investment into this area and the significant improvements that he has already made at his own expense.

Ms. Martinez agreed with Mr. Cox.

Mr. Hovey also agreed with Mr. Cox. He said that Mr. Lindemann has done a great job improving this area and will continue to do so. He also said that the alley is not functional right now so this vacation will not change conditions in the area.

C. New Business

1. Zoning Ordinance Amendment – Community Gardens

Ms. Stachowiak said that the current Zoning Ordinance does not permit community gardens. There are some located around the City and they have been allowed by just basically considering them open space. Ms. Stachowiak introduced Michaela Oldfield, Food System Workgroup,

who authored the proposed ordinance. She said that she and Ms. Oldfield have been working with a group of stakeholders, including Joan Nelson of the Allen Neighborhood Center and Eric Schertzing of Land Bank. Ms. Stachowiak stated that this has been a collaborative effort to develop an ordinance that would allow community gardens while still protecting the character of our residential neighborhoods. The ordinance provides for and regulates gardens, community garden urban farms and farm stands. Ms. Stachowiak said that the one area that she is not in agreement on with the rest of the stakeholder group is fencing. She said that the current ordinance will allow the gardens to be enclosed by a 4 foot high chain-link fence. The stakeholder group feels very strongly that the gardens need to be enclosed by a fence at least 6 feet high to keep animal, specifically deer, out. Ms. Stachowiak said that there is a garden with a 6 foot high chain-link fence surrounding it at the south end of Hayford Street if the Board members would like to take a look at it.

Ms. Brown Clarke asked about the difference between hoop house and green houses and how they are regulated under the ordinance. She asked if the size of these structures will be limited so that they will fit in with the neighborhood as this has been issue elsewhere in the City.

Ms. Oldfield said that the structures (hoop houses & greenhouses) will be limited to 40% of the lot area. She said that this is the same standard for houses on single family residential lots.

Ms. Graham asked if the structures would have to be taken down at the end of each grow season.

Ms. Oldfield said that both the hoop house and greenhouses are intended to be year round permanent structures.

Ms. Martinez asked that hoop houses, greenhouses and home gardens be defined in the ordinance. She also said that she is glad that the City is taking this on as it has been needed for a long time.

Ms. Brown Clarke asked about soil testing since these gardens are in urban areas where ground contamination is prevalent, particularly in flood plain areas.

Ms. Stachowiak said that she and Ms. Oldfield will meet to discuss some of the remaining issues. She said that this matter will be on the September agenda for a public hearing.

8. REPORT FROM PLANNING MANAGER - None

9. COMMENTS FROM THE CHAIRPERSON

Mr. Ruge said that he is concerned that the new ordinance regulating medical marijuana dispensaries will essentially shut down the majority of these facilities and make it difficult for any new ones to open. He asked for police report information surrounding any criminal activity that has taken place in and around or as a result of these types of facilities.

Ms. Martinez said that there is a large pile of junk around one of the collection bins in Frandor. She asked who this should be reported to.

Ms. Stachowiak said that she would take care of it.

10. COMMENTS FROM BOARD MEMBERS – None

11. ADJOURNMENT – Chairman Ruge adjourned the meeting at 7:30 p.m.

Elaine M. Womboldt, Facilitator
Rejuvenating South Lansing
4815 Tressa Drive
Lansing, MI 48910 Phone Number:517/393-0317

Committee on Development and Planning
November 23, 2016

Councilmember Washington, Chair

I have continually opposed Zip on the Grand because I do not believe a City Park (Adado) should be used on a yearly basis by a for profit business to make profits using the tax payers green space. Once the City begins giving up our parks for commercial use we will be losing an important part of our nature environment which takes away green space from our children and residents.

After reviewing the License Agreement, I have many questions and concerns and do not believe it was written with the best interest for the Lansing Tax Payers. The following are some the issues and questions I have regarding the contract:

- 1. I do not believe this business will have the financial support from Lansing residents. When Lansing has 50% of our children living in poverty, how can families afford this activity?
2. Who is this business targeting?
- 3. Are other businesses in the surrounding area supporting of Zip the Grand and will there be ample parking for customers who use the local businesses and Zip the Grand?
- 4. Where is the survey (complete legal description of the subject property) that was to be made available to the public?
5. Have there been any visual renderings or maps regarding the site plans?
- 6. Licensee will pay the total sum of \$6,000 annually for a period of 10 years, with the option to renew for 2 consecutive, 5 year periods. Does this mean that the 6,000 yearly fees could consistently be \$6,000 a year without increases?
- 7. The fee is for 5,000 sq ft open park space on the East Side of the Grand River as well as the 100 sq ft of open park space located on the West side of the Grand River along E. Saginaw Street. Will there be security personnel monitoring this area?
- 8. The zip line will be from a 40' tower on the west side of the Grand River along E Saginaw Street to a tower located at the NE corner of E Saginaw and the Grand River. How will this look? Who is responsible for trash picked up? Will there be handicap accessibility at this location?
- 9. There is a 2.5% of gross gate admissions based on receipts received from the regular ticket sales. This doesn't include the cost to zip line, any special events such as holidays, souvenir sales, corporate outings and revenue generated in conjunction with school field trips to Capitol Zip; these will not be subject to the fee paid to the Licensor. If the City is looking to make money from this project, why aren't all these exclusions included in the 2.5% and why is it only 2.5%?
- 10. Has the area specified at 711 Center Street shown maps and visual plans for the site and is it handicap accessible?

Respectfully,



Elaine M. Womboldt



Air-Cooled Chillers



Water-Cooled Chillers



Drop-In Chillers



Central Chillers
Indoor/Outdoor



Heat Exchangers



Custom Chillers
INDUSTRY
LEADER

Fluid Chillers Expansion

3005 Alpha Access Street, Lansing

US based Manufacturer of industrial chiller/coolers

Brownfield Redevelopment Authority - November 23, 2016

Fluid Chillers, Inc.



- ▶ Manufacturer of industrial chillers, medical chillers, food chillers, oil chillers, and all process fluid cooling systems
- ▶ In business and headquartered in Lansing since 2007
- ▶ Fastest growing chiller/cooler company in North America
- ▶ Growth rates of 35% in past year
- ▶ 30% growth anticipated for this coming year
- ▶ Global client base



Property Location & History

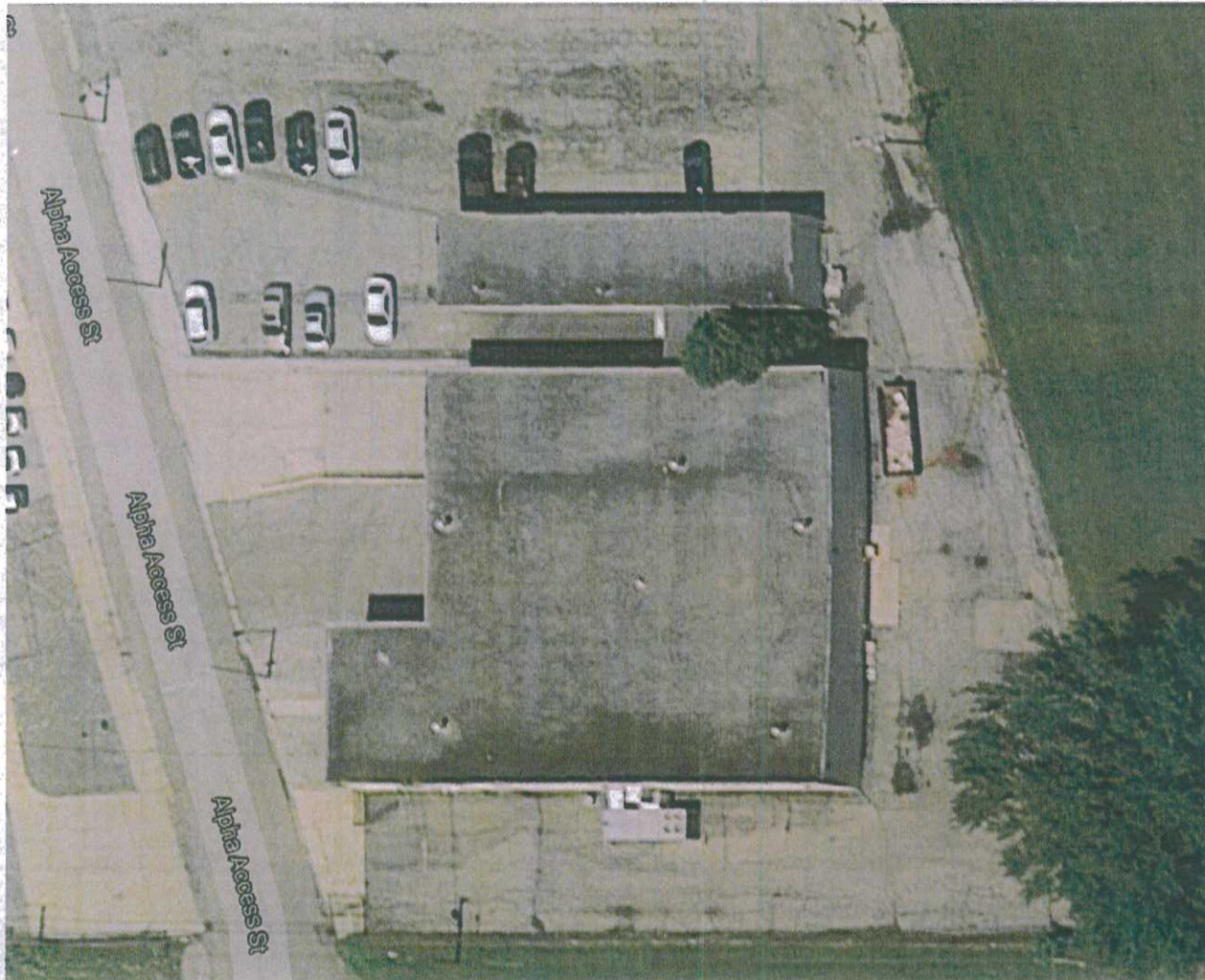
- ▶ 3005 Alpha Access Street
- ▶ 1 parcel totaling approximately 5.44 acres
- ▶ Currently developed with 13,886 SF vacant warehouse
- ▶ Built in 1966/67
- ▶ Previously occupied by....
 - ▶ Beverage distribution company until the early 1970s
 - ▶ Utilized by the Michigan DNR from the early 1970s until the late 1980s
 - ▶ Utilized for general warehousing for the adjoining hospital since around 1980s
 - ▶ Vacant/underutilized for past decade



Project Overview

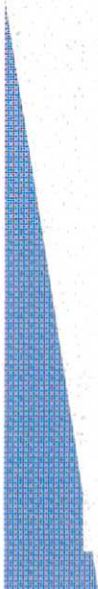
- ▶ Demolition of the current addition of the building (approx. 2,300 SF)
- ▶ Multiple Phases:
 - ▶ Immediate: 5,000 SF addition on north side including a new loading dock
 - ▶ Immediate: 21,000 SF addition to east side of building (back of building)
 - ▶ Immediate: Complete building upgrades; existing offices, reception and entry, bathrooms, breakrooms, new lighting/electrical, new flooring and fixtures throughout
 - ▶ 12 Months following completion of first additions: 1,500 SF two new office additions
 - ▶ 12-24 Months following completion of first additions: 16,800 SF addition to east side of building (back of building)
- ▶ Renovations include the relocation and upgrade of existing electrical utilities
- ▶ Facades will be applied to create a cohesive look and parking lot improvements will be made as the building grows
- ▶ Sidewalks, curbs and gutters will require replacement to improve current conditions
- ▶ Overall the building will expand to approximately 55,000 SF from the existing 13,866 SF
- ▶ Estimated \$1 Million total investment (including acquisition, hard and soft costs)

Project Overview



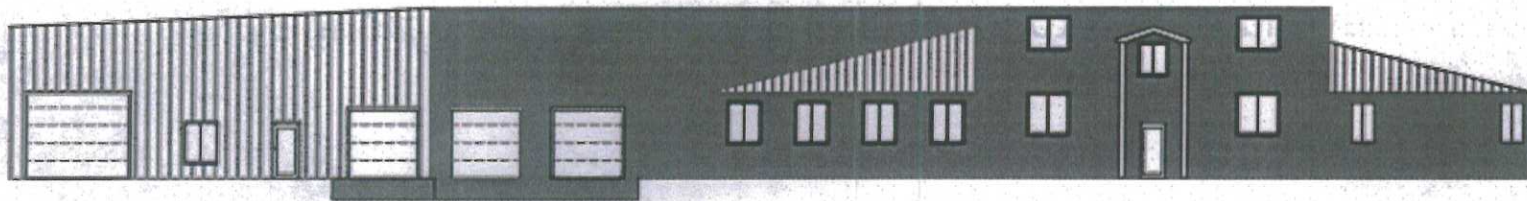
Floor plan diagram showing dimensions and room labels:

- Overall width: 30'-0"
- Overall depth: 67'-0"
- Room labels include: HALL, OFFICE, MEETING ROOM, CONFERENCE ROOM, STORAGE, and RESTROOM.



Brownfield Summary

- ▶ Property determined to be “Functionally Obsolete”
 - ▶ 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.
- ▶ Developer Reimbursement: \$328,740 (includes and 15% contingency)
- ▶ LSRRF Reimbursement \$10,035 (Environmental Assessments)
- ▶ Years to Complete Reimbursement: 12 Years



Eligible Costs

- ▶ LSRRF Act 381 Eligible Activities: Total of \$10,035
 - ▶ Baseline Environmental Site Assessment Activities: \$2,000
 - ▶ Asbestos Containing Materials (ACM) Survey: \$1,800
- ▶ MSF Act 381 Eligible Activities: Total of \$287,817
 - ▶ Demolition: \$28,000
 - ▶ Infrastructure Improvements: \$12,000
 - ▶ Site Preparation: \$232,817
 - ▶ Preparation of a Brownfield Plan and Act 381 Work Plan: \$15,000
- ▶ 15% Contingency of \$40,923
- ▶ LBRA Admin Fee (5% annual): \$13,617
- ▶ New TIF Capture to LSRRF (5% annual): \$13,617
- ▶ State Brownfield Fund: \$18,985
- ▶ 10% of TIF revenue to go to local taxing jurisdictions totaling \$27,234

Eligible Costs:

LSRRF Eligible Activities Reimbursement

Baseline Environmental Assessment	
Phase I ESA	\$ 2,000
Phase II ESA	\$ 6,235
Baseline Environmental Assessment Sub-Totals	\$ 8,235
Asbestos Activities	
Asbestos Survey, Sampling & Reporting Work	\$ 1,800

Eligible Costs: MSF and Local Eligible Activities

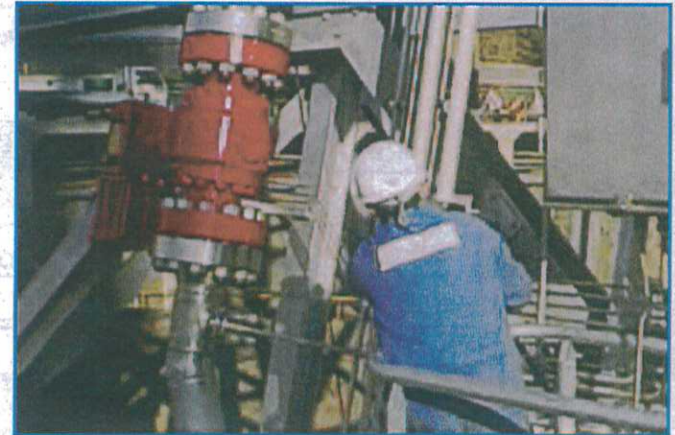
Demolition	
Building Demolition (24x90 Block Building)	\$ 15,000
Concrete and Asphalt Removal Around Block Building	\$ 8,000
Removal of Sidewalks, Curbs and Gutters	\$ 5,000
Demolition Sub-Total	\$ 28,000
Infrastructure Improvements	
Sidewalks	\$ 5,000
Curbs & Gutters	\$ 7,000
Infrastructure Improvements Sub-Total	\$ 12,000

Eligible Costs: MSF and Local Eligible Activities

Site Preparation	
Geotechnical Survey	\$ 5,000
Clearing and Grubbing and Related Disposal of Trees and Stumps	\$ 20,000
Topsoil Cut	\$ 3,500
Fill (sand)	\$ 60,000
Grading and Compaction	\$ 17,000
Temporary Erosion Control	\$ 3,000
Removal and Replacement of Electrical Utilities	\$ 108,000
Power Poles Raised Associated with Electrical Utility Relocation	\$ 6,317
Temporary Site Control	\$ 10,000
Site Preparation Sub-Total	\$ 232,817
Preparation of Brownfield Plan and Act 381 Work plan	
Brownfield Plan and Act 381 Work Plan	\$ 15,000

Project Benefits

- ▶ \$1 Million total investment
- ▶ Reuse of vacant, underutilized building
- ▶ Allow Fluid Chillers to continue operations and grow in the City of Lansing
- ▶ Will both retain and create long term jobs
 - ▶ Estimated 20 construction jobs
 - ▶ 15 new permanent jobs in the first three years
 - ▶ Additional 10 new permanent jobs expected by year 5
 - ▶ Retain existing permanent jobs
 - ▶ Job growth estimates are conservative with additional growth projected into the future
- ▶ Estimated that every 10 jobs Fluid Chillers creates, 3 supplier jobs are created
- ▶ The increase in jobs will result in an increase of City tax income revenue
 - ▶ Estimated between \$3,000 - \$6,000 annually (nonresidents - all residents)
- ▶ Increase in City property tax revenue as property was previously exempt
 - ▶ \$27,234 over 12 years (10% contribution)
 - ▶ Approximately \$25,000 annually following brownfield plan reimbursement



Thank you!



SOLUTIONS FOR LIQUID COOLING

Fluid Chillers Expansion in South Lansing

- I. Fluid Chillers is a Lansing based manufacturer of custom designed and built Chillers for industry, medicine, aerospace and other applications.**
- II. A chiller is a machine that removes heat from a liquid via a vapor-compression or absorption refrigeration cycle. This liquid can then be circulated through a heat exchanger to cool equipment, provide air conditioning and many other uses.**
- III. Fluid Chillers is a home-grown South Lansing business since 2007 that employs 34 people and is growing rapidly.**
- IV. The company has a long list of customers including GM, Toyota, Dow, General Electric, BP, 3M, Boeing and many more fortune 500 companies.**
- V. The firm also partners with over 40 major universities including MSU, Michigan, UCLA, Texas and Purdue.**
- VI. Fluid Chillers Inc. has recently designed and built a chiller system for NASA, which will keep the astronaut compartment cool prior to actual liftoff on the rocket launch pad.**
- VII. To stay in Lansing and accommodate their expansion needs, the company has purchased a vacant 14,000 sf building on Alpha Access Drive in South Lansing and will be investing \$600,000 to renovate the building.**
- VIII. Fluid Chillers employs many skilled manufacturing and service workers earning high wages and will add 15 new jobs over the next three years, and another 10 jobs in five years. These jobs will average \$20/hr plus benefits.**
- IX. The new location includes 5.44 acres of land offering the opportunity for the Company to continue to expand as their business grows.**

01P - 11/23

- X. Fluid Chillers has asked for a 12-year Brownfield Plan from the City of Lansing which would reimburse the company approximately \$328,740 over twelve years in brownfield costs that the firm must pay up front to make the vacant building suitable for their use.**
- XI. The brownfield cost reimbursement will be paid for from the increase in property taxes that Fluid Chillers will be paying on the new improved property. Thus, Fluid Chillers pays the initial brownfield costs and is reimbursed over the new 12 years with the increase in property taxes that the company pays resulting from their investment into the project.**
- XII. The result will be the retention and expansion of a great fast growing manufacturing company in South Lansing that offers skilled jobs and keeps the Lansing economic strong.**