**AGENDA**
**Committee on Development and Planning**
**Monday, April 16, 2018 @ 4:00 p.m.**
**10th Floor Conference Room, City Hall**

Councilmember Adam Hussain, Chair
Councilmember Patricia Spitzley, Vice Chair
Councilmember Jody Washington, Member

1. **Call to Order**

2. **Public Comment on Agenda Items**

3. **Minutes**
   - March 19, 2018
   - April 2, 2018

4. **Discussion/Action:**

   **A.)** RESOLUTION – Appointment; Fred Schaible; Lansing Economic Development Corp/TIFA/Brownfield Authority; At Large Member; Term to Expire 2/28/23

   **B.)** RESOLUTION – ACT-4-2017; Easement for Consumers Energy's North Lansing Pipeline Project

   **C.)** RESOLUTION – ACT-5-2017; 1620 Sunset Avenue; Consumers Energy North Lansing Pipeline Project

   **D.)** ORDINANCE – PILOT; 601 Sadie Court, Camelot Hills

   **E.)** RESOLUTION – Introduction and Set Public Hearing; Z-1-2017; 4215 N Grand River; Rezone from "D-1" Professional Office to "F" Commercial District

   **F.)** DISCUSSION – Economic Development & Planning Update on a PILOT process

5) **Other**

6) **Adjourn**

# PUBLIC COMMENT AND SIGN IN SHEET

COMMITTEE DEVELOPMENT AND PLANNING

DATE April 18, 2018

Please print

| NAME | ADDRESS | Purpose for Attending | Email Address | PHONE |
|---|---|---|---|---|
| Eihab Kihara | 4215 N. Grand River Lansing 48906 | rezone | EQ1711@aol.com | (248) 497-6466 |
| Sumer Bashi | 4215 N. Grand River Lansing, 48906 | REZONE | SB1674@Gmail.com | (248) 514-8991 |
| Sal Kosto | 4215 N. Grand River Lansing, MI. 48906 | rezone | sKotto 1975@Gcom | 586-610-4739 |
| Fred Schaible | 1322 Cooper Ave 48910 | EDC Authority Appt. | fschaible@hotmail.com | 734-216-7302 |
| Kathy Miles | | RSL | | |
| Donna McMillan | 32000 Telegraph Bingham Farms | MHT (Carrollton Hills) | | |
| Peter Tallerico | 32000 Telegraph Bingham Farms | MHT | | |
| Jim Granner | 32000 Telegraph Bingham Farms | MHT | | |
| Elaine Womboldt | 4815 Tessa Dr Lansing | RSL | | |
| [illegible] | 4221 N. Grand River Lansing | Rezone | | |
| Joslin Monahan | 3001 Orchard Vista SE GR 49546 | rezone | | |
| Cathy Heckaman | One Energy Plaza Jackson MI | Easement | catherine.heckaman@cmsenergy.com | 5177407396 |
| Jeff Parker | 530 W. Willow Lansing | " | jeffrey.parker@cmsenergy.com | 517-374-2345 |
| Joe Abood | OCA | LAW | | |
| Greg Vander | OCA | Law | | |

DRAFT

**MINUTES**
**Committee on Development and Planning**
**Monday, March 19, 2018 @ 4:00 p.m.**
**Council Conference Room, City Hall 10th Floor**

**CALL TO ORDER**
Called to order at 4:00 p.m.

**PRESENT**
Council Member Hussain, Chair
Council Member Spitzley, Vice-Chair- excused
Council Member Washington, Member

**OTHERS PRESENT**
Sherrie Boak, Council Staff
Susan Stachowiak, Economic Development & Planning
Brian McGrain, Economic Development & Planning
Don Kulhanek, Economic Development & Planning
Karl Dorshimer, LEAP
Elaine Womboldt
Greg Venker, Assistant City Attorney -arrived at 4:03p.m.
John Helmuth, Tecomet
Darren Dodson, Tecomet
Sheryl Landgraf, FTX Labs
Jeff Landgraf, FTX Labs

**PUBLIC COMMENT**
No public comment at this time.

**MINUTES**
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM MARCH 5, 2018 AS PRESENTED. MOTION CARRIED 2-0.

**DISCUSSION/ACTION**
RESOLUTION- Set Public Hearing; IFT-01-18; Industrial Facilities Exemption Certificate for Tecomet, Inc.; 5858 Enterprise Drive
Mr. Dorshimer informed the Committee that the District was created in 2000, and this is a new certificate.

Mr. Helmuth provided a sheet outlining their business, Tecomet Lansing, and their proposed business expansion. The company began in 1985, privately owned with a focus on forging for medical and aerospace equipment and materials. This expansion, it was noted on the handout, will take the current staffing levels from 380 to an additional 70 in year one, then another 25 in year two, and a total of 160 after year 3. Mr. Dorshimer confirmed the project cost will be at $14.5 million. The building where they are putting in the expansion is currently occupied, which received an IFT in the past. Tecomet will be taking 40-45% of space on a 5-yr lease with this proposed expansion, and the reason they are choosing this option is because they have run out of space at their current location. The building itself is 17 years old, and not exposed to heavy manufacturing. Since the property is already in an IFT District they can apply for a tax abatement to make space suitable for their operations. This will improve the property and the tax abatement will be 50% for 5 years. Mr. Dorshimer continued with a breakdown of funds. The developer will save approximately $78,000 over 5 years, and of that $78,000, $20,000 will be abated by the City. Because there will be at least 160 new jobs, one thing the City will still see is $20,000 over five years and with those new employees at $40,000-$50,000 in salary, they will bring in an estimated income tax of $225,000 over those 5 years.

Council Member Washington asked if they anticipate a difficulty in filling jobs. Mr. Helmuth acknowledged it is difficult, but they use a multi-State recruiter, and trade schools.

Mr. Dorshimer provided the Committee with a timeline which would be setting the hearing on March 26th for April 23rd with potential final approval on May 7th, 2018.
Council Member Hussain asked Mr. Dorshimer what LEAP does to make sure they are putting forth efforts in getting the project done in earnest and working to consider local talent for employees, contractors and subcontractors. Mr. Dorshimer acknowledged they do not enforce but the applicants pledge and if Council, Mayor or anyone asked for evidence they would have to produce it. The findings could then be used in deliberations for future tax abatements.

Council Member Washington asked if the applicants would be using local labor for their expansion. Mr. Helmuth confirmed they have in the past on other locations, and collaborated with Eyde, so plan to continue with local labor.

Ms. Womboldt questioned the address of the property listed in the documents. Mr. Dorshimer confirmed it was 5840 Enterprise, but then the parcel was split to 5850 Enterprise and the correct address is on the development agreement.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR IFT-01-18 FOR APRIL 23, 2018. MOTION CARRIED 2-0.

<u>RESOLUTION – Introduction and Set Public Hearing; Z-8-2017; 3440 N East Street; Rezone from “F” Commercial to “G-2” Wholesale District</u>
Ms. Stachowiak highlighted the property which was requesting to be rezoned to G-2 Wholesale District for a medical marihuana safety/testing facility. After review, Ms. Stachowiak stated that the majority of the west side of the street in the area is G-2 and consists of industrial storage and repairs shops. Mr. Stachowiak stated that she believed the request was consistent with the master plan, and there were no objections at the public hearing of the Planning Board, and they in turn recommended approval.

Council Member Washington stated she had driven the area, and recognized that the property shares a property line with residential and that was one of her concerns. In response to information provided by the applicant in the request for rezoning, Council Member Washington corrected the statement that there were no other facilities in the city by acknowledging the two currently in the City; one on Hazel and one on north MLK. Her opposition, she stated, was not the use itself, however, but the rezoning to G-2 next to residential and that it is a major corridor from DeWitt.

The owner admitted they are currently doing some renovating, and they chose the site because it met the criteria for the setback also for a lab.

Council Member Hussain voiced his concerns with rezoning approvals where the uses and buffers do not meet the intent of the requested zoning, noting once it is rezoned it is done and any use in G-2 can go on that site.

Ms. Stachowiak reminded the Committee that the only request at this meeting is to set the public hearing which she stated they are entitled to. Council Member Hussain noted to the staff present that just as the Planning Board cannot take action on something, once it gets to Council they too cannot take action. He did not want to proceed with passing something to the full Council if he believed it was a bad policy. Ms. Stachowiak assured the Committee that when applicants approach their office, if it is something the staff cannot support because it does not meet the ordinance, master plan or design plan, they tell them immediately. Even if they cannot support a specific proposal, they cannot stop someone from applying to the Board and Council.

Mr. Venker stepped away from the meeting at 4:25 p.m.

Council Member Hussain acknowledged he struggled with the planning department not stopping the process but telling the Council. Council Member Hussain decided to hold the question on what the Committee is allowed to do until Mr. Venker returned from the meeting. Ms. Stachowiak apologized for any miscommunication in her explanation earlier.

Mr. Venker returned to the meeting at 4:26 p.m.

Ms. Stachowiak explained that her department has an obligation up front to inform any applicants if staff can or cannot support a proposal or application before they go through the process. The Planning Board is an advisory board providing their recommendation to Council. Mr. McGrain clarified that the department advises people up front, not specific to the use itself, but if anyone comes forward they try to advise them. Ms. Stachowiak referenced the Master Plan which stated the typical uses for G-2 includes general commercial and light industrial with special approval. It was also noted by Ms. Stachowiak that there is case law that consideration for similar uses can also be consider if adjacent across the street if the right of way is no more than 100’.

Council Member Washington assured the applicants it was not about the use, but the rezoning and what could possibly go there once it is rezoned because the zoning stays with the property. Council Member Hussain stated his concern that it appeared as spot zoning, and he needs to look at applications on a case by case basis.

Council Member Hussain asked Mr. Venker if the City Council Committee had to set the public hearing. Mr. Venker stated that was not the question he heard being asked. Ms. Stachowiak restated the question is can the request “die” at the Committee level or do they have to make a decision, or is the applicant entitled to the due process and a public hearing at Council. Mr. Venker confirmed in general they are entitled to the process, but it is also permitted to “die” in Committee. He then referred to the zoning act and stated he would need time to review it to see what can and cannot be placed “on the table”, for points of consideration. Ms. Stachowiak provided Mr. Venker with the zoning ordinance, 1240.04 (f), which Mr. Venker then read aloud that for rezonings, after a public hearing at the Planning Board, the Board shall make a report to Council. Then, after referral to Committee, Council shall hold a public hearing.

Council Member Hussain informed the applicants that it will be on the agenda March 26, 2018 to set the hearing for April 23, 2018. Council Member Hussain then stated the issue will be referred back to the Committee which will meet May 7th.

Ms. Womboldt spoke on her frustration in finding board and committee agendas on the website, and her opinion that some people who should get notifications are not getting them. Mr. McGrain stated he would follow up on the process, and Council Member Hussain verified the agendas on the website, but clarified that the concern is that the agendas might not be getting on the website until the day of or day after the meetings. Regarding the mailings, Ms. Stachowiak stated they are sent to the owner, taxpayer and occupant, via the GIS Mapping program. Their information is imported from the Assessing office, and currently her department is working with IT because the information is not updated in a timely manner.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR Z-8-2017; 3440 N EAST STREET FOR APRIL 23, 2018.
MOTION CARRIED 2-0.

DISCUSSION – Ordinance Amendments for PILOTS
Council Staff recapped previous meetings where Council Member Spitzley had requested options to hold PILOT applicants accountable. Mr. Venker concurred there can be no side agreement, the PILOT ordinance is an agreement he clarified. The agreement is if the PILOT is less than 10%, how long it will last, the percentage and set by statues. Mr. Venker gave an example that if some units did not meet the PILOT, the PILOT would be reduced by that. He recalled that at earlier Committee meetings, if Council wants something more than what is already in place, then Council needs to consider what they want and ask Law if it can be added to the ordinance itself. The City does not own the properties where PILOTS are applied, so the City cannot do a development agreement. Council Member Hussain understood, and added that the Council in the past have had PILOTS that have not done what they said they would do. His opinion was that Council needs to consider this when they do not even have the funds to address City debt and provide public services. Mr. McGrain assured the Committee that his department is also looking at PILOT’s and had a meeting scheduled with the senior officials at MSHDA to discuss PILOTS to see what is expected. He proposed coming back at a later meeting on how they plan to handle them in the future in his department. The department is exploring options internally, and debt structures, but always want to bring the Council the best package. Council Member Hussain acknowledged Law and the Economic Development & Planning department on their assistance in the process.

**Other**
No other topics.

**Adjourn**
Adjourned at 4:48 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on_________________

DRAFT

**MINUTES**
**Committee on Development and Planning**
**Monday, April 2, 2018 @ 4:00 p.m.**
**Council Conference Room, City Hall 10th Floor**

**CALL TO ORDER**
Called to order at 4:00 p.m.

**PRESENT**
Council Member Hussain, Chair- excused
Council Member Spitzley, Vice-Chair
Council Member Washington, Member

**OTHERS PRESENT**
Sherrie Boak, Council Staff
Brian McGrain, Economic Development & Planning
Heather Goupil
Kathy Miles
Cynthia Redman
Joseph Abood, Chief Deputy City Attorney
Brett Kaschinske, Parks and Recreation Director
Sara Lehr, LSJ
Donna Millan, Camelot Hills
James Gromer, Camelot Hills
Robert LaBelle, Attorney for Verizon
Bill Rieske, Economic Development & Planning

**PUBLIC COMMENT**
No public comment at this time.

**MINUTES**
Action on the minutes was moved to the next meeting.

**DISCUSSION/ACTION**
RESOLUTION – Appointment; Cynthia Redman; Historic District Commission; At- Large Member; Term to Expire June 30, 2020
Ms. Redman introduced herself and the Committee reviewed her application. The Committee asked why Ms. Redman chose this Commission, but noted on her application it was her last choice. Ms. Redman confirmed there were some Boards and Commission that she was not

interested in, and when she listed the three she was interested in she prioritized them. The Committee spoke on the importance of the Historic Commission.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE APPOINTMENT OF CYNTHIA REDMAN TO THE HISTORIC DISTRICT COMMISSION AS AN AT LARGE MEMBER. MOTION CARRIED 2-0.

<u>RESOLUTION – Appointment; Heather Goupil; Historic District Commission; At-Large Member; Term to Expire June 30, 2020</u>
The Committee reviewed the application, and Ms. Goupil provided details on her current residency. Council Member Spitzley inquired into her interest in the historical residencies, and also noted her interest in the Commission. Ms. Goupil noted one choice was not more important than any other Board or Commission she had listed.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE APPOINTMENT OF HEATHER GOUPIL TO THE HISTORIC DISTRICT COMMISSION. MOTION CARRIED 2-0.

<u>ORDINANCE – Z-1-2018; 600 Block East Michigan; Rezone from “H” Light Industrial District to “G” Business District</u>
Mr. Rieske briefly provided the location and details of the 3.6 acres which is located at the intersection of Larch and Michigan and surrounds the current Liskey property that will remain industrial zoning. The applicant has not proposed a development at this time. Council Member Spitzley inquired into the parcel that was “cut out” along Barnard Street. Mr. Rieske noted the owner does not want to sell currently, and it is zoned industrial as well, so it could be used for parking in the future.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE ORDINANCE FOR Z-1-2018 FOR REZONING OF THE 600 BLOCK OF EAST MICHIGAN.

Ms. Miles asked for a specific location, and Mr. Rieske noted it was east of the Stadium District.

MOTION CARRIED 2-0.

<u>RESOLUTION – ACT-1-2018; 600 Block East Michigan; Vacate Alley</u>
Mr. Rieske confirmed that the Public Service Department did an examination of the area and identified no easements that would be needed for their utilities. There will be electrical service relocated in the manner to service any future development anyways.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR ACT-1-2018 FOR 600 BLOCK EAST MICHIGAN. MOTION CARRIED 2-0.

<u>RESOLUTION - Amend Res. 0145 of 1981 for SLU-1-2016; 2101 E. Mt. Hope Avenue; Petition for the construction of a mobile cell tower</u>
Mr. Kaschinske reiterated from earlier meetings that this request is to undedicated the parcel from Crego Park for the mobile cell tower for Verizon Wireless. During the public comment there was one comment, and it was about the access. The access will be restricted, and the area effected is where they currently where the wood debris is placed.

Mr. LaBelle, who was the attorney for Verizon, drafted the lease agreement. Mr. LaBelle briefly outlined the lack of coverage in the Lansing area, and their hopes this location will assist with that. They work directly with the municipality for offering them revenue and this is a park that offers desolate park land. He also assured them there is security with sensors for safety. Council Member Spitzley asked how long the lease would be and was told 5 years, with 5 year renewals. It is a land lease agreement and will be before Council at a future date, but this is just to vacate the 55' x 30' parcel of land. In addition, Mr. Kaschinske confirmed the ACT 33 review has by done.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION TO AMEND SLU-1-2016 FOR 2101 E MT. HOPE AVENUE. MOTION CARRIED 2-0.

ORDINANCE- PILOT for Camelot Hills; 601 Sadie Court
Council Member Spitzley noted for the public and the Committee that questions were asked at the last meeting when the public hearing was scheduled, and the public hearing was held. The Committee now must consider action on the PILOT. She then asked the applicants, that since this an extension, when the current PILOT will end and how long they want this PILOT for. Mr. Gromer with MHT Housing, Inc. provided brief details on the site and the improvements they plan to do with the PILOT, which includes $3.6 million in rehabilitation and $1.2 million towards a reserve. The current PILOT is at 4% and will expire in 2024. The property itself is housing for the primarily impoverished, with a medium income of $12,000. The request is for a 4% PILOT for the life of the 35 year mortgage. There are 102 units, with a Section 8 contract for 20 years which was just awarded by HUD. MHT Housing purchased the property in early 2000, and they were built in 1982.

Council Member Spitzley inquired into what has happened with the site since they currently have a PILOT for rehabilitation. Mr. McGrain confirmed his office is looking at PILOT's and the policies, and is in the process of meeting with MSHDA and developers. They are finding that projects that are coming back for refinancing were structured differently 30 years ago. The underwriting criteria in the early 1980's was different and now there is a different money structure. The developers are looking to put funds back into the properties, and set aside funds for the future. Ms. Millan confirmed they will be setting aside $1.2 million in their reserve for the future, and MSHDA is the funding with their reserve. Council Member Spitzley reminded Mr. McGrain and Law that the Committee is discussing how to make sure the developers are doing what they say they are going to do with the PILOT. Mr. McGrain noted that MHT Housing will not get their credits unless they do the rehabilitation, and there is a lot of oversight in the public and private sector. Mr. Abood assured the Committee that Law is drafting a lot of PILOT's, and there are protections in there for timelines and filing of certificates.

Council Member Washington spoke in opposition to the PILOT, and noted the applicant can go forward with a 10% PILOT without Council support. She then stated she was not in support of a 4% PILOT for 35 years. Mr. Gromer acknowledged Council Member Washington's statement, and assured them that the City Attorney office vetted the project, there is a HUD Section 8 property and all financials are audited. With the 10% PILOT vs a 4% PILOT, the $890,000 gap in the project and they will be putting back $1.8 million into it. Mr. McGrain confirmed that the applicant could do a 10% PILOT without Council, but based on what is going into this development and speaking to MSHDA, they need the 4% PILOT.

Ms. Miles stated she attended a Financial Health Team meeting and heard them state they do not support PILOTS.

Council Member Spitzley asked for direction from Law on if the Committee voted at this meeting to deny or leave in Committee what the recourse would be. Mr. Abood stated if it does not leave Committee it could be tabled until the next Committee meeting. The next meeting would be April 16th, and Mr. McGrain offered to meet with the Committee to go through the financials. Ms. Millan informed the Committee that if they denied it they would be turning down $4 million of Federal subsidized funding to the City and $1.5 million from the State. Mr. Gromer asked the Committee to consider voting it out of Committee for the full Council to vote. Council Member Spitzley stated the Committee can either vote to pass out of the Committee or deny it and it would not go to Council. Mr. Gromer requested the Committee table the decision. Mr. Abood offered his opinion that if the Committee voted to deny the PILOT at this meeting, at the next meeting there could be a motion to reconsider the decision, if the Committee tabled at this meeting, at the next meeting the Committee could vote, noting it does not have to leave Committee. Council Member Spitzley tabled any action on the ordinance for the PILOT for Camelot Hill until the full Committee could be present to vote.

**Other**
No other topics.

**Adjourn**
Adjourned at 4:40 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on_________________

## Boak, Sherrie

**From:** qruhso|Cflylfsoxv1frp
**Sent:** Wxhvgd|/#Mdqxdu|#56/#534;#6=4:#SP
**To:** Soxpphu/#Pdub|q
**Subject:** Rqolqh#Irup#Vxeplwwdo=#Dssolfdwlrq#iru#Dssrlqwphqw#wr#Erdug#ru#Frpplvvlrq

# Application for Appointment to Board or Commission

*Thank you for your interest in serving on a Lansing Board, Commission or committee. The Lansing City Charter requires that every appointee to a board, commission, or committee established by Charter or ordinance must meet the following qualifications and eligibility requirements:*

*• Be a registered elector in the City of Lansing (Charter Section 2-102).*

*• Be a resident of Lansing for one year prior to taking office (Charter Section 2-102).*

*• Not be in default to the City at the time of taking office (Charter Section 2-103.2).*

*• Not have been convicted, within 20 years of taking office, of a violation of the election laws of the City of Lansing, State of Michigan, or the United States; a violation of public trust; or any felony (Charter Section 2-103.1).*

(Section Break)

| | |
|---|---|
| Date | 1/23/2018 |
| First Name | Frederick |
| Middle | *Field not completed.* |
| Last Name | Schaible |
| Other name(s) by which you have been known, including maiden names | *Field not completed.* |
| Date of Birth | [redacted] |
| Address | 1322 Cooper Ave. |
| City | Lansing |
| State | MI |

| | |
|---|---|
| Zip Code | 48910 |
| Email | fschaible@hotmail.com |
| Gender | Gender |
| Ward | 4 |
| Precinct | *Field not completed.* |
| Best phone number to contact you | [redacted] |
| Last 4 digits of social security number | [redacted] |
| In what year did you move to Lansing? | 2005 |
| Additional information regarding experience and credentials | I currently work for the Senate Appropriations chairman and coordinate the budget process for him. |
| Occupational Background | 13 year employee of the Michigan Legislature |
| Educational Background | BA from Western Michigan University 2005 |
| Please attach a resume if available | *Field not completed.* |
| First choice for board to serve on | Elected Officers Compensation Commission |
| Second choice of a board to serve on | Downtown Lansing Inc. |
| Third choice of a board to serve on | Potter Park Zoo |
| Fourth choice of a board to serve on | Board of Water and Light |
| Please comment briefly on why you wish to serve on a particular board or commission. Please be specific as to your goals and ideas about how you wish to contribute to the work of the board or commission | I am excited about the new direction the city is heading with Mayor Schor and the newly elected members of City Council. As a nearly 13 year resident of the City I have learned a lot about our communities and its needs and am eager to serve. |

| | |
|---|---|
| Qualifications and Eligibility – At this time, if you do not meet one or more of the qualifications or eligibility requirements listed at the top, please state here the requirement to be met and explain how you will be qualified or eligible before you would be sworn in to an appointed office | *Field not completed.* |
| Background Check Authorization | I agree |
| Please type your name in this box to signify that you can serve on a board or commission and the information in this application is accurate to the best of your knowledge | Frederick R. Schaible |
| Date & Time | 1/23/2018 3:30 PM |

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

WHEREAS, the Mayor made the appointment of Fred Schaible of 1322 Cooper Avenue, Lansing, MI 48910 as an At-Large Member of the Lansing Economic Development Corporation/Tax Increment Financing Authority/Lansing Brownfield Redevelopment Authority for a term to expire February 28, 2023; and

WHEREAS, the nominee has been vetted and meets the qualifications as required by the City Charter; and

WHEREAS, the Committee on Development and Planning took affirmative action;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, confirms the appointment of Fred Schaible of 1322 Cooper Avenue, Lansing, MI 48910, as an At-Large Member of the Lansing Economic Development Corporation/Tax Increment Financing Authority/Lansing Brownfield Redevelopment Authority for a term to expire February 28, 2023.

**Acts-4 & 5-17, Easements for Consumers Energy North Lansing Pipeline Project**

# Staff Report

An Act 33 Review is a planning level review of the location, character and extent of public improvements and City property transactions. The Act 33 Review is conducted by the City of Lansing pursuant to the provisions of the Michigan Planning Enabling Act (P.A. 33 of 2008) and Section 208 of the Lansing Code of Ordinances.

## Background:

Act-4-2017 and Act-5-2017 pertain to the same project, but will be considered separately because the Act-4 parcels involve the Board of Water and Light, and the Act-5 parcel does not.

Consumers' Energy is proposing a new 16" gas pipeline in the City's NW quadrant. The route can be roughly described as beginning at North Grand River Ave., then southwest under the Grand River and across a City of Lansing/LBWL parcel to Melvin Court, then south along the east side of Sunset Ave., then west to run southward, west of and parallel to a Lansing Manufacturers (A.K.A. Jackson and Lansing) Railroad right-of-way to end south of I-496 (see attached "Consumers Energy North Lansing Pipeline Project 2018). In traversing this route, it passes Westside and St. Joseph Parks, but does not encroach upon them. It does cross four City/LBWL parcels (Act-4-2017), and one City of Lansing parcel at 1620 Sunset Avenue. (Act-5-2017). Consumers' Energy needs an easement from the City for each of these parcels to complete the project as planned.

Consumers' is requesting easements over five City properties for the installation of the new pipline. Four properties (Act-4-2017) are City-owned by the Board of Water and Light. A fifth property (Act-5-2017) City-owned and is occupied by a Waste Water Treatment Plant facility.

The proposed easements are non-exclusive, and would not hinder the continuation of operations on the properties.

The Board of Water and Light is the water utility for the City of Lansing, and has a vested interest in the protection of Lansing's water supply. The LBWL Board approved the four easements requested in Act-4-2017.

**Affected Properties** by permanent parcel number (PPN). See attached diagrams:

PPN 33-01-01-05-351-001 is a former LBWL fly-ash dump on the north side of the City. It has been remediated, but is undergoing further monitoring. The requested easement is north and parallel to the railroad ROW, and extends from North Grand River to Melvin Court. The easement is approx. 58,420 square feet (SF) in size.

PPN 33-01-01-08-102-031 is an LBWL property on the east side of Sunset Ave. The requested easement occupies the west 15' of the property, and is 750 SF in size.

PPN 33-01-01-08-102-041, 1620 Sunset Ave. (Act-5-2017) is a City-owned property on the east side of Sunset Ave., south of and adjacent to parcel 031 above. This property is occupied by the Waste Water Treatment Plant. The proposed easement would occupy the west 15' (6,340 SF).

PPN 33-01-01-08-102-101 is another LBWL property, also located on the east side of Sunset, with the proposed 15' easement (690 SF) along the west side.

PPN 33-21-01-19-230-026 is an LBWL property located in Lansing Township, west of Clare St., and south of Main St. The proposed 16,370 SF easement is located at the NE corner of the property.

## Agency Responses

**Board of Water & Light:** The Act-4 easements were approved by the LBWL board.

**Public Service Department:** Comments regarding the proposed easement for 1620 Sunset Avenue (ACT-5-2017):

> 1620 Sunset Avenue is the address for the Screen Building at the Lansing Wastewater Treatment Plant. Utilities cross Sunset from the plant to the Screen Building, including pipes carrying wastewater, chemicals and plant effluent water; electrical ducts; a natural gas line; and a fiber optic line.
>
> Any time we repair or replace these lines in the easement we would have to support the new gas line for the duration of the construction, and rebury it. Also, the electrical ducts and fiber optic lines may lie at or near the same depth as the new gas line, and interfere with its installation.
>
> If granted, the following utilities would pass through the easement: 3-36" process pipes that carry wastewater from the headworks to the treatment plant, an electrical duct that powers the headworks, and a natural gas line,
>
> Also, the following utilities would pass through the adjacent easement to the south: an electrical conduit, an electrical duct, 2 process lines carrying wastewater from a lift station and from the plant, a chemical feed line, a plant effluent water line, a fiber optics line, a 60" pipe carrying wastewater from the west side of the City, and a 60" pipe carrying wastewater from the headworks to the treatment plant.
>
> (Note: After the consideration of alternative routes, it was determined that the west 15' is still the best location for the easement.)

**Acts-4 & 5-17, Easements for Consumers Energy North Lansing Pipeline Project**

## Staff Report

**Staff Finding and Recommendation**

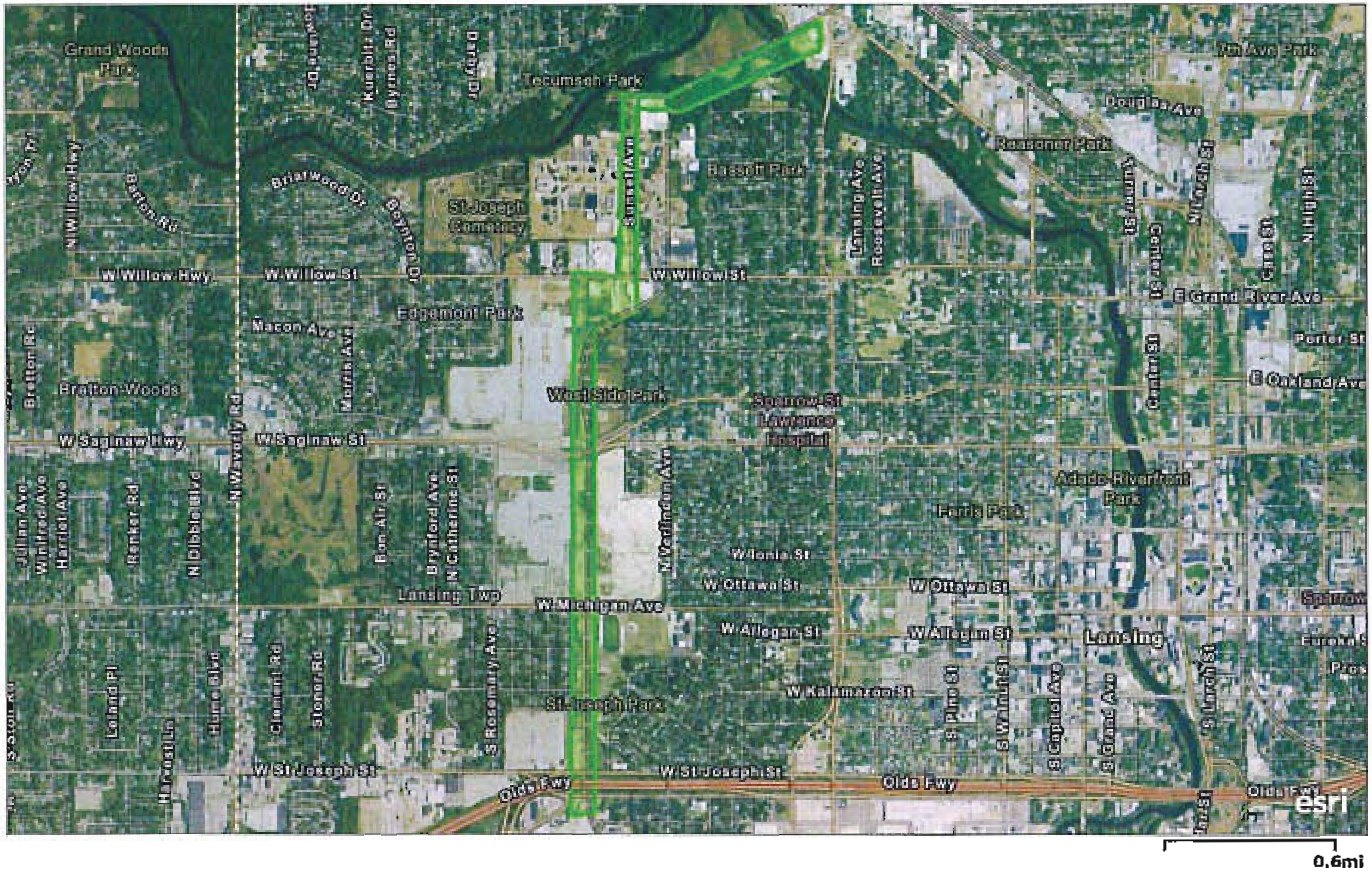
**Finding:**

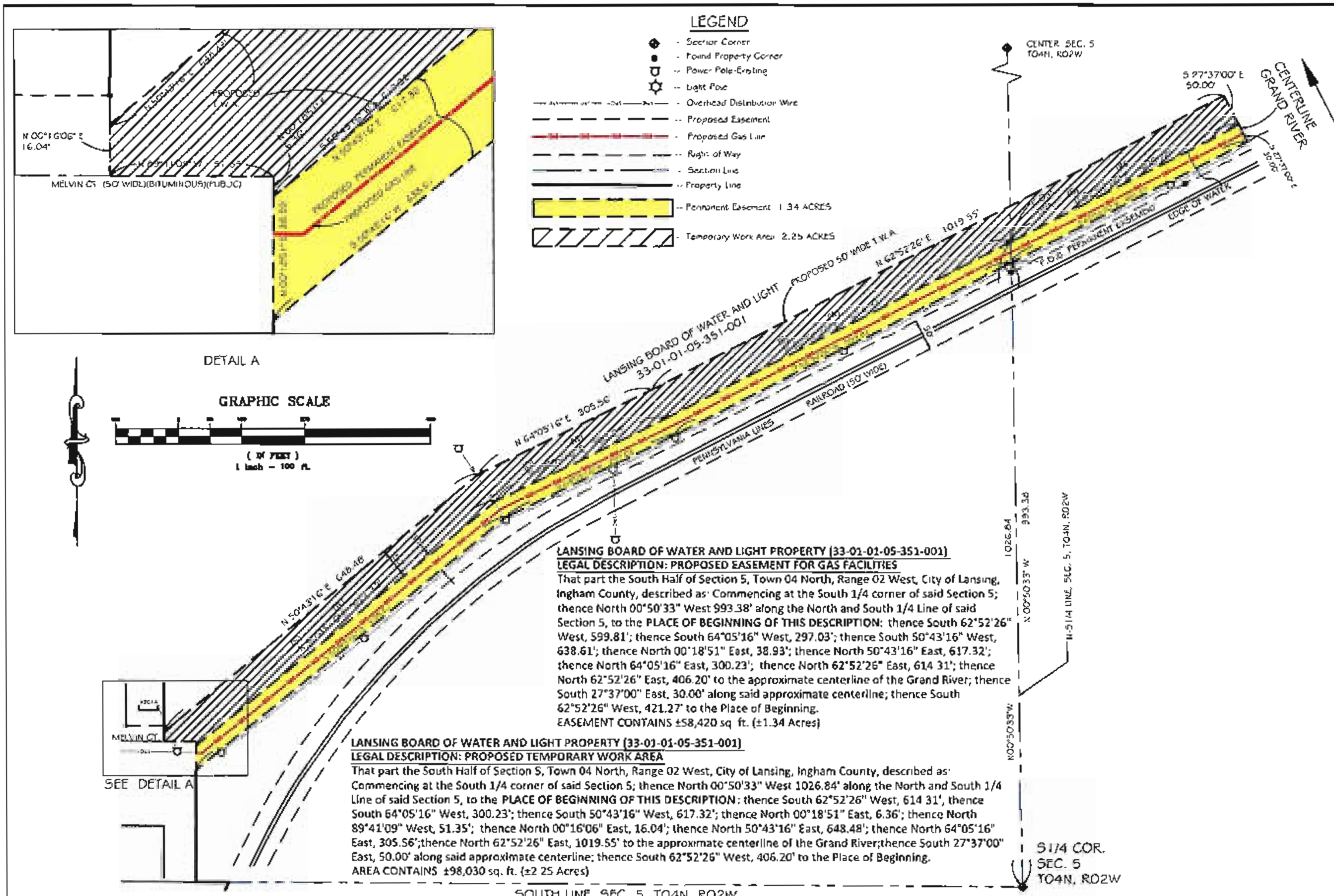
- Location: The easements are located in an industrial area, with "H" and "I" industrial zoning. The proposed gas line is separated from residential areas by the railroad ROW.
- Character: The gas pipeline will be installed underground, so the effect on the character of the surrounding area is negligible.
- Extent: The width of the proposed easements (15' min.) is necessary and appropriate to protect the gas pipeline and surrounding facilities, and will not adversely affect City operations.
- The LBWL Board of Commissioners has approved the proposed easements for four of the properties (Act-4-2017), subject to City Council approval.

**Recommendation:**

Approval of the requested easements with a maximum with of 15', subject to review and approval by the City Attorney's Office.

# Consumers Energy North Lansing Pipeline Project - 2018 Route






**LANSING BOARD OF WATER AND LIGHT PROPERTY (33-01-01-05-351-001)**
**LEGAL DESCRIPTION: PROPOSED EASEMENT FOR GAS FACILITIES**

That part the South Half of Section 5, Town 04 North, Range 02 West, City of Lansing, Ingham County, described as: Commencing at the South 1/4 corner of said Section 5; thence North 00°50'33" West 993.38' along the North and South 1/4 Line of said Section 5, to the **PLACE OF BEGINNING OF THIS DESCRIPTION**: thence South 62°52'26" West, 599.81'; thence South 64°05'16" West, 297.03'; thence South 50°43'16" West, 638.61'; thence North 00°18'51" East, 38.93'; thence North 50°43'16" East, 617.32'; thence North 64°05'16" East, 300.23'; thence North 62°52'26" East, 614 31'; thence North 62°52'26" East, 406.20' to the approximate centerline of the Grand River; thence South 27°37'00" East, 30.00' along said approximate centerline; thence South 62°52'26" West, 421.27' to the Place of Beginning.
EASEMENT CONTAINS ±58,420 sq. ft. (±1.34 Acres)

**LANSING BOARD OF WATER AND LIGHT PROPERTY (33-01-01-05-351-001)**
**LEGAL DESCRIPTION: PROPOSED TEMPORARY WORK AREA**

That part the South Half of Section 5, Town 04 North, Range 02 West, City of Lansing, Ingham County, described as: Commencing at the South 1/4 corner of said Section 5; thence North 00°50'33" West 1026.84' along the North and South 1/4 Line of said Section 5, to the **PLACE OF BEGINNING OF THIS DESCRIPTION**: thence South 62°52'26" West, 614 31', thence South 64°05'16" West, 300.23'; thence South 50°43'16" West, 617.32'; thence North 00°18'51" East, 6.36'; thence North 89°41'09" West, 51.35'; thence North 00°16'06" East, 16.04'; thence North 50°43'16" East, 648.48'; thence North 64°05'16" East, 305.56';thence North 62°52'26" East, 1019.55' to the approximate centerline of the Grand River;thence South 27°37'00" East, 50.00' along said approximate centerline; thence South 62°52'26" West, 406.20' to the Place of Beginning.
AREA CONTAINS ±98,030 sq. ft. (±2 25 Acres)

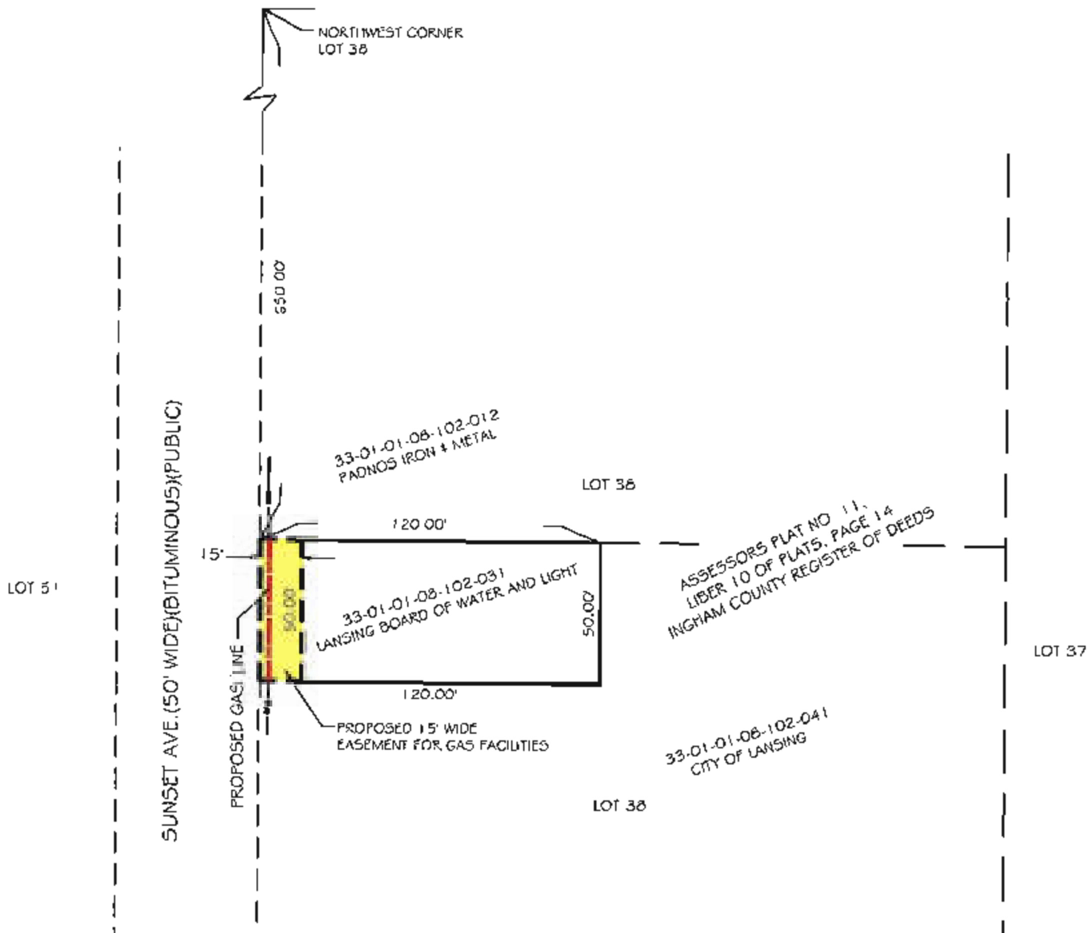
| REV | DATE | DESCRIPTION | BY | APP |
|---|---|---|---|---|
| A | 6/02 2017 | ADDED AREA AND HATCHING TO TWA & EASEMENTS | JCW | |

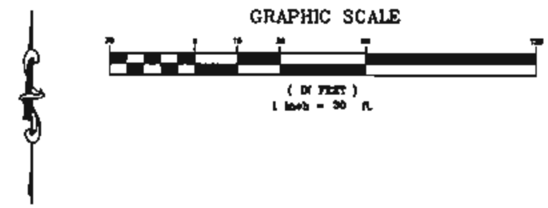
DR. J. Widrum 2-4-2016
CHKD R.J.K. 2-5-2016

Consumers Energy

Williams&Works

LANSING PIPELINE #1027 DAPP 6803
LBWL PROPERTY
Sec. 5, City of Lansing — T4N, R2W, Ingham County
SCALE: 1" = 100'
DRAWING NO: SE-21946LBWL
SHEET: 1
REV: A




## LEGEND

- Proposed Easement
- Proposed Gas Line
- Lot Line
- Right of Way
- Section Line
- Property Line
- Permanent Easement 0.02 ACRES

**L.B.W.L. PROPERTY (33-01-01-08-102-031)**
**LEGAL DESCRIPTION: PROPOSED EASEMENT FOR GAS FACILITIES**

That part of Lot 38 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as: The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 524, Page 57, Ingham County Register of Deeds: Beginning at a point 650 feet South of the Northwest corner of Lot 38 of said Plat; thence East, 120 feet, thence South, 50 feet; thence West, 120 feet; thence North, 50 feet to the place of beginning.
EASEMENT CONTAINS ±750 sq. ft. (±0.02 Acres)

| REV. | DATE | DESCRIPTION | BY | APP. |
|---|---|---|---|---|
| A | 6/04 2017 | ADDED AREA AND MATCHING OF TWA AND EASEMENTS | JCW | |

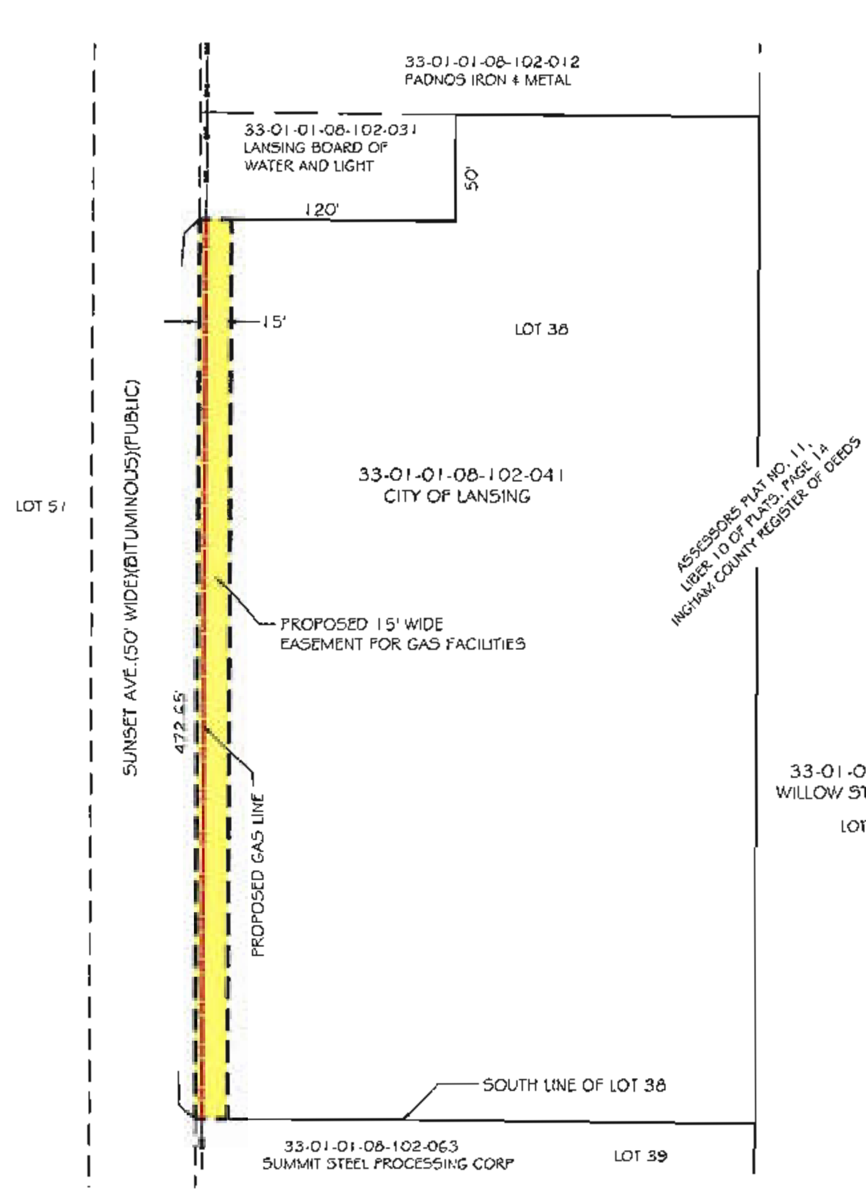
DR. JCW 6-24-2016
CHKD. JSL 6-24-2016

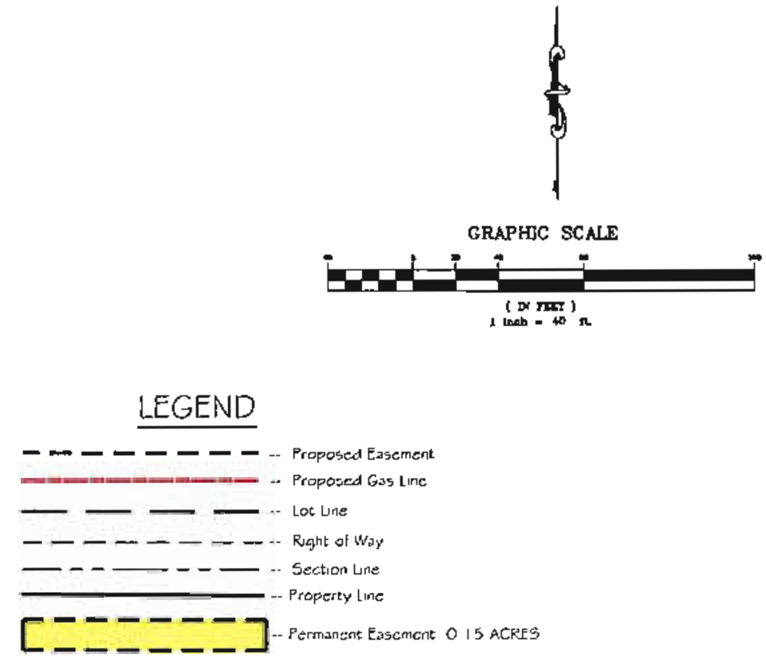
Consumers Energy

Williams&Works

LANSING PIPELINE #1027 DAPP 6803
Sec. 8 LBWL-102-031 PROPERTY T4N, R2W
City of Lansing, Ingham County

| SCALE | DRAWING NO. | SHEET | REV |
|---|---|---|---|
| 1" = 30' | SE-21946LBWL-102-031 | 1 | A |




CITY OF LANSING PROPERTY (33-01-01-08-102-041)
LEGAL DESCRIPTION: PROPOSED EASEMENT FOR GAS FACILITIES

That part of Lot 38 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as. The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 599, Page 589, Ingham County Register of Deeds The South 472.65 feet of Lot 38, Assessor's Plat No. 11, except the West 120 feet of the North 50 feet of said described land.

EASEMENT CONTAINS ±6,340 sq. ft. (±0.15 Acres)

| REV. | DATE | DESCRIPTION | BY | APP |
| --- | --- | --- | --- | --- |
| A | 6-24-2017 | ADDED HATCHING TO TWA & PERMANENT EASEMENT | JCW | |
| | | | | |
| | | | | |
| | | | | |

DR J.C.W. 6-24-2016
FLD
CHKD J.D.L. 8-25-2016
APP
APP

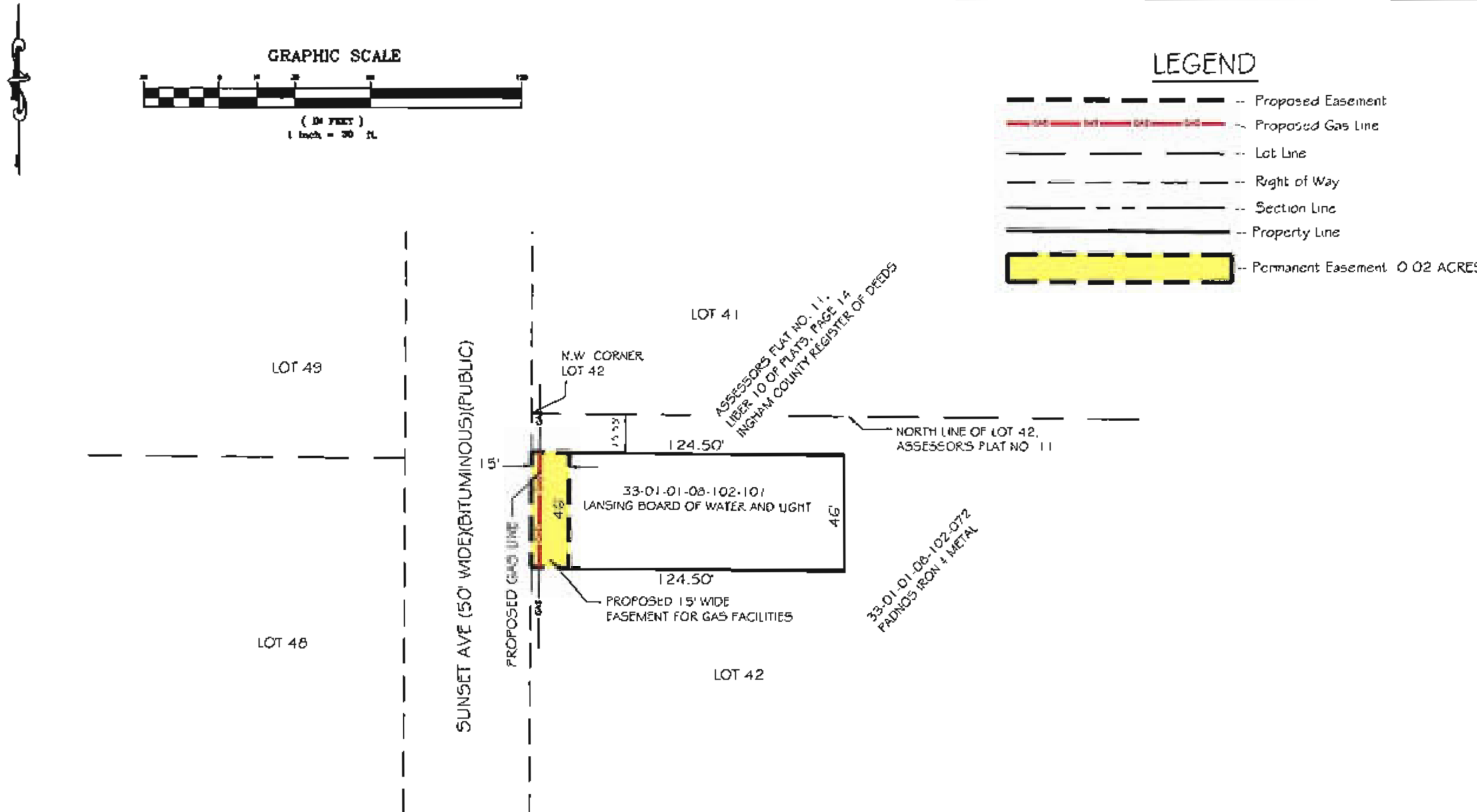
Consumers Energy

Williams&Works

# LANSING PIPELINE #1027 DAPP 6803

Sec. 8 CITY 102-041 PROPERTY T4N, R2W
City of Lansing Ingham County

| SCALE | DRAWING NO | SHEET | REV |
| --- | --- | --- | --- |
| 1" = 40' | SE-21946CITY102-041 | 1 | A |




L.B.W.L. PROPERTY (33-01-01-08-102-101)

LEGAL DESCRIPTION PROPOSED EASEMENT FOR GAS FACILITIES

That part of Lot 42 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as: The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 524, Page 57, Ingham County Register of Deeds: Commencing at a point 15.55 feet South of the Northwest corner of Lot 42 of Assessor's Plat No. 11 in the North West 1/4 of Section 8, Town 04 North, Range 02 West, City of Lansing, Ingham County, Michigan, and running thence East, 124.5 feet; thence South, 46 feet; thence West, 124.5 feet; thence North, 46 feet to the place of beginning.
EASEMENT CONTAINS ±690 sq. ft. (±0.02 Acres)

| REV. | DATE | DESCRIPTION | BY | APP. | | |
|---|---|---|---|---|---|---|
| A | 6/04 2017 | ADDED AREA AND HATCHING OF TWA AND EASEMENTS | JCW | | DR. J.C.W. | 8-24-2016 |
| | | | | | CHKD J.S.L. | 8-24-2016 |

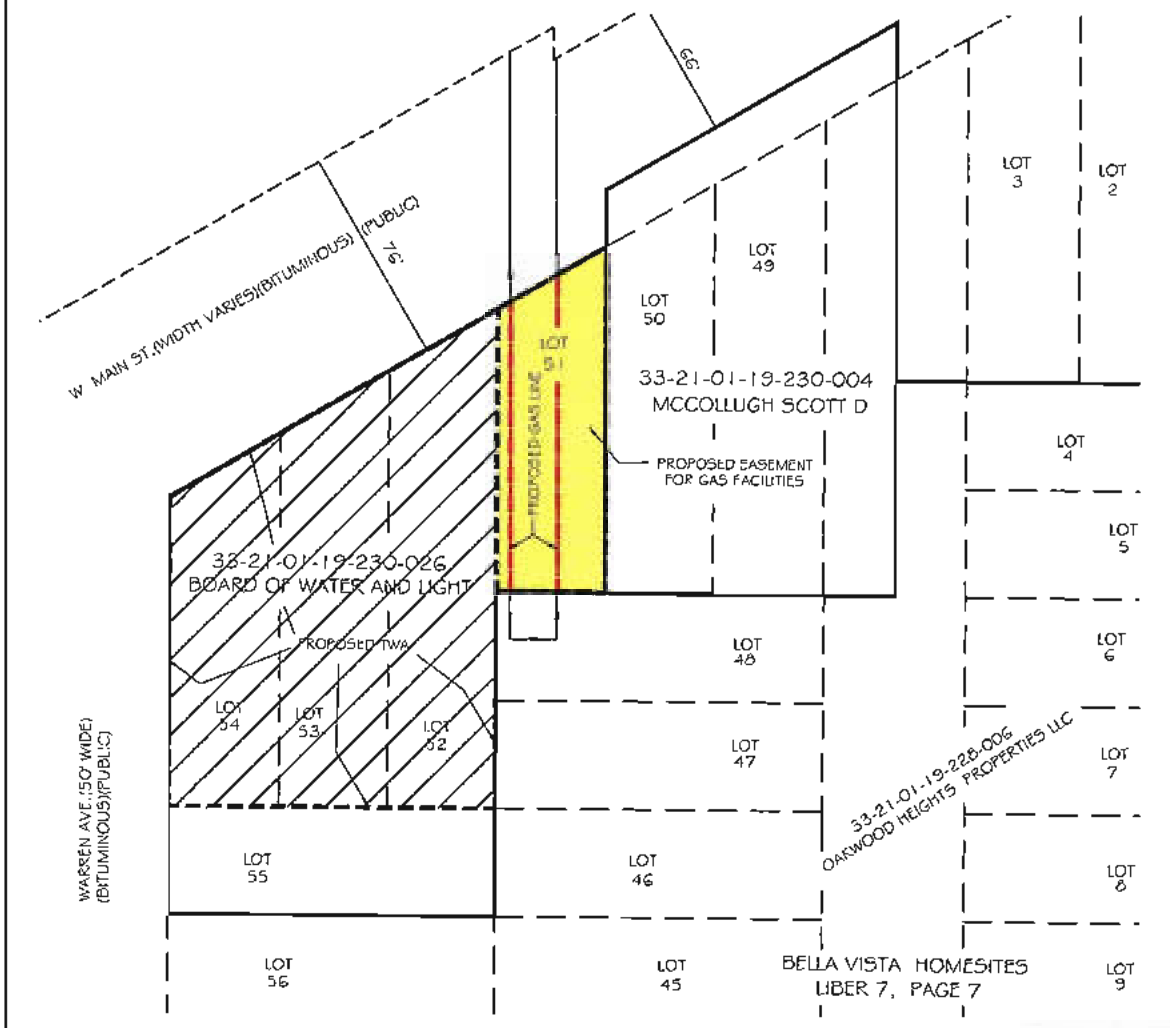
Consumers Energy

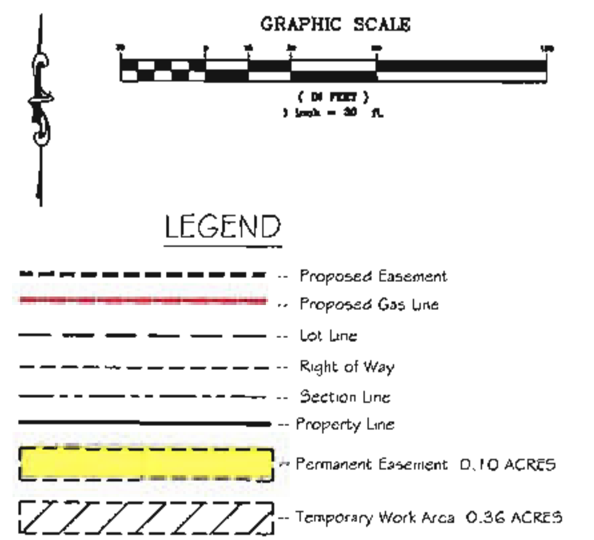
Williams & Works

LANSING PIPELINE #1027 DAPP 6803

Sec. 8 City of Lansing LBWL-102-101 PROPERTY T4N R2W Ingham County

| SCALE | DRAWING NO. | SHEET | REV. |
|---|---|---|---|
| 1" = 30 | 5E-21946LBWL102-101 | 1 | A |




LBWL PROPERTY (33-21-01-19-230-026)
LEGAL DESCRIPTION: PROPOSED EASEMENT FOR GAS FACILITIES
All of Lot 51, of Bella Vista Homesites Subdivision, as recorded in Liber 7 of Plats, Page 7, at the Ingham County Register of Deeds.
Easement Contains ±4,215 sq. ft. (±0.10 Acres)

LBWL PROPERTY (33-21-01-19-230-026)
LEGAL DESCRIPTION: PROPOSED TEMPORARY WORK AREA
All of Lots 52, 53 and 54, of Bella Vista Homesites Subdivision, as recorded in Liber 7 of Plats, Page 7, at the Ingham County Register of Deeds.
Area Contains ±16,370 sq. ft. (±0.36 Acres)

| REV | DATE | DESCRIPTION | BY | APP |
|---|---|---|---|---|
| A | [illegible] 2016 | ADDED TEMPORARY WORK AREA | JCW | JCW |
| B | [illegible] 2016 | REVISED THE TEMPORARY WORK AREA AND PERMANENT EASMENT | JCW | JCW |
| C | [illegible] 2017 | REVISED THE TWA AND PERMANENT EASEMENT | JCW | SM |
| D | [illegible] 2017 | ADDED HATCHING TO TWA AND EASEMENT | JCW | |

DS JCW 9-02-2016
CHKD JCW 9-02-2016

Consumers Energy

Williams&Works

LANSING PIPELINE #1027 DAPP 6803
Sec 19 & 20 LBWL-MAINST PROPERTY T4N, R2W
City of Lansing Ingham County

| SCALE | DRAWING NO. | SHEET | REV |
|---|---|---|---|
| 1" = 30 | SE-21046LBWL-MAINST | 1 | D |

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

**Act-4-2017, Consumers Energy North Lansing Pipeline Easement over LBWL property**

WHEREAS, Consumers Energy Company requests an easement over four City of Lansing and Board of Water and Light ("LBWL") properties for a 16" gas distribution line; and

WHEREAS, this gas line is part of the North Lansing Pipeline, a gas distribution line extending from North Grand River Ave., then southwest under the Grand River and across a City of Lansing/LBWL parcel to Melvin Court, then south along the east side of Sunset Ave., then west to run southward, west of and parallel to a Lansing Manufacturers (A.K.A. Jackson and Lansing) Railroad right-of-way to end south of I-496; and

WHEREAS, the easement would be non-exclusive, would not impair any LBWL operations on the properties where the easement would be granted, and the properties are not needed to continue the operation of LBWL; and

WHEREAS, the properties, of which the proposed easements are a part were purchased with LBWL rate-payer funds; and

WHEREAS, the proposed gas line passes Westside and St. Joseph Parks, but does not encroach upon them; and

WHEREAS, the proposed easement also crosses a City parcel at 1620 Sunset Avenue (Act-5-2017); and

WHEREAS, the LBWL Board of Commissioners, by Resolution 2017-07-01, voted to recommend that the Lansing City Council grant an easement to Consumers Energy Company over property occupied and maintained by the LBWL, for monetary consideration in the amount of $107,500; and

WHEREAS, the Planning Board, at its meeting on January 9, 2018 reviewed the location, character, and extent of the proposal in accordance with its Act 33 Review procedures and found that:

- The easements are located in an industrial area, with "H" and "I" industrial zoning, and the proposed gas line is separated from residential areas by the railroad ROW,
- The gas pipeline will be installed underground, so the effect on the character of the surrounding area is negligible,

- The width of the proposed easements (15’ min.) is necessary and appropriate to protect the gas pipeline and surrounding facilities, and will not adversely affect City operations.

WHEREAS, the Planning Board voted unanimously (6-0) to recommend approval of Act-5-2017, a non-exclusive easement to Consumers Energy to locate an underground gas main on the four City properties occupied and managed by the Board of Water and Light; and

WHEREAS, the Committee on Development and Planning has reviewed the report and recommendation of the Planning Board, as well as that of the LBWL Board of Commissioners, and concurs therewith;

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council hereby approves Act-5-2017, a non-exclusive easement to Consumers Energy, legally described as:

> That part the South Half of Section 5, Town 04 North, Range 02 West, City of Lansing, Ingham County, described as: Commencing at the South 1/4 corner of said Section 5; thence North 00°50'33" West 993.38' along the North and South 1/4 Line of said Section 5, to the **PLACE OF BEGINNING OF THIS DESCRIPTION:** thence South 62°52'26" West, 599.81'; thence South 64°05'16" West, 297.03'; thence South 50°43'16" West, 638.61'; thence North 00°18'51" East, 38.93'; thence North 50°43'16" East, 617.32'; thence North 64°05'16" East, 300.23'; thence North 62°52'26" East, 614.31'; thence North 62°52'26" East, 406.20' to the approximate centerline of the Grand River; thence South 27°37'00" East, 30.00' along said approximate centerline; thence South 62°52'26" West, 421.27' to the Place of Beginning,
>
> AND That part of Lot 38 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as: The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 524, Page 57, Ingham County Register of Deeds: Beginning at a point 650 feet South of the Northwest corner of Lot 38 of said Plat; thence East, 120 feet, thence South, 50 feet; thence West, 120 feet; thence North, 50 feet to the place of beginning,
>
> AND That part of Lot 42 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as: The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 524, Page 57, Ingham County Register of Deeds: Commencing at a point 15.55 feet South of the Northwest corner of Lot 42 of Assessor's Plat No. 11 in the Northwest 1/4 of Section 8, Town 04 North, Range 02 West, City of Lansing, Ingham County, Michigan, and running thence East, 124.5 feet; thence South, 46 feet; thence West, 124.5 feet; thence North, 46 feet to the place of beginning,
>
> AND Lot 51, of Bella Vista Homesites Subdivision, as recorded in Liber 7 of Plats, Page 7, at the Ingham County Register of Deeds,

for the purpose of installing and maintaining a gas distribution pipe across the west side of the property, for the sum of One Hundred Seven Thousand Five Hundred Dollars ($107,500.00).

BE IT FURTHER RESOLVED, that upon closing of the easement, all the net proceeds from the transaction may be retained by LBWL for its operation.

BE IT FINALLY RESOLVED, that the Mayor, on behalf of the City, is hereby authorized to sign and execute all documents necessary to effectuate the aforementioned transaction(s), subject to their prior approval as to content and form by the City Attorney.

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

**Act-5-2017, 1620 Sunset Ave., Consumers Energy North Lansing Pipeline Easement**

WHEREAS, Consumers Energy Company requests an easement in front of the Wastewater Treatment Plant Screen Building at 1620 Sunset for a 16” gas distribution line; and

WHEREAS, this gas line is part of the North Lansing Pipeline, a gas distribution line extending from North Grand River Ave., then southwest under the Grand River and across a City of Lansing/LBWL parcel to Melvin Court, then south along the east side of Sunset Ave., then west to run southward, west of and parallel to a Lansing Manufacturers (A.K.A. Jackson and Lansing) Railroad right-of-way to end south of I-496; and

WHEREAS, the proposed gas line passes Westside and St. Joseph Parks, but does not encroach upon them; and

WHEREAS, the proposed easement crosses four City/LBWL parcels (Act-4-2017), and the subject parcel at 1620 Sunset Avenue: and

WHEREAS, the gas distribution line within the proposed easement is to be installed at a depth of 30’ to avoid conflict with current Wastewater Treatment Plant facilities; and

WHEREAS, the Planning Board, at its meeting on January 9, 2018 reviewed the location, character, and extent of the proposal in accordance with its Act 33 Review procedures and found that:

- The easements are located in an industrial area, with “H” and “I” industrial zoning, and the proposed gas line is separated from residential areas by the railroad ROW,
- The gas pipeline will be installed underground, so the effect on the character of the surrounding area is negligible,
- The width of the proposed easements (15’ min.) is necessary and appropriate to protect the gas pipeline and surrounding facilities, and will not adversely affect City operations,
- The LBWL Board of Commissioners has approved the proposed easements for four of the properties (Act-4-2017), subject to City Council approval; and

WHEREAS, the Planning Board voted unanimously (6-0) to recommend approval of Act-5-2017, an non-exclusive easement to Consumers Energy to locate an underground gas main in the west 15' of the property at 1620 Sunset  Avenue; and

WHEREAS, on July 27, 2017, the Carlson Appraisal Company estimated the value of the subject easement at $7,000; and

WHEREAS, the Committee on Development and Planning has reviewed the report and recommendation of the Planning Board, as well as the appraisal report, and concurs therewith;

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council hereby approves Act-5-2017, a non-exclusive easement to Consumers Energy, legally described as:

> That part of Lot 38 of Assessor's Plat No. 11, as recorded in Liber 10 of Plats, Page 14, at the Ingham County Register of Deeds described as: The West 15.00 feet of the following Parcel Description as recorded in Warranty Deed, Liber 599, Page 589, Ingham County Register of Deeds: The South 472.65 feet of Lot 38, Assessor's Plat No. 11, except the West 120 feet of the North 50 feet of said described land,

for the purpose of installing and maintaining a gas distribution pipe across the west side of the property, for the sum of Seven Thousand Dollars ($7,000.00).

BE IT FINALLY RESOLVED, that the Mayor, on behalf of the City, is hereby authorized to sign and execute all documents necessary to effectuate the aforementioned transaction(s), subject to their prior approval as to content and form by the City Attorney.

MHT HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# CAMELOT HILLS

**601 SADIE COURT**

## City of Lansing PILOT Application

*32600 Telegraph Rd, Bingham Farms, MI • ph 248-833-0550*

MHT
HOUSING INC.

An affordable housing corporation
serving Michigan's housing needs

32600 TELEGRAPH ROAD, STE 102 • BINGHAM FARMS, MICHIGAN 48025
T: 248.833.0550 F: 248.833.0551

11/21/2017

Robert Johnson, Director of Planning and Neighborhood Development
City of Lansing
316 N Capitol Avenue, Suite D-1
Lansing, MI 48933

RE: **Camelot Hills, 601 Sadie Court, Lansing MI**

Dear Mr. Johnson,

Please find the enclosed request for the extension of the existing 4% Payment in Lieu of Taxes ("PILOT") agreement. A key component of the comprehensive rehabilitation of Camelot Hills is closing on a new 35 year tax exempt loan through the Michigan State Housing Development Authority ("MSHDA"). MSHDA requires that PILOTs run concurrent with their loans.

As you may be aware, Federal Tax Reform will likely change the way affordable housing is developed and preserved in the future. The proposal described in the attached summary was submitted to MSHDA last spring and became officially part of their pipeline in August of 2017. MSHDA recently indicated their acceptance of the transaction and notified us that they are now working diligently to close the bond side of the transaction by the end of 2017 in order to insure bond financing is in place prior to Tax Reform. We have secured an investor and are "shovel ready". The remaining component is receiving the City of Lansing's confirmation that they will allow the current PILOT to be extended so that it will be concurrent with the new 35 year MSHDA mortgage.

Enclosed you will find a summary of our request and a number of supporting documents. Please contact myself, Katie Thoits at (248) 833-0559 or Jennifer Liddell at (248) 833-0598 if you require further documentation related to this request for the City of Lansing's consideration.

As always, we appreciate your involvement and cooperation.

Sincerely,

Donna McMillan, Director of Preservation
MHT Housing, Inc.
dmcmillan@mhthousing.net
(248) 833-0588

Cc: James D. Smiertka, City Attorney
Donald J. Kulhanek, Development Manager

MHT HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# Table of Contents

MHT HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# City of Lansing PILOT Request Summary

Camelot Hills (originally developed as Hickory Woods) is a 102 unit multifamily apartment complex located at 601 Sadie Court, Lansing, MI. It is owned by MHT Housing ("MHT") and managed by Continental Management. It was originally built in 1982 and residents who live there are eligible to receive assistance with their rent through HUD's Section 8 project based rental assistance program. This rental assistance contract is a critical safety net for the low and moderate income families and seniors who live there. The property is always fully occupied and the waiting list is long. Families appreciate the property's location near public transportation and the many amenities offered to them and the hundreds of children that live on site. These families know that without this safe and decent housing, they would certainly face homelessness. Preservation of this type of affordable housing is critical to the wellbeing of the constituents living in this Lansing Community.

Camelot Hills is set on a 5.78 acre site just off North Grand River Avenue in Lansing's 4th Ward. The site is beautifully located on the edge of the Grand River and is well maintained having no current deferred maintenance. However, a recently completed capital needs assessments identified that the many of the property's physical components will exhaust their useful life in the next 5 to 10 years. This study was reviewed by the Michigan State Housing Development Authority ("MSHDA") and they concur that without action, the property will face significant deficits in its reserves for replacements in only a few short years

In order to proactively address looming property needs, ownership applied to MSHDA for refinancing using new 35 year tax exempt mortgage revenue bond financing and (4%) Low Income Housing Tax Credits (LIHTC). Concurrently, ownership applied for a new 20 year Housing Assistance Payment contract from HUD. The new contract will result in a slight rent increase **which in turn actually increases PILOT payments to the City. A calculation of 2016, 2017 and PROPOSED 2018 PILOT payments is attached.** This comprehensive proposal includes a $3.6 million rehabilitation of the property and the establishment of $1.2 million in project reserves. Refinancing using LIHTC's requires creating Limited Dividend Housing Associations and partnering with investors whose equity is needed to balance out the financing. MHT Housing, Inc. (a 501 c (3) nonprofit) is prepared to invest over $1 million of its own capital to make this deal but given the rent restrictions, there is only minimal cash flow to pay all operating expenses and the new required debt.

Exasperating the issue further is the fact that the current Payment in Lieu of Tax Payment ("PILOT") agreement with Lansing is set to expire in 2024. If the PILOT was to expire as projected, rents will not cover full taxes which would put the new loan in jeopardy. The existing PILOT allows the property to pay 4% of net revenue annually in lieu of full taxes and there is no opportunity to increase the federally regulated rents in order to pay any amount higher than 4% of net revenues. MSHDA and our potential new investor (National Equity Fund) must have certainty that the 4% PILOT runs concurrent with the new 35 year MSHDA Loan in order to move forward with the transaction. Therefore we are requesting that the PILOT be extended concurrent with the new MSHDA financed mortgage.

In order to support our request, we offer the following background information about us, the property and the transaction.

**ABOUT OWNERSHIP**

MHT Housing, Inc. has over 27 years of affordable housing development experience in the State of Michigan and is a 501(c)(3) nonprofit organization. MHT serves as the general or managing member of nearly 6,500 elderly and family units and has been successful in obtaining multiple funding sources for preservation, adaptive reuse, and new construction projects, that include HOME and NSP funding, Brownfield and Historic tax credits, HUD221(d)4 and Fannie Mae loans. The property is managed by MHT's affiliated management company, Continental Management. Continental Management was formed in 2003 and now oversees 106 affordable housing developments which are unsurpassed in terms of quality and efficiency. In fact, Continental Management was named 2016 Property Management Company of the Year by the Detroit Metropolitan Apartment Association.

**ABOUT THE PROPERTY**

Camelot Hills has 84 two bedroom units (804 square feet), five barrier-free two bedroom units (808 square feet) and 13 three bedroom units (906 square feet). The property has eight buildings and a Section 8 project based contract that covers 100% of the units. It is conveniently located near major bus transportation. All units are equipped with full kitchens including refrigerators, ranges and disposals, walk-in closets, cable hook-ups and patio/balconies. The development features nicely manicured green space, private parking, playground area and coin operated laundry. All units will be covered with a new 20 year HAP agreement with HUD.

Camelot Hills' staff coordinates closely with various nonprofit groups, including Northwest Initiatives, to bring services to the residents. Programs include services to the elderly, fresh vegetable trucks in the summer, and summer lunch programs for the children.

HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

**ABOUT THE DEVELOPMENT TEAM**

The Camelot Hills development team is experienced and has all of the skills necessary to complete this rehabilitation project. The team also has experience working together on successful past LIHTC projects.

Investor/Syndicator Partner
National Equity Fund, Inc.
Kristen Senff, Vice President
Ph: 614-216-8695

Lender
Michigan State Housing Development Authority
John Hundt, Manager, Multifamily Development
Ph: 517-241-7207
General Contractor:

Continental Construction Management, LLC
Michael O'Dell, Project Director
Ph: 248-833-0557, Email modell@continentalconstructionllc.net

Architect:
Kem-Tec Engineering & Associates
Jeffery Graham, Architect
Ph: 313-618-0322, Email jgraham@kemtec-survey.com

Attorney:
Gromer PLLC
James R. Gromer, Attorney
Ph: 248-833-0564, Email jgromer@continentalmgt.com

Accountant:
Kirschner Hutton Perlin, P.C.
Steve Champa, CPA
Ph: 248-356-3880, Email schampa@khppc.com

**ABOUT THE JOBS SAVED AND CREATED**

It is anticipated that this transaction will preserve 4 permanent positions and 1 part-time and those of the various contractors (landscaping, laundry and security) who provide services to the site annually. Additionally, this substantial rehabilitation will result in the employment approximately 52 professionals and laborers in the construction industry. This estimate of jobs created was based on review of past projects of similar size and scope of work.

**ABOUT THE TRANSACTION**

This comprehensive transaction combines a substantial rehabilitation with an extension of the Section 8 contract. In addition, $3.6 million rehabilitation reserves will be established from proceeds that will insure that the future physical needs of the property will be met throughout the 35 year new loan with the Michigan State Housing Development Authority.

Proposed renovations, if the PILOT request is approved, include exterior site work including new asphalt, roofing, siding, landscaping, windows and doors, and upgrades to the HVAC systems, and mechanicals. The common area and the office will see new flooring, lighting, paint and furnishings. Residential units will receive new cabinetry, lighting, flooring, and energy efficient appliances. A full scope of work is included as an attachment.

As mentioned, this preservation transaction will occur through the refinancing and awarded in of Low Income Housing Tax Credits from the Michigan State Housing Development Authority. The following is a summary of the sources and uses of this transaction as proposed.

**PROFORMA**

| | |
|---|---|
| **Sources** | |
| **MSHDA Permanent Mortgage** | **$5,221,644** |
| **Equity from LIHTC Syndication** | **$3,439,464** |
| **MSHDA GAP Assistance** | **$1,536,000** |
| **General Partner** | **$1,112,088** |
| **Operating and Deferred Fees** | **877,549** |
| **TOTAL** | **$12,186,745** |
| | |
| **Uses** | |
| **Acquisition (Resolving old debt)** | **$4,680,625** |
| **Construction Hard Costs** | **$3,639,303** |
| **Soft Costs, Fees and Reserves** | **$3,866,817** |
| **TOTAL** | **$12,186,745** |

32600 Telegraph Rd, Bingham Farms, MI • ph 248-833-0550

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## CALCULATION OF PAYMENT IN LIEU OF TAXES

**Based on the proposed rents included in this preservation transaction PILOT payments will increase significantly.**

**2016 (Billing based upon 2015 Calculation)**

| | |
|---|---|
| Annual Shelter Rents | $838,040 |
| Annual Utilities | ($94,226) |
| Total Base Amount | $743,814 |
| PILOT Ratio | 4% |
| Total Due/Paid | $29,752.56 |

**2017 (Billing based upon 2016 Calculation)**

| | |
|---|---|
| Annual Shelter Rents | $842,367 |
| Annual Utilities | ($98,807) |
| Total Base Amount | $743,560 |
| PILOT Ratio | 4% |
| Total Due/Paid | $29,742.40 |

**PROJECTED 2018 (Billing based upon EST 2017 Calculation)**

| | |
|---|---|
| Annual Shelter Rents | $901,505 |
| Annual Utilities | ($100,180) |
| Total Base Amount | $801,325 |
| PILOT Ratio | 4% |
| Total Due/Paid | $32,053.00 |

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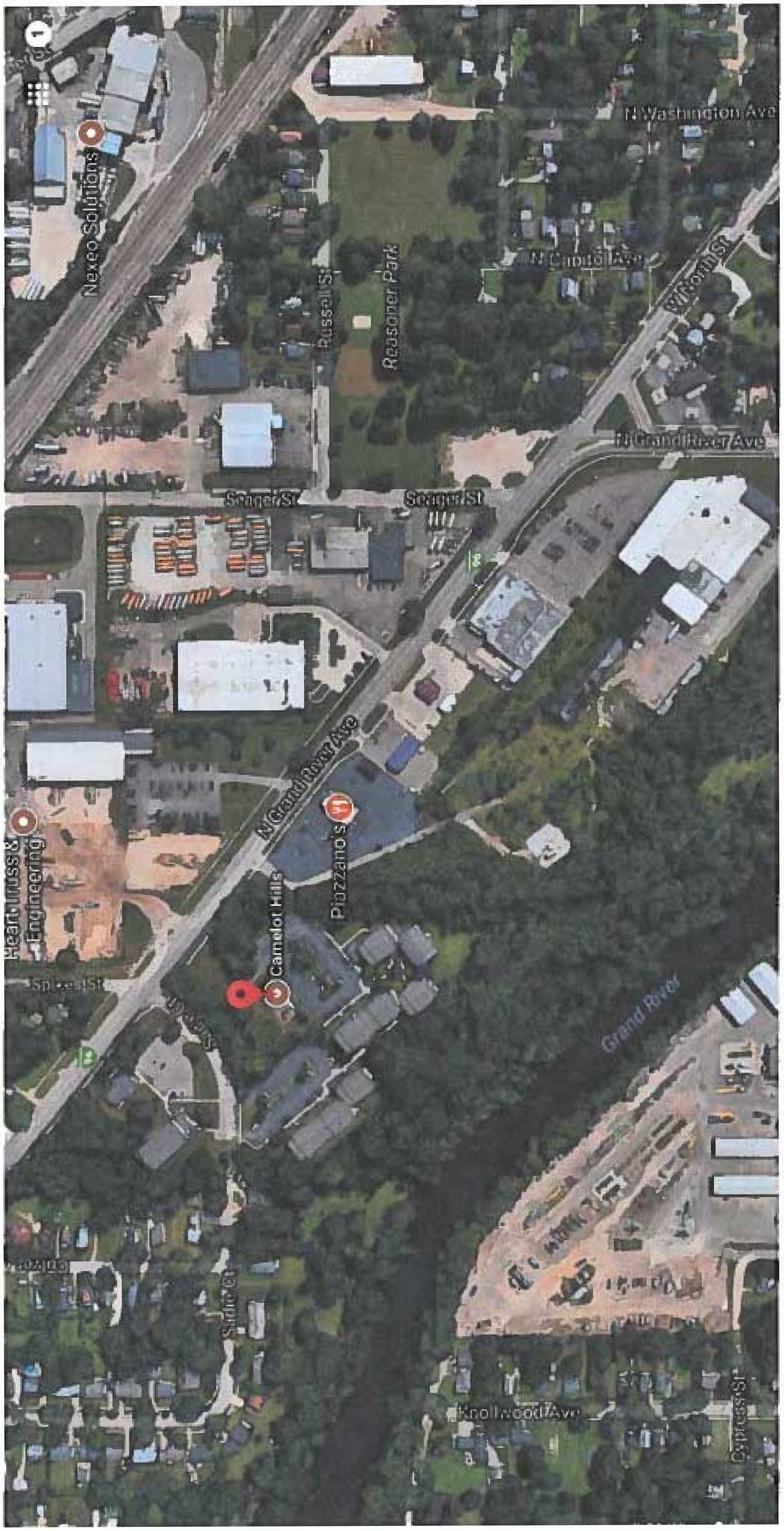
# Location Map of Project Parcels



N Washington Ave
N Capitol Ave
W North St
N Grand River Ave
Seager St
Seager St
Russell St
Reasoner Park
Nexeo Solutions
N Grand River Ave
Piazzano's
Camelot Hills
Grand River
Knollwood Ave
Cypress St

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# Existing PILOT & 2016-2017 PILOT Invoices

located at 601 Sadie Court by Hickory Woods/MHT Limited Dividend Housing Association Limited Partnership for Persons of Low Income to be Financed or Assisted Pursuant to the Provisions of the State Housing Development Authority Act of 1966, as Amended, be placed on order of immediate passage

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING

BY COUNCILMEMBER ALLEN

Resolved by the City Council of the City of Lansing that an Ordinance to amend the Code of Ordinances of the City of Lansing by Amending Chapter 888 by Adding a New Section, 888.28, to Provide for the Payment of a Service Charge in Lieu of Property Taxes (PILOT) for a Proposed 102-unit Multiple Family Dwelling Project located at 601 Sadie Court by Hickory Woods/MHT Limited Dividend Housing Association Limited Partnership for Persons of Low Income to be Financed or Assisted Pursuant to the Provisions of the State Housing Development Authority Act of 1966, as Amended, be now passed

YEAS: Councilmembers Allen, Bauer, Jeffries, Leeman, Meyer, Smith, Williams, Wood

NAYS: None

ABSENT: None

By Councilmember Allen

That this Ordinance, being necessary for the immediate preservation of the public peace, health or safety shall take effect upon it's passage

Carried Unanimously

ORDINANCE #O1074 *

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND CHAPTER 888 OF THE LANSING CODE OF ORDINANCES BY ADDING A NEW SECTION 888.28 TO PROVIDE FOR A SERVICE CHARGE IN LIEU OF TAXES FOR A PROPOSED 102-UNIT MULTIPLE FAMILY DWELLING PROJECT, LOCATED WITHIN LANSING, MICHIGAN AT 601 SADIE COURT BY HICKORY WOODS/MHT LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP FOR PERSONS OF LOW INCOME TO BE FINANCED OR ASSISTED PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

Section 1. That Chapter 888, of the Code of Ordinances of the City of Lansing, Michigan be and is hereby amended by adding Section 888.28 to read as follows:

888.28 MULTIPLE FAMILY RENTAL UNIT LOCATED AT 601 SADIE COURT

SEND PAYMENT TO:

CITY OF LANSING
TREASURER'S OFFICE
124 WEST MICHIGAN AVE
LANSING, MI 48933-1693

# CITY OF LANSING
## PILOT PROGRAM - Payment In Lieu Of Taxes
2016 BILLING BASED UPON 2015 RATES

PARCEL NUMBER: 33-01-01-09-102-002

PROJECT: CAMELOT HILLS APARTMENTS

PROPERTY ADDRESS: 601 SADIE COURT

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

TOTAL AMOUNT DUE 29,752.56

AMOUNT REMITTED: $______________

ANNUAL PAYMENT SHALL BE PAID ON OR BEFORE JULY 1, 2016

PLEASE INDICATE ADDRESS CHANGES BELOW:

HICKORY WOODS/MHT LDHA LP
dba CAMELOT HILLS APARTMENTS
32600 TELEGRAPH RD STE 202
BINGHAM FARMS MI 48025-2409

**TREASURER'S COPY**
**ACCT NO. 101-0-113201-0**

FOLD AND DETACH HERE

(Please retain this portion for your record)

CITY OF LANSING
PILOT PROGRAM - Payment In Lieu Of Taxes
2016 BILLING BASED UPON 2015 RATES

PARCEL NUMBER: 33-01-01-09-102-002
PROJECT: CAMELOT HILLS APARTMENTS
PROPERTY ADDRESS: 601 SADIE COURT

BILLING ADDRESS:
HICKORY WOODS/MHT LDHA LP
dba CAMELOT HILLS APARTMENTS
32600 TELEGRAPH RD STE 202
BINGHAM FARMS MI 48025-2409

| LANSING SCHOOL DISTRICT 01 | | |
|---|---|---|
| PERCENTAGE OF FULL RATE | 100.00% | |
| SUMMER DISBURSEMENT AGENCIES | RATES | DUE AMOUNTS |
| CITY OF LANSING | 19.44000 | 6,542.42 |
| CITY DEBT | 0.26000 | 87.50 |
| LANSING COMMUNITY COLLEGE | 3.80720 | 1,281.29 |
| LANSING SCHOOL DEBT | 3.84000 | 1,292.33 |
| '93 LANSING SCHOOL OPERATING | 35.10000 | 11,812.70 |
| INGHAM INTERMEDIATE SCHOOLS | 4.69560 | 1,580.28 |
| STATE EDUCATION | 6.00000 | 2,019.27 |
| INGHAM COUNTY - SUMMER | 6.38420 | 2,148.57 |
| WINTER DISBURSEMENT AGENCIES | | |
| INGHAM COUNTY - WINTER | 3.20310 | 1,077.98 |
| CAPITAL AREA DISTRICT LIBRARY | 1.56000 | 525.01 |
| POTTER PARK ZOO | 0.41000 | 137.98 |
| AIRPORT AUTHORITY | 0.69900 | 235.24 |
| CAPITAL AREA TRANS AUTHORITY | 3.00700 | 1,011.99 |
| TOTALS | 88.4061 | 29,752.56 |

ANNUAL PAYMENT SHALL BE PAID ON OR BEFORE JULY 1, 2016

| TAXABLE VALUE BASED PAYMENT CALCULATIONS | |
|---|---|
| 2016 SEV: | |
| 2016 TAXABLE VALUE: | |

| INCOME BASED PAYMENT CALCULATIONS | |
|---|---|
| ANNUAL SHELTER RENTS: | |
| ANNUAL CONTRACT RENTS: | 838,040.00 |
| ANNUAL UTILITIES: | 94,226.00 |
| FLAT SERVICE CHARGE: | |
| TOTAL BASE AMOUNT: | 743,814.00 |
| CURRENT YEAR RATIO: | 4.00% |
| TOTALS DUE: | **29,752.56** |

UNDER THE STATE LAW MCL 211.40, YOUR CITY, COMMUNITY COLLEGE AND SCHOOL TAXES ARE FOR THE FISCAL YEAR BEGINNING THAT JULY 1 THROUGH THE NEXT JUNE 30. YOUR STATE SCHOOL TAX IS FOR THE FISCAL YEAR FROM OCTOBER 1 OF THIS YEAR TO SEPTEMBER 30 OF NEXT YEAR. YOUR COUNTY TAX IS FOR THE NEXT FISCAL YEAR JANUARY 1 THROUGH DECEMBER 31.

SEND PAYMENT TO:

CITY OF LANSING
TREASURER'S OFFICE
124 WEST MICHIGAN AVE
LANSING, MI. 48933-1693

# CITY OF LANSING
## PILOT PROGRAM - Payment In Lieu Of Taxes
2017 BILLING BASED UPON 2016 RATES

PARCEL NUMBER: 33-01-01-09-102-002
PROJECT: CAMELOT HILLS APARTMENTS
PROPERTY ADDRESS: 601 SADIE COURT

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT
TOTAL AMOUNT DUE: **29,742.40**
AMOUNT REMITTED: $______________
ANNUAL PAYMENT SHALL BE PAID ON OR BEFORE JULY 1, 2017

PLEASE INDICATE ADDRESS CHANGES BELOW:

HICKORY WOODS/MHT LDHA LP
dba CAMELOT HILLS APARTMENTS
32600 TELEGRAPH RD STE 202
BINGHAM FARMS MI 48025-2409

**TREASURER'S COPY**
**ACCT NO. 101-0-113201-0**

FOLD AND DETACH HERE
(Please retain this portion for your record)

# CITY OF LANSING
## PILOT PROGRAM - Payment In Lieu Of Taxes
2017 BILLING BASED UPON 2016 RATES

PARCEL NUMBER: 33-01-01-09-102-002
PROJECT: CAMELOT HILLS APARTMENTS
PROPERTY ADDRESS: 601 SADIE COURT

**BILLING ADDRESS:**
HICKORY WOODS/MHT LDHA LP
dba CAMELOT HILLS APARTMENTS
32600 TELEGRAPH RD STE 202
BINGHAM FARMS MI 48025-2409

| LANSING SCHOOL DISTRICT 01 | | |
|---|---|---|
| PERCENTAGE OF FULL RATE | 100.00% | |
| **SUMMER DISBURSEMENT AGENCIES** | **RATES** | **DUE AMOUNTS** |
| CITY OF LANSING | 19.44000 | 6,548.33 |
| CITY DEBT | 0.26000 | 87.58 |
| LANSING COMMUNITY COLLEGE | 3.80720 | 1,282.45 |
| LANSING SCHOOL DEBT | 3.90000 | 1,313.71 |
| '93 LANSING SCHOOL OPERATING | 35.10000 | 11,823.38 |
| INGHAM INTERMEDIATE SCHOOLS | 4.69560 | 1,581.71 |
| STATE EDUCATION | 6.00000 | 2,021.09 |
| INGHAM COUNTY - SUMMER | 6.38420 | 2,150.51 |
| **WINTER DISBURSEMENT AGENCIES** | | |
| INGHAM COUNTY - WINTER | 3.03310 | 1,021.69 |
| CAPITAL AREA DISTRICT LIBRARY | 1.56000 | 525.48 |
| POTTER PARK ZOO | 0.41000 | 138.11 |
| AIRPORT AUTHORITY | 0.69900 | 235.46 |
| CAPITAL AREA TRANS AUTHORITY | 3.00700 | 1,012.90 |
| **TOTALS** | 88.2961 | 29,742.40 |

ANNUAL PAYMENT SHALL BE PAID ON OR BEFORE JULY 1, 2017

| TAXABLE VALUE BASED PAYMENT CALCULATIONS | |
|---|---|
| 2017 SEV: | |
| 2017 TAXABLE VALUE: | |

| INCOME BASED PAYMENT CALCULATIONS | |
|---|---|
| ANNUAL SHELTER RENTS: | |
| ANNUAL CONTRACT RENTS: | 842,367.00 |
| ANNUAL UTILITIES: | 98,807.00 |
| FLAT SERVICE CHARGE: | |
| TOTAL BASE AMOUNT: | 743,560.00 |
| CURRENT YEAR RATIO: | 4.00% |
| **TOTALS DUE:** | 29,742.40 |

UNDER THE STATE LAW MCL 211.40, YOUR CITY, COMMUNITY COLLEGE AND SCHOOL TAXES ARE FOR THE FISCAL YEAR BEGINNING THAT JULY 1 THROUGH THE NEXT JUNE 30. YOUR STATE SCHOOL TAX IS FOR THE FISCAL YEAR FROM OCTOBER 1 OF THIS YEAR TO SEPTEMBER 30 OF NEXT YEAR. YOUR COUNTY TAX IS FOR THE NEXT FISCAL YEAR JANUARY 1 THROUGH DECEMBER 31.

HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# Ownership Entity Organizational Documents

# *MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS*

## *FILING ENDORSEMENT*

***This is to Certify that the ARTICLES OF ORGANIZATION (DOMESTIC L.L.C.)***

***for***

***CAMELOT HILLS II / MHT LIMITED DIVIDEND HOUSING ASSOCIATION, LLC***

***ID NUMBER: F20551***

***received by facsimile transmission on June 21, 2017 is hereby endorsed.***

***Filed on June 27, 2017 by the Administrator.***

***This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.***

LICENSING AND REGULATORY AFFAIRS
Corporations, Securities & Commercial Licensing Bureau

*Sent by Facsimile Transmission*

***In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 27th day of June, 2017.***

Julia Dale

***Julia Dale, Director***
***Corporations, Securities & Commercial Licensing Bureau***

CSCL/CD-700 (Rev. 08/15)

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**
**CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

| Date Received | (FOR BUREAU USE ONLY) |
|---|---|
| | This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document. |

| Name | | |
|---|---|---|
| Holly Strebe | | |
| Address | | |
| 32600 Telegraph Rd. | | |
| City | State | ZIP Code |
| Bingham Farms, MI 48025 | | |

EFFECTIVE DATE:

Document will be returned to the name and address you enter above. If left blank, document will be returned to the registered office.

## ARTICLES OF ORGANIZATION
### For use by Domestic Limited Liability Companies
(Please read information and instructions on reverse side)

*Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:*

**ARTICLE I**

The name of the limited liability company is: Camelot Hills II / MHT Limited Dividend Housing Association, LLC

**ARTICLE II**

The purpose or purposes for which the limited liability company is formed is to engage in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan.

Please see attached pages.

**ARTICLE III**

The duration of the limited liability company if other than perpetual is: T. Van Fox

**ARTICLE IV**

1. The name of the resident agent at the registered office is: T. Van Fox
2. The street address of the location of the registered office is:

32600 Telegrahp Rd., Suite 102, (Street Address) Bingham Farms (City), Michigan 48025 (Zip Code)

3. The mailing address of the registered office if different than above:

(P.O. Box or Street Address) (City), Michigan (Zip Code)

**ARTICLE V** (Insert any desired additional provision authorized by the Act; attach additional pages if needed.)

The Business of the Limited Liability Company is to be managed by a manager or managers.

Signed this 21 day of June, 2017

By (Signature(s) of Organizer(s))

T. Van Fox
(Type or Print Name(s) of Organizer(s))

Article II

The purpose or purposes for which the limited liability company is formed is to engage in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan.

The Limited Liability Company has been organized exclusively to provide housing facilities for person of low and moderate income, or for persons whose income does not exceed limits established in Act No. 346 of the Public Acts of 1966 of the State of Michigan, as amended (the "Housing Act"), and Section §42 of the Internal Revenue Code of 1986, as amended, and for social, recreational, commercial, and communal facilities as may be necessary to serve and improve a residential area in which Michigan State Housing Development Authority ("MSHDA")-aided or federally aided housing is located or is planned to be located, thereby enhancing the viability of the housing

Article VI

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY ("MSHDA") PROVISIONS

1 Return Notwithstanding any other provisions of the Articles and the Operating Agreement, every Member of this Limited Liability Company shall be deemed by acceptance of a beneficial interest in the Limited Liability Company or by executing the document of basic organization, to have agreed that he/she or it at no time shall receive from the Limited Liability Company any return in excess of the face value of the investment attributable to his/her or its respective interest plus cumulative dividend payments at a rate which MSHDA determines to be reasonable and proper computed from the initial date upon which money was paid or property delivered in consideration for the interest and that upon the dissolution of the Limited Liability Company any surplus in excess of those amounts shall be paid to MSHDA or to any other regulating government body as MSHDA directs. To assist in the interpretation of this paragraph MSHDA has adopted definitions of two terms employed therein as follows

A The term 'surplus' as used in this paragraph of these Articles and the Operating Agreement shall not be deemed to include any increase in assets of the Limited Liability Company by reason of reduction of a mortgage by amortization or similar payments or realized from the sale or disposition of any assets of the Limited Liability Company to the extent such surplus can be attributed to an increase in market value of any real property or tangible personal property accruing during the period the assets were owned and held by the Limited Liability Company

B Any payment to a person having a beneficial interest in the Limited Liability Company shall not be deemed a 'return' if the funds with which such payments is made are funds contributed to the Limited Liability Company by the persons purchasing a beneficial interest in the Limited Liability Company

2 Supervision by MSHDA Notwithstanding any other provision of these Articles and the Operating Agreement the operation of the Limited Liability Company may be supervised by MSHDA or by any other governmental body as MSHDA directs, and the Limited Liability Company shall enter into agreements with MSHDA or with the governmental body as MSHDA from time to time requires. The agreements shall provide for regulation by MSHDA or governmental body of planning, development, and management of any housing project undertaken by the Limited Liability Company and the disposition of the Property and franchises of the Limited Liability Company

3 MSHDA's Right to Appoint Managing Agent Notwithstanding any other provision of these Articles and the Operating Agreement MSHDA shall have the power to appoint a managing agent of the Limited Liability Company and its members who may be an officer, employee, or agent of MSHDA and such managing agent shall have complete power to act as agent and attorney in fact for the limited Liability Company to fulfill any obligations the Limited Liability Company may have to MSHDA if

A The Limited Liability Company has received a loan or advance as provided for in the Housing Act and MSHDA determines that the loan or advance is in jeopardy of not being repaid

B The Limited Liability Company has received a loan or advance as provided for in the Housing Act and MSHDA determines that the proposed housing development for which the loan or advance was made is in jeopardy of not being constructed

C MSHDA determines that some part of the net income or net earnings of the Limited Liability Company in excess of that permitted by other provisions of the Housing Act shall inure to the benefit of any private individual firm corporation, partnership trust or association

D MSHDA determines that the Limited Liability Company is in violation of the rules promulgated under Section 22 of the Housing Act or

E MSHDA determines that the Limited Liability Company is in violation of any agreements entered into with MSHDA of the planning, development and management of any housing development undertaken by the limited Liability Company or the disposition of the property and franchises of such Limited Liability Company

4 MSHDA's Reliance on Continuing Effect of Provisions Notwithstanding any other provision of these Articles and the Operating Agreement, the Members of the Limited Liability Company agree that MSHDA may rely upon the continued effect of these Articles and the Operating Agreement in the forms as approved by the MSHDA and by the execution hereof such Members agree not to amend alter or change the provisions of these Articles or the Operating Agreement without prior written consent of an Authorized officer of MSHDA

MHT HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# Trade Payment Breakdown & Scope of Work

## CONSTRUCTION COST TRADE PAYMENT BREAKDOWN

MSHDA

Michigan State Housing Development Authority

| | |
|---|---|
| DATE: | 10/24/2017 |
| DEVELOPMENT NO: | 658 |
| PROJECT NAME: | Camelot Hills |
| CITY / COUNTY: | Lansing/Ingham |
| MORTGAGOR: | |
| CONTRACTOR: | Continental Construction Management, LLC. |

| LINE | TRADE ITEM | COST | LINE | TRADE ITEM | COST |
|---|---|---|---|---|---|
| 1 | Site Environmental Mitigation | | 27 | Specialties | 240,000 |
| 2 | Earth Work | | 28 | Special Equipment | 50,000 |
| 3 | Roads / Walks | 105,000 | 29 | Appliances | 105,000 |
| 4 | Site Utilities | | 30 | Cabinets | 395,000 |
| 5 | Site Improvements | 112,000 | 31 | Blinds / Drapes | - |
| 6 | Landscaping | 25,000 | 32 | Special Construction | - |
| 7 | Site Irrigation | | 33 | Elevators | |
| 8 | Special Site Construction | | 34 | Plumbing / Domestic Hot Water | 77,000 |
| | | | 35 | Fire Protection | |
| | Total Site Work | 242,000 | 36 | HVAC | 400,000 |
| | | | 37 | Electrical | 155,000 |
| 9 | Building Concrete | | 38 | Low Voltage Electrical | |
| 10 | Masonry | 80,000 | 39 | Architectural Environmental Mitigation | |
| 11 | Metals | | | | |
| 12 | Rough Carpentry | 20,000 | | Total Structures | 2,854,000 |
| 13 | Finish Carpentry | | | | |
| 14 | Insulation | | 40 | Community Building | - |
| 15 | Roofing | 215,000 | 41 | Accessory Buildings | |
| 16 | Siding | 430,000 | 42 | Off-Site Improvements | |
| 17 | Caulking (Exterior) Sealants | 20,000 | 43 | Site Security | - |
| 18 | Doors / Hardware | 94,000 | 44 | General Requirements @ 6% | 185,760 |
| 19 | Windows | 282,000 | 45 | Builder's Overhead @ 2% | 65,635 |
| 20 | Glass | | 46 | Builder's Profit @ 6% | 200,844 |
| 21 | Drywall | | 47 | Building Permits | 23,064 |
| 22 | Ceramic Tile / Quarry Tile | | 48 | Bond Premium | 62,000 |
| 23 | Acoustical Ceilings | | 49 | Contingency-10% | - |
| 24 | Resilient Flooring | 126,000 | 50 | Cost Certification Expense | 6,000 |
| 25 | Carpets | 20,000 | | | |
| 26 | Painting / Decorating | 145,000 | | Total Construction | 3,639,303 |

**COMMENTS:**

Total construction costs shown have been approved by MSHDA. The line item breakdown of costs is subject to revision, prior to disbursement of construction draws, after review of subcontractor and supplier contracts and approval by MSHDA. The total construction contract may not be increased or decreased.

| | | |
|---|---|---|
| **Continental Construction** | **Camelot Hills** | |
| Contractor (please print) | Sponsor / Mortgagor (please print) | MSHDA Representative (please print) |
| | | |
| Signature | Signature | Signature |

Scope of Work For:
# Camelot Hills

| Description of Item | Replacement Items - Quantity? | Planned Additions - Quantity? | Estimated Cost | Notes |
|---|---|---|---|---|
| **SITE SYSTEMS:** | | | | |
| **Surface** | | | | |
| Roadways/Parking | 51,384 sf | | 105,000 | Asphalt- minor surface deterioration, mill and replace |
| Roadways/Parking | | | | |
| Storm Drains | | | | |
| Sidewalks | 1 ls | | 19,000 | R&R all poor conditions sidewalks throughout the site |
| Railing | 295 lf | | 7,000 | Replace railings along the top of the retaining wall |
| Pedestrian Bridges | 3 ea | | 7,500 | Replace decking and railings |
| Dumpsters & Enclosures | 2 ea | | 3,500 | Replace dumpster enclosures |
| Site Lighting | 1 ls | | 30,000 | Upgrade all light fixtures to LED |
| Play Equipment(Tot Lot) | 1 ea | | 25,000 | Install playground equipment and rubberized base |
| Landscaping | 1 ls | | 25,000 | Tree trimming & Improve drainage at #631 |
| Steps | | | | |
| Lawn Irrigation | | | | |
| Signage | 1 ls | | 20,000 | Install new site signage |
| **Site Distribution Systems** | | | | |
| Gas Lines | | | | |
| Sanitary Lines | | | | |
| Cold Water Lines | | | | |
| Electric Distribution | | | | |
| Sanitary Leach fields | | | | |
| | | *SUBTOTAL:* | 242,000 | |
| **BUILDING MECHANICAL & ELECTRICAL** | | | | |
| **Building Mechanical** | | | | |
| Compactors | | | | |
| Building Fire Suppression | | | | |
| Building Heating-Boilers | | | | |
| Domestic Hot Water Generation | 1 ea | | 4,250 | Replace gas-fired, 80 gallon |
| Domestic Hot Water Generation | 3 ea | | 12,750 | Replace gas-fired, 80 gallon |
| Domestic Hot Water Generation | 1 ea | | 4,250 | Replace gas-fired, 80 gallon |
| Domestic Hot Water Generation | 2 ea | | 8,500 | Replace gas-fired, 76 gallon |
| Domestic Hot Water Generation | 1 ea | | 4,250 | Replace gas-fired, 80 gallon |
| Domestic Hot Water Generation | 1 ea | | 1,200 | Replace gas-fired, 40 gallon |
| Warm Air Furnace | 3 es | | 6,750 | Replace gas-fired furnace |
| Warm Air Furnace | 5 ea | | 11,250 | Replace gas-fired furnace |
| Warm Air Furnace | 1 ea | | 2,250 | Replace gas-fired furnace |
| **Building Electrical** | | | | |
| Building Power Wiring | | | | |
| Smoke/Fire Detection | 4 ea | | 48,000 | Replace Mircom Series 200 |
| Smoke/Fire Detection | 3 ea | | 36,000 | Replace MircomFA260 |
| Building Security Fence/Gate | | | | |
| Building Security | | | | |
| Signaling / Communication | | | | |
| Signaling / Communication | | | | |
| **Building Elevators** | | | | |
| Cabs/Machine Room Equipment | | | | |
| | | *SUBTOTAL:* | 139,450 | |
| **BUILDING ARCHITECTURE** | | | | |
| **Structure** | | | | |
| Foundation | | | | |
| Framing | | | | |
| Slab | | | | |
| Miscellaneous | | | | |

**Building Exterior**

| | | | | |
|---|---|---|---|---|
| Exterior Common Doors | | | | |
| Exterior Unit Doors | | | | |
| Service Doors | 204 ea | | 102,000 | Replace mechanical closet and storage closet |
| Glass Sliding Doors | 102 ea | | 132,600 | Replace sliding glass balcony/patio doors |
| Garage Door | 1 ea | | 1,300 | Replace garage door at maintenance shop |
| Exterior Walls: Masonry | 1 ls | | 30,000 | Tuckpointing, powerwash, masonry sealer |
| Exterior Walls: | | | | |
| Exterior Walls: Vinyl Siding | 1 ls | | 265,400 | Replace siding on all buildings |
| Trim, Soffit & Fascia | | | | |
| Downspouts & Gutters | | | | |
| Caulking | 1 ls | | 20,000 | Caulking any/all open spaces |
| Window Lintels | | | | |
| Windows | 1 ls | | 182,000 | Install new vinyl windows |
| Exterior Water Spickets | | | | |
| Storm / Screen Windows | | | | |
| Unit Balconies/Wood Decks | 2,720 sf | | 20,400 | Replace wood decking |
| Balcony Railings | 680 lf | | 10,880 | Replace railing |
| Address Plates | | | | |
| Back Patio Steps | | | | |
| Building Bird Netting | | | | |
| Bldg Mounted Lighting | | | | |

**Roof Systems**

| | | | | |
|---|---|---|---|---|
| Structure | | | | |
| Roof Covering--1 | 1 ls | | 270,000 | New roof for each building. |
| Roof Drainage | | | | |
| Attic Insulation | | | | |
| Roof Railings | | | | |

**Halls**

| | | | | |
|---|---|---|---|---|
| Hall Walls: | | | | |
| Hallway Acoustical Ceilings | | | | |
| Hallway Ceilings/Walls | 34,912 sf | | 26,010 | Paint walls and ceiling |
| Hallway Floors | 1 ls | | 20,000 | Replace VCT |
| Hallway Door/ Jambs | | | | |
| Hallway Railings | | | | |
| Hallway Interior Lighting | | | | |
| Hallway Heating | | | | |
| Miscellaneous | | | | |

**Stairs**

| | | | | |
|---|---|---|---|---|
| Stair Walls and Ceilings | | | | |
| Stair Floors | | | | |
| Stairwell Doors | | | | |
| Stairwell Cabinet Heaters | | | | |
| Stairwell Railing & treads | | | | |

**Lobbies/Mail Facilities**

| | | | | |
|---|---|---|---|---|
| Lobby Walls & Ceilings | | | | |
| Lobby Floors | | | | |
| Lobby Lighting | | | | |
| Mail Facilities | | | | |
| Mail Facilities-Boxes | | | | |

**Community Room**

| | | | | |
|---|---|---|---|---|
| Comm. Walls Painting | | | | |
| Comm. Lighting | | | | |
| Comm. Ceiling | | | | |
| Comm. Room Floor Covering | | | | |
| Comm. Cabinets/Countertop | 1 ea | | 3,000 | Replace office kitchen |
| Comm. Kitchen Appliances | 1 ea | | 500 | Replace refrigerator |
| Comm. Room Furnishings | | | | |

**Office**

| | | | | |
|---|---|---|---|---|
| Office Walls/Ceilings | 2,625 sf | | 2,000 | Paint walls and ceiling |
| Office Lighting | | | | |
| Office Floor Covering | 750 sf | | 2,200 | Replace carpet |
| Office Equipment & Furnishings | | | | |

**Public Laundry**

| | | | | |
|---|---|---|---|---|
| Laundry Walls/Ceilings | | | | |
| Laundry Floors | | | | |
| Laundry Lighting | | | | |
| Laundry Equipment | | | | |

**Public Restrooms**

| | | | | |
|---|---|---|---|---|
| Restroom Walls/Ceilings | | | | |
| Restroom Floors | | | | |
| Restroom Fixtures | | | | |
| Restroom Accessories | | | | |
| | | *SUBTOTAL:* | 1,068,290 | |

## Roof Drainage

**Living Area Finishes**

| | | | | |
|---|---|---|---|---|
| Unit Interior & Closet Doors | | | | |
| Living Area Ceiling & Walls | | | | |
| Living Area Floors | | | | |
| Blinds | | | | |

**Kitchens**

| | | | | |
|---|---|---|---|---|
| Kitchen Walls & Ceilings | 102 units | | 72,500 | Paint entire kitchen area |
| Kitchen Floors | 102 units | | 62,500 | Install vinyl planking and cove base |
| Kitchen Cabinets & Countertop | 102 units | | 355,000 | Install new cabinets, countertops, faucet, sinks |
| Range | 102 units | | 75,000 | Install new ranges |
| Refrigerator | 102 units | | 51,000 | Install new energy star refrigerators |
| Dishwasher | | | | |
| Rangehood with Fire Stops | 102 units | | 18,200 | Install rangehood with fire stops canisters |
| Disposal | 102 units | | 10,200 | Install garbage disposal |
| Kitchen Shut-Off Valves | 102 units | | 10,200 | Install shut off valves |

**Bathrooms**

| | | | | |
|---|---|---|---|---|
| Bathroom Surround & Tub Insert | 102 units | | 240,000 | Replace all tubs and bathroom surrounds |
| Bathroom Walls & Ceiling | 102 Units | | 72,500 | Paint entire bathrooms |
| Bathroom Floors | 102 units | | 62,500 | Install vinyl planking and cove base |
| Bathroom Vanity & Sink | 102 units | | 45,900 | Install vanities, sink, faucet |
| Bathroom Toilets | 102 units | | 19,890 | Install toilets |
| Bathroom Shut-Off Valves | 102 units | | 10,200 | Install shut off valves |
| Medicine Cabinets & Accessories | 102 units | | 12,750 | Install medicine cabinets |
| Ventilation & Exhaust | 102 units | | 11,730 | Install bathroom exhaust fan |

**In-Unit Mechanical**

| | | | | |
|---|---|---|---|---|
| Fan-coils: Highrise | | | | |
| Unit thermostats: | 102 units | | 9,190 | Replace thermostats |
| Magic Pak System- Heating & Cooling | 102 units | | 357,000 | Replace furnaces and central air conditioning units |
| Warm Air Furnaces | | | | |
| Air Conditioning | | | | |
| DHW Generation | | | | |

**In-Unit Electrical**

| | | | | |
|---|---|---|---|---|
| Unit Electrical Panel | | | | |
| Unit Outlets & Covers | 102 units | | 41,000 | Install kitchen & bathroom GFI's |
| Lighting | 102 units | | 89,000 | Update and upgrade all lighting in units |
| Unit Smoke / Fire Detection | | | | |
| Unit Thermostats | | | | |
| | | *SUBTOTAL:* | 1,626,260 | |
| | | *TOTAL:* | 3,096,000 | |

MHT HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# Capital Needs Assessment

ON-SITE INSIGHT

A RECAP REAL ESTATE ADVISORS COMPANY

# Capital Needs Assessment and Replacement Reserve Analysis
*Preservation*


Prepared for:

**Michigan State Housing Development Authority**
735 East Michigan Avenue
P.O. Box 30044
Lansing, MI 48909

## Camelot Hills

MSHDA # 658-2

Lansing, MI

**July 19, 2017**

*Preliminary Report*

RECAP
REAL ESTATE ADVISORS

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## Capital Needs Assessment

### Camelot Hills

Lansing, MI

**Camelot Hills** is a residential development for families. The development is currently comprised of three continuous (eight walkup addresses), three-story, residential buildings that contain a total of 102 units – 89 two-bedrooms and 13 three-bedrooms. A one-story office/community building is attached to building 605.

This assessment (CNA) is being conducted on behalf of the Michigan State Housing Development Authority (MSHDA). The report is aimed at determining the development's current and prospective capital needs as part of a possible refinancing of the property under the Authority's "Preservation" program. The property has substantive capital needs anticipated in the coming years; a number of systems and components are at, or approaching, the end of their useful lives. The Rehab Scope of Work (SOW) covers most of near term needs for the development. Capital work to be completed under the Scope of Work (SOW) are shown with an age of zero(0). A copy of the Scope of Work is attached as an addendum to the report. Additional needs not identified in the SOW include; replacement of the site railing systems; dumpster enclosures; improving site drainage; rebuilding of the pedestrian bridges; replacement of the fire alarm panels at buildings #605, #619, #627 and #631; rebuilding/replacement of the balcony decks and railings; replacement of bathroom vanities, medicine cabinets and exhaust fans.

For planning purposes, Year 1 of the report is shown as 2018. The Rehab Scope of Work (SOW) budget estimate provided totals $2,824,000. Year 1 costs above the Rehab SOW are projected at $246,959 or $2,421 per unit. Twenty-year, post renovation, capital needs are projected at $19,407 per unit in inflated dollars.

Under the parameters of MSHDA's 'Preservation' financing, annual reserve deposits are set at $300/unit with a Reserve Balance of $0/unit in Year 1 adjusted to a minimum of $1,000/unit as a Reserve Balance at the beginning of Year 2. If necessary, an infusion of additional capital, beyond the costs of the work (SOW) anticipated in Year 1, may be in order to maintain positive replacement reserve balances throughout the plan's timeline. As presented here, the Preservation Plan calls for additional capital totaling $765,000 in Year 1 in order to satisfy these parameters and maintain positive reserve balances through Year 20.

## Site

### Site Surface

Camelot Hills is situated on a relatively large parcel of land that slopes down toward the Grand River on the southwest side of the property. Site landscaping includes a mix of open lawn areas, mature trees, shrubs, and other plantings. The SOW includes costs for trimming, tree removal and landscaping upgrades. Additional costs are included in Year 1 of the plan to improve/extend the drainage system to the northwest side of building #631.

Site access/egress is from two separate points along Sadie Court. The entry driveways, interior vehicular circulation drives, and parking areas, located at the front of each building, are asphalt-paved. The paving is in poor condition at the present time. The SOW includes costs to repair and resurface all parking areas and driveways. Periodic allowances for routine cycles of asphalt surface maintenance (crackfilling, sealcoating, and striping) are shown in Years 5, 10, 15, and 20.

A network of concrete sidewalks provides access between the buildings and parking areas. The concrete surfaces vary in condition. Surface cracks and subsidence were observed at multiple locations throughout the site; evidence of past repair efforts are also evident at various locations. Subsidence between the sidewalk and stoop area at the common entry doors was noted to be widespread at the present time. The SOW includes as-needed sectional repair and/or replacement of the concrete surfaces.

Pedestrian bridges provide access to the first floor of #623, #627 and #631. The structures are wood decked and feature steel framing and railings. Widespread rust and deterioration of the railings was observed during the assessment. Wood decking exhibits age related wear, discoloration and slitting. Costs to repair framing and replace the decking and railings are shown in Year 1 of the plan.

Costs repair/replace sections of the wood timber retaining walls (primarily located in front of #623, #627, #631) are shown in Years 4-9 of the plan. Costs to replace the painted steel railing system along the top of the retaining wall in front of residential buildings are shown in Year 1 of the plan.

A pair of dumpsters for solid waste disposal are located in the parking areas. Costs to replace the enclosures are shown in Years 1 and 16 of the plan.

### Site Distribution Systems

The development is served by a full complement of utilities including municipal water and sewer and utility provided natural gas and electric service. There were no reported problems with any of the site distribution systems, and no capital expenditures are anticipated with regard to them.

## Mechanical Room

### Boilers

Each of the eight modules (three buildings) with separate addresses features a central boiler room. Each boiler room houses the domestic hot water equipment serving dwelling units within that building. Each boiler room feature a gas-fired, standard efficiency domestic hot water heater. Each tank has a rated input capacity of 199 MBH and a storage capacity of 76-80 gallons. The age and condition of the tanks varies. Costs to replace the water heaters are shown as needed based on observed conditions and expected useful lives.

The 40-gallon electric domestic hot water heater serving the leasing office is shown for replacement in Year 7 of the plan.

## Building Mechanical and Electrical Systems

### Mechanical Systems

Heating and cooling for common hallways/stairwells is provided by natural gas-fired, warm air furnace. Based on observations the Payne furnaces are believed to date to 1997 and the newer carrier units are believed to date to a moderate rehab in 2003. Costs to replace the older furnaces are shown in Year 4 of the plan. The newer units are shown being replaced in Years 10-11.

### Electrical Systems

No problems related to the electrical equipment were observed or reported, and no capital costs are shown. Each address features a central fire alarm control panel. Based on observations it is believed that the older Mircom Series 200 panels serving four buildings were installed circa 1997. The Mircom FA260 panels are believed to date to the rehabilitation completed in 2003. One of the panels was replace in 2016. Costs to install addressable fire alarm control panels and replace all common area devices are shown as needed based on observed condition and expected useful service lives.

## Building Architectural Systems

### Building Exterior

All of the residential buildings at the development are three-story, wood-framed, structures on concrete foundations. Due to the sloping topography three of the buildings (623, 627, 631) feature walk out basements with basement level dwelling units. The leasing office is a one story structures attached to #605. No problems related to any of the foundations or faming systems were observed or reported, and no capital costs are shown with regards to them.

The majority of the buildings' exterior wall surfaces are clad with clapboard profile vinyl siding. Brick veneer cladding is present at each common entryway. The brick and vinyl siding was observed to be in fair overall condition. The SOW includes replacement of all existing vinyl siding as well as sectional trim soffit, and fascia replacement. The SOW includes sectional repair/re-pointing of the brick veneer siding. As needed installation of new caulking/sealants between dissimilar materials is also included in the SOW.

Primary entry to the buildings is via fully-glazed single-leaf doors. The common entry doors were observed to be in good overall condition. Future replacement costs are shown starting in Year 9 of the plan. Each dwelling unit features a mechanical closet and storage closet accessed from the patio/balcony. Gradual replacement of the doors are shown in Years 4-11. The vinyl-framed sliding glass patio/balcony doors were observed to be in good overall condition. Costs to replace sliding glass doors are shown in Year 15.

Aluminum-framed slider type windows are typical at all buildings throughout the development. The windows exact age of the windows is unknown. No operational problems related to the windows were observed or reported during the course of the assessment. The SOW includes costs to replace all windows. Future allowances to replace fogged window glass are shown in Year 10 forward.

Unit balconies feature wood decking with painted steel railings with wood handrails. The decking was observed to be in poor overall condition. Crack, splitting and age related surface were was observed to be widespread. The painted steel railings exhibit surface rust and in several location posts and baseplates are rusted through. Costs to replace balcony decks and railings are shown in Year 1.

**Roof**

The pitched roof structures are covered with conventional three-tab shingles. Replacement of all existing roof shingles are included in the SOW. It is anticipated that the new shingles will provide reliable service throughout the term of the assessment; however, they should be monitored on a regular basis to help ensure that no significant premature wear, blow-offs, or other damage occurs. The gutters should be monitored and maintained going forward.

**Interior Common Areas**

Interior common areas are limited to common hallways/stairs. The hallways feature ceramic tile flooring in entry vestibules. Stairwell areas feature VCT covered floors and landings with rubber stair treads. Central hallways feature carpeting. The SOW includes costs to replace hallway carpeting. Future carpet replacement cycles are shown starting in Years 10 and 20. Painting costs are shown starting in Years 2 and 12 of the plan. VCT flooring is shown for replacement starting in Year 2 of the plan. Gradual replacement of the rubber stair treads is shown starting in Year 4. The original railings feature balusters with a gap of 5.5 inches. Allowance to install new railings are shown in Year 1. ***Discuss***

The leasing office interior spaces were observed to be in fair overall condition. Costs to paint and repair interior wall/ceiling surfaces are shown in Year 1 and 11 of the plan. Costs to replace carpeting are shown in Years 1 and 11. The kitchen cabinets are shown for replacement in Year 10. The office refrigerator is shown for replacement in Year 1 and 11.

## Dwelling Units

During the course of the assessment OSI accessed 6 units accounting for 10% of the total. These were distributed throughout the development and among all unit types. A sample of this size is felt to be sufficient given the age, tenancy, design, and location of the development. Additional information about units and capital replacements was obtained from discussions with management staff during the unit reviews.

**Finishes**

Wall and ceiling surfaces throughout the unit interiors are finished with a painted drywall. Surface prep and painting of all unit kitchens and bathrooms is included as part of the SOW. All subsequent in-unit painting needs are seen as a maintenance concern, and no capital costs are shown.

Floor surfaces in unit living areas are carpeted. Unit kitchen and bathroom floors are covered with vinyl and ceramic tile at the present time. All of the existing floor coverings vary in age and condition at the present time. The SOW includes costs to install vinyl plank flooring in all unit kitchens and bathrooms. Costs to replace unit carpeting are shown as needed throughout the plan based on a nine year expected useful service life.

Unit interior passage doors are hollow core wood and a mix of hollow core wood and bi-fold doors are present at a portion of the unit closets. Costs to replace interior passage and closet doors are shown in Years 1-20.

**Kitchens**

Cabinetry is constructed of laminated particleboard and plywood. Countertops are laminated particleboard. The SOW includes replacement of all existing cabinets, countertops, and sinks. The new cabinetry should perform reliably during the term of the assessment, and future replacement is not anticipated.

Typical appliances in each unit kitchen include a thirty-inch electric range, recirculating rangehood, frost-free refrigerator, and fractional horsepower garbage disposal. Replacement of all existing ranges, refrigerators are included in the SOW - including the use of Energy-Star rated replacements. Future replacement allowances for these appliances are shown based on respective expected useful service lives. Costs to replace the rangehoods are shown in Years 1-5 of the plan. The Fire Stop canisters are shown for replacement in Years 3, 9 and 15 of the plan.

**Bathrooms**

Each unit has one full bathroom. Typical fixtures in all bathrooms include a vitreous china toilet, enameled steel bathtub and ceramic tile surround with anti-scald mixing valve, and vanity with a one-piece sink top. Each unit bathroom also includes a recessed metal medicine cabinet with mirrored door, metal towel bar, and ceiling-mounted exhaust fan. The SOW includes costs to install vinyl plank flooring and replacement of tubs and surrounds. Costs to replace vanities and sinks are shown in Year 1. Allowances to replace toilets as needed are shown throughout the plan's timeframe. Costs to replace medicine cabinets are shown in Year 1. Costs to replace the ceiling mounted exhaust fans are shown in Year 1.

**Unit Mechanical and Electrical**

Each unit features a gas-fired, standard efficiency warm air furnace located in the mechanical closet. Cooling is produced by a split system DX condensing unit. The furnaces and condensers are believed to date to the 2003 rehabilitation. The SOW includes costs to replace all furnaces and condensers. Future condenser replacement is shown starting in Year 14 of the plan.

Each unit has a 'Bryant' electrical load center that is equipped with circuit breakers. No problems related to the breaker panels were observed or reported. As part of the SOW, installation of new in-unit lighting fixtures. At the time of the assessment replacement of all unit smoke detectors and installation of smoke detectors in all bedrooms was underway. Management reported that the remaining two buildings #627 and #631 will be replacement by 2018 (Year 1 of this report). The SOW currently includes costs to replace all smoke detectors. ***Discuss at review***

## Capital Needs Summary, Replacement Reserve Analysis

Future capital actions are based on useful life expectations and assume continued effective maintenance and physical management. The timing of actions by system (including quantities and costs) is also presented in the Capital Needs Worksheet. Costs for the twenty-year (post renovation) plan total $1,979,548 or $19,407 per unit in inflated dollars ($14,686 per unit in 2017 dollars).

**The Preservation Plan** is aimed at fully meeting projected needs through Year 20 under the Preservation guidelines. Annual contributions are set at $30,600 per year or $300 per unit. For planning purposes here, these contributions are shown being indexed at 3% for inflation going forward. The plan shows an infusion of $765,000 in Year 1 to cover near-term capital costs, meet MSHDA Preservation guidelines for Year 2 minimum starting reserve balances, and to maintain positive balances through Year 20.

*Additional Notes*:

1. The Physical Assessment of the property was conducted on July 13th 2017. Additional information was provided to ON-SITE INSIGHT by site staff and others. Daniel Iles represented OSI on this assignment. We would like to thank the Camelot Hills site staff for their assistance.

2. Regular updates of this plan are recommended to ensure careful monitoring of major building systems and to adjust the program to accommodate unanticipated circumstances surrounding the buildings, operations, and/or occupants.

3. No formal evaluation of environmental concerns, including but not limited to asbestos containing materials (ACMs), lead-based paint, chlorofluorocarbons (CFCs), polychlorinated biphenyls (PCBs), and mildew/mold has been undertaken as part of this assessment.

View of the entrance driveway to one of two parking lot areas. The surface exhibits cracking, potholes and age related wear/deterioration.

Typical condition of the asphalt paved parking lot areas.

View of the playground equipment.

Typical concrete walkway conditions and example of timber retaining walls found throughout the site.

View of a pedestrian bridge providing access to the first floor.

Close up of wood decking deterioration and rust damage to the railing system at a pedestrian bridge.

View of the wood retaining wall and steel railing system located at the front entrance of #623, #627 and #631.


The development sign.

Example of an older (estimated 15 years old) A.O. Smith, gas-fire domestic hot water tanks with a rated 199 MBH input capacity and 80-gallon storage tanks.

Example of an older (estimated 21 years old) RUUD, gas-fire domestic hot water tanks with a rated 199 MBH input capacity and 80-gallon storage tanks.

View of the newer A.O. Smith domestic hot water heater serving #611.

The electric tank serving the leasing office.

Example of an older fire alarm control panel (approximately 21 years old).

Example of an older fire alarm control panel (approximately 15 years old).

Example of an older Payne gas-fired furnace serving common hallway/stairwells (one of three).

Example of a Carrier, gas-fired furnace serving common hallways/stairwells (one of five; similar furnace serving the leasing office).

Typical building architecture as seen at the front elevation of #615. One of five addresses with direct ground level access to the first floor.

Typical building architecture as seen at the front elevation of #631. One of three addresses with access provided by a wood/steel pedestrian bridge.

The leasing office.

Typical aluminum-framed, slider type, double-pane windows.

Close up of rust and deterioration of the steel balcony railing post. Arrow pointing to an area that has rusted through.

Close up of balcony decking.

View of a typical common hallway/stairwell entrance.

Typical common area hallway.

Each address feature a wash and dryer on the first floor level.

View of a common stairwell, railing system and rubber stair treads.

The leasing office waiting area.

The leasing office restroom.

Typical dwelling unit kitchen cabinetry and appliances.

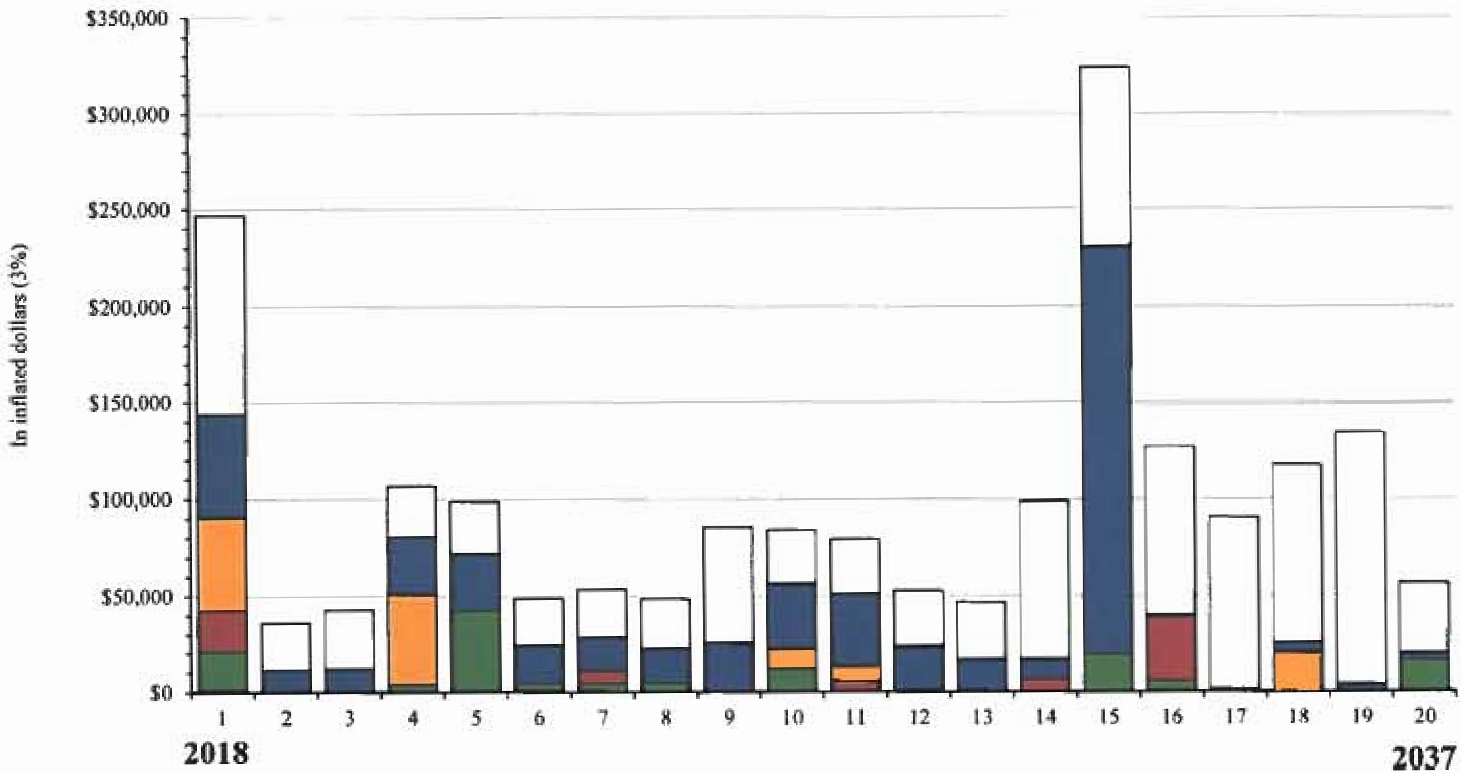
Typical bathroom fixtures and finishes.

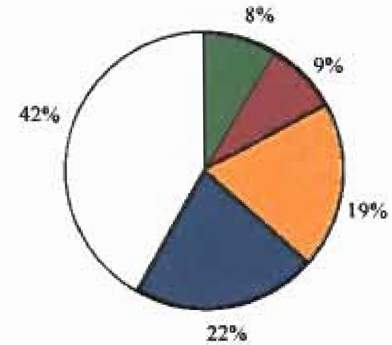
Typical living area and sliding glass door to a unit balcony.

Typical unit level gas-fired warm air furnace located in a mechanical closet on the balcony/patio.

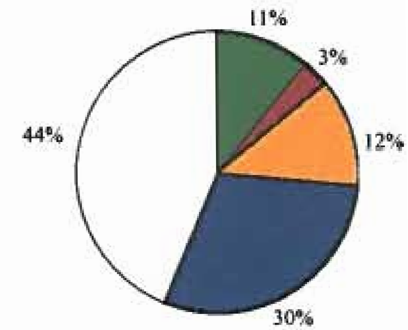
# Capital Needs Summary

# Camelot Hills

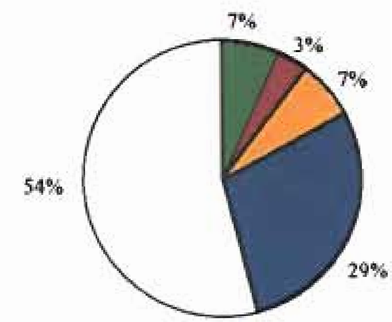



Year One Distribution




Ten Year Distribution




Twenty Year Distribution

**Total Costs by Building System (inflated dollars)**

| | In Year 1 | In Years 1-10 | In Years 1-20 |
|---|---|---|---|
| Site Systems | $21,180 or $208/unit | $92,723 or $909/unit | $133,834 or $1,312/unit |
| Mechanical Room | $21,250 or $208/unit | $27,758 or $272/unit | $72,817 or $714/unit |
| Building Mech. & Elec. | $48,000 or $471/unit | $104,989 or $1,029/unit | $132,383 or $1,298/unit |
| Building Architectural | $53,491 or $524/unit | $254,595 or $2,496/unit | $572,528 or $5,613/unit |
| Dwelling Units | $103,038 or $1,010/unit | $372,342 or $3,650/unit | $1,067,986 or $10,470/unit |
| In inflated dollars: | $246,959 or $2,421/unit | $852,406 or $8,357/unit | **$1,979,548 or $19,407/unit** |
| In current dollars: | $246,959 or $2,421/unit | $766,604 or $7,516/unit | $1,497,982 or $14,686/unit |

# Capital Needs Summary

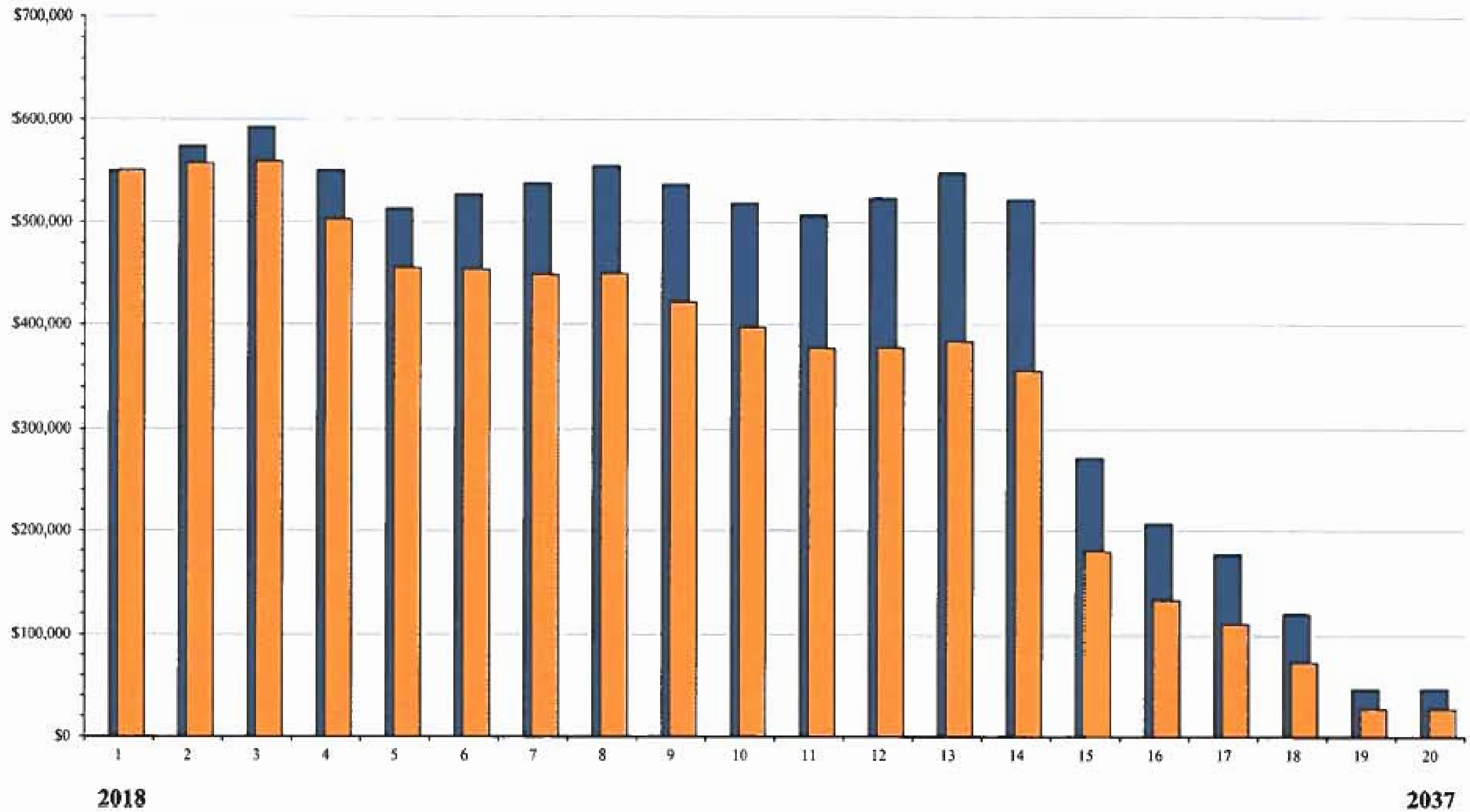
**Camelot Hills**
**Lansing, MI**

| | | | |
|---|---|---|---|
| OSI Ref: | 17349 | Residential Buildings: | 6 |
| Property Age: | ~21 | Total Number of Units: | 102 |
| Financing: | MSHDA | Occupancy: | Families |

| | 2018 Year 1 | 2019 Year 2 | 2020 Year 3 | 2021 Year 4 | 2022 Year 5 | 2023 Year 6 | 2024 Year 7 | 2025 Year 8 | 2026 Year 9 | 2027 Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Site Systems** | | | | | | | | | | |
| Surface | $21,180 | $0 | $0 | $3,942 | $42,608 | $4,182 | $4,307 | $4,436 | $0 | $12,068 |
| Site Distribution Systems | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Site Sub-Total | **$21,180** | **$0** | **$0** | **$3,942** | **$42,608** | **$4,182** | **$4,307** | **$4,436** | **$0** | **$12,068** |
| **Mechanical Room** | | | | | | | | | | |
| Boilers | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Boiler Room Systems | $21,250 | $0 | $0 | $0 | $0 | $0 | $6,508 | $0 | $0 | $0 |
| Mechanical Sub-Total | **$21,250** | **$0** | **$0** | **$0** | **$0** | **$0** | **$6,508** | **$0** | **$0** | **$0** |
| **Building Mech. & Electrical** | | | | | | | | | | |
| Mechanical | $0 | $0 | $0 | $7,376 | $0 | $0 | $0 | $0 | $0 | $10,275 |
| Electrical | $48,000 | $0 | $0 | $39,338 | $0 | $0 | $0 | $0 | $0 | $0 |
| Elevators | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Mechanical & Electrical Sub-Total | **$48,000** | **$0** | **$0** | **$46,714** | **$0** | **$0** | **$0** | **$0** | **$0** | **$10,275** |
| **Building Architectural** | | | | | | | | | | |
| Structural and Exterior | $31,280 | $0 | $0 | $15,353 | $14,350 | $17,679 | $15,224 | $15,681 | $22,992 | $24,869 |
| Roof Systems | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Halls, Stairs, Lobbies | $17,280 | $11,851 | $12,207 | $15,000 | $15,450 | $2,575 | $2,652 | $2,732 | $2,814 | $5,762 |
| Community Spaces | $4,931 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,914 |
| Building Architectural Sub-Total | **$53,491** | **$11,851** | **$12,207** | **$30,353** | **$29,800** | **$20,254** | **$17,876** | **$18,413** | **$25,805** | **$34,545** |
| **Dwelling Units** | | | | | | | | | | |
| Living Areas | $19,934 | $20,532 | $21,148 | $21,782 | $22,436 | $23,109 | $23,802 | $24,516 | $25,251 | $26,009 |
| Kitchens | $2,550 | $2,627 | $8,657 | $2,786 | $2,870 | $0 | $0 | $0 | $7,107 | $0 |
| Bathrooms | $71,375 | $1,024 | $1,055 | $1,087 | $1,119 | $1,153 | $1,187 | $1,223 | $1,260 | $1,298 |
| Mechanical & Electrical | $9,180 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $26,266 | $0 |
| Dwelling Units Sub-Total | **$103,038** | **$24,183** | **$30,860** | **$25,655** | **$26,425** | **$24,262** | **$24,989** | **$25,739** | **$59,884** | **$27,307** |
| **Total Capital Costs** | **$246,959** | **$36,034** | **$43,066** | **$106,664** | **$98,833** | **$48,697** | **$53,680** | **$48,588** | **$85,690** | **$84,195** |

Costs on these two pages are aggregated by category from the Capital Needs worksheets which follow. Total capital costs on these two pages are carried forward to line F of the Replacement Reserve Analysis(es) that follow.

| | 2028 Year 11 | 2029 Year 12 | 2030 Year 13 | 2031 Year 14 | 2032 Year 15 | 2033 Year 16 | 2034 Year 17 | 2035 Year 18 | 2036 Year 19 | 2037 Year 20 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Site Systems** | | | | | | | | | | |
| Surface | $0 | $0 | $0 | $0 | $19,284 | $5,609 | $0 | $0 | $0 | $16,218 |
| Site Distribution Systems | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Site Sub-Total | **$0** | **$0** | **$0** | **$0** | **$19,284** | **$5,609** | **$0** | **$0** | **$0** | **$16,218** |
| **Mechanical Room** | | | | | | | | | | |
| Boilers | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Boiler Room Systems | $5,712 | $0 | $0 | $6,241 | $0 | $33,107 | $0 | $0 | $0 | $0 |
| Mechanical Sub-Total | **$5,712** | **$0** | **$0** | **$6,241** | **$0** | **$33,107** | **$0** | **$0** | **$0** | **$0** |
| **Building Mech. & Electrical** | | | | | | | | | | |
| Mechanical | $7,560 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Electrical | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $19,834 | $0 | $0 |
| Elevators | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Mechanical & Electrical Sub-Total | **$7,560** | **$0** | **$0** | **$0** | **$0** | **$0** | **$0** | **$19,834** | **$0** | **$0** |
| **Building Architectural** | | | | | | | | | | |
| Structural and Exterior | $25,615 | $8,735 | $1,297 | $1,336 | $201,946 | $1,418 | $1,460 | $5,636 | $3,762 | $0 |
| Roof Systems | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Halls, Stairs, Lobbies | $5,935 | $15,174 | $15,629 | $9,613 | $9,901 | $0 | $0 | $0 | $0 | $3,849 |
| Community Spaces | $6,627 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Building Architectural Sub-Total | **$38,177** | **$23,908** | **$16,926** | **$10,949** | **$211,847** | **$1,418** | **$1,460** | **$5,636** | **$3,762** | **$3,849** |
| **Dwelling Units** | | | | | | | | | | |
| Living Areas | $26,789 | $27,593 | $28,421 | $29,273 | $30,152 | $31,056 | $31,988 | $32,947 | $33,936 | $34,954 |
| Kitchens | $0 | $0 | $0 | $17,226 | $26,228 | $18,275 | $18,823 | $19,388 | $19,970 | $0 |
| Bathrooms | $1,337 | $1,377 | $1,418 | $1,460 | $1,504 | $1,549 | $1,596 | $1,644 | $1,693 | $1,744 |
| Mechanical & Electrical | $0 | $0 | $0 | $33,703 | $34,714 | $35,755 | $36,828 | $37,933 | $74,371 | $0 |
| Dwelling Units Sub-Total | **$28,126** | **$28,970** | **$29,839** | **$81,663** | **$92,598** | **$86,636** | **$89,235** | **$91,912** | **$129,969** | **$36,698** |
| **Total Capital Costs** | **$79,574** | **$52,878** | **$46,765** | **$98,853** | **$323,730** | **$126,769** | **$90,695** | **$117,382** | **$133,732** | **$56,765** |




***Current reserve Balance:*** **$0**

***Current annual contributions to reserves:*** **$30,600**

At the end of Year One, Reserve Balances are projected to be: **$549,406**

At the end of Year 20, Reserve Balances are projected to be: **$46,643**

***All projected capital needs are met throughout the plan***

**1. Infusion of $765,000 in Year 1 of the plan.**

| | | |
|---|---|---|
| Start replacement reserve balance | **$0** or $00/unit | |
| Contributions to Reserves | **$30,600** or $300/unit | |

### Reserve Funding In Year 1

Replacement Reserve (RR) analysis starts here with the starting RR balance reported, or imputed, to have been on hand at the start of Year 1, and current annual RR contributions. The projections below reflect Starting RR Balance (Line A), plus the Total Annual RR Contributions (Line D) and Interest Earnings on RR (Line E), minus Total Annual Capital Costs (Line F), taken from the CNS above. This is expressed arithmetically as (A+D+E)-F=G, Year-End Balances, then carries forward to Line A of the following Year

| | 2018 Year 1 | 2019 Year 2 | 2020 Year 3 | 2021 Year 4 | 2022 Year 5 | 2023 Year 6 | 2024 Year 7 | 2025 Year 8 | 2026 Year 9 | 2027 Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| **(A) Reserve Balances** | | | | | | | | | | |
| Starting Replacement Reserves | $0 | $549,406 | $573,148 | $592,014 | $549,224 | $513,154 | $526,476 | $536,571 | $553,386 | $535,098 |
| **(B) Annual Funding** | | | | | | | | | | |
| Contributions Indexed at 3% | $300 | $309 | $318 | $328 | $338 | $348 | $358 | $369 | $380 | $391 |
| (C) Additional Unit Contributions | | | | | | | | | | |
| | 300 | 309 | 318 | 328 | 338 | 348 | 358 | 369 | 380 | 391 |
| (D) Total Annual Reserve Funding | $30,600 | $31,518 | $32,464 | $33,437 | $34,441 | $35,474 | $36,538 | $37,634 | $38,763 | $39,926 |
| (E) Interest on Reserves at 5% | $765 | $28,258 | $29,469 | $30,437 | $28,322 | $26,545 | $27,237 | $27,769 | $28,638 | $27,753 |
| **Total Funds Available** | **$31,365** | **$609,182** | **$635,081** | **$655,888** | **$611,987** | **$575,173** | **$590,251** | **$601,974** | **$620,788** | **$602,777** |
| (F) Total Capital Cost | $246,959 | $36,034 | $43,066 | $106,664 | $98,833 | $48,697 | $53,680 | $48,588 | $85,690 | $84,195 |
| (G) **Reserve Balances** | **($215,594)** | **$573,148** | **$592,014** | **$549,224** | **$513,154** | **$526,476** | **$536,571** | **$553,386** | **$535,098** | **$518,582** |
| Outside Capital | $765,000 | | | | | | | | | |
| Adjusted Reserve Balances | $549,406 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

**Notes:**

1. **Infusion of $765,000 in Year 1 of the plan.**

*ANNUAL RR CONTRIBUTIONS are shown being indexed for inflation at the % specified above except when Additional Contributions are called for

Line C. Additional Contributions allows for material adjustments in annual RR funding that would enable the property to meet all projected needs out of reserves through Year 20

**INTEREST EARNINGS ON RESERVES are calculated on 100% of starting balances and on 50% of the total annual contribution for the year at the rate shown

### Reserve Funding In Year 20

Projected replacement reserve balance is $46,643 — This is $457 per unit in inflated dollars or $261 per unit in uninflated dollars

Projected annual funding to reserves is $53,657 — This is $526 per unit in inflated dollars or $300 per unit in current dollars

| 2028 Year 11 | 2029 Year 12 | 2030 Year 13 | 2031 Year 14 | 2032 Year 15 | 2033 Year 16 | 2034 Year 17 | 2035 Year 18 | 2036 Year 19 | 2037 Year 20 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | **Reserve Balances (A)** |
| $518,582 | $507,090 | $522,983 | $547,086 | $521,648 | $271,443 | $207,111 | $177,104 | $120,418 | $46,104 | Starting Replacement Reserves |
| | | | | | | | | | | **Annual Funding (B)** |
| $403 | $415 | $428 | $441 | $454 | $467 | $481 | $496 | $511 | $526 | Contributions Indexed at 3% |
| | | | | | | | | | | Additional Unit Contributions (C) |
| 403 | 415 | 428 | 441 | 454 | 467 | 481 | 496 | 511 | 526 | |
| $41,124 | $42,358 | $43,628 | $44,937 | $46,285 | $47,674 | $49,104 | $50,577 | $52,094 | $53,657 | Total Annual Reserve Funding (D) |
| $26,957 | $26,413 | $27,240 | $28,478 | $27,240 | $14,764 | $11,583 | $10,120 | $7,323 | $3,647 | Interest on Reserves at 5% (E) |
| **$586,663** | **$575,861** | **$593,851** | **$620,501** | **$595,172** | **$333,881** | **$267,799** | **$237,800** | **$179,836** | **$103,408** | **Total Funds Available** |
| $79,574 | $52,878 | $46,765 | $98,853 | $323,730 | $126,769 | $90,695 | $117,382 | $133,732 | $56,765 | Total Capital Cost (F) |
| **$507,090** | **$522,983** | **$547,086** | **$521,648** | **$271,443** | **$207,111** | **$177,104** | **$120,418** | **$46,104** | **$46,643** | **Reserve Balances (G)** |
| | | | | | | | | | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | |

## SITE SYSTEMS

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Expected Useful life) (Years) | Replacement Schedule Year of action AND duration of project | Notes |
|---|---|---|---|---|---|---|---|---|
| **SURFACE** | | | | | | | | |
| Roadways & Parking | 51,384 | sf | | $0 | 0 | 20 | | Asphalt paved parking areas and roadways - cracking/deterioration SOW Includes costs to repair and overlay |
| Crack-Fill and Sealcoat | 51,384 | sf | 0.18 | $9,249 | 0 | 5 | 5 /10 /15 /20 in 1 Year | Future allowance for surface maintenance |
| Sidewalks | 6,785 | sf | | $0 | 0 | 30 | | Concrete walkways - cracking and settlement observed SOW includes costs to replace/repair sections of the sidewalk in poor cond. |
| Railings | 295 | lf | 24.00 | $7,080 | -21 | 20 | 1 in 1 Year | Painted steel railings primarily located along the top of the retaining wall at #623 #627 #631, rust and deterioration observed - costs to replace |
| Retaining Walls | 501 | lf | 36.00 | $18,036 | -21 | 25 | 4 over 5 Years | Wood timber retaining walls (1'-5' tall) - fair condition, age related wear Allowances for periodic sectional replacement |
| Pedestrian Bridges | 3 | ea | 2500.00 | $7,500 | -21 | 20 | 1 in 1 Year | Metal framed wood bridges with steel railings at #623 #627 #631 Costs to repair framing, replace decking and railings |
| Fencing | | lf | | | | | | |
| Dumpsters & Enclosures | 2 | ea | 1800.00 | $3,600 | -15 | 15 | 1 /16 in 1 Year | Wood timber enclosures - age related wear and organic growth observed Costs to replace dumpster enclosures |
| Play Equipment | 1 | ea | 25000.00 | $25,000 | -15 | 20 | 5 in 1 Year | Metal and high impact plastic structure, smaller metal equipment Costs to install new playground equipment and rubberized base |
| Site Lighting | 1 | ea | | $0 | 0 | 20 | | Pole mounted parking area fixtures SOW includes costs to install LED fixtures |
| Landscaping | 1 | ls | 3000.00 | $3,000 | -21 | 15 | 1 in 1 Year | Improve drainage on the northwest side of #631 |
| Landscaping | 1 | ls | | $0 | 0 | 20 | | Lawn areas, mature trees encroaching on roof lines, planting beds SOW includes costs to trim/remove trees and landscaping upgrades |
| Development Sign | 1 | ls | 3500.00 | $3,500 | 0 | 15 | 15 in 1 Year | SOW includes costs to install a new monument sign; future replacement |
| Miscellaneous | 1 | ea | | $0 | -21 | 20 | | |
| Miscellaneous | | ea | | | | | | |

## SITE DISTRIBUTION SYSTEMS

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) | Replacement Schedule | Notes |
|---|---|---|---|---|---|---|---|---|
| Gas Lines | 1 | ls | | $0 | -21 | 60 | | No problems observed or reported Monitor |
| Sanitary Lines | 1 | ls | | $0 | -21 | 60 | | No problems observed or reported Monitor |
| Cold Water Lines | 1 | ls | | $0 | -21 | 60 | | No problems observed or reported Monitor |
| Electric Distribution | 1 | ls | | $0 | -21 | 60 | | No problems observed or reported Monitor |
| Sanitary Leach fields | | ls | | | | | | |
| Miscellaneous | | ls | | | | | | |

# Projected Capital Needs Over Twenty Years

*Costs projected at 3%*

**Camelot Hills**

SITE SYSTEMS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

**SURFACE**

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $10,410 | $0 | $0 | $0 | $0 | $12,068 | $0 | $0 | $0 | $0 | $13,990 | $0 | $0 | $0 | $0 | $16,218 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $7,080 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $3,942 | $4,060 | $4,182 | $4,307 | $4,436 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $7,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $3,600 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,609 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $28,138 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $3,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,294 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

**SITE DISTRIBUTION SYSTEMS**

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

## MECHANICAL ROOM

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) (Expected Useful life) | Replacement Schedule Year of action AND duration of project | Notes |
|---|---|---|---|---|---|---|---|---|
| **BOILERS** | | | | | | | | |
| Boilers--1 | | ea | | | | | | |
| Boilers--2 | | ea | | | | | | |
| Boilers--3 | | ea | | | | | | |
| Controls | | ea | | | | | | |
| Controls | | ea | | | | | | |
| Controls | | ea | | | | | | |
| Condensate & Feed Water | | ea | | | | | | |
| Boiler Water Pumps | | ea | | | | | | |
| Heating Water Pumps | | ea | | | | | | |
| Chilled Water Pumps | | ea | | | | | | |
| Flue Exhaust | | ea | | | | | | |
| **BOILER ROOM SYSTEMS** | | | | | | | | |
| Boiler Room Piping/Valves | 1 | ls | | $0 | 36 | 25 | | No problems observed or reported<br>Monitor |
| Domestic Hot Water Generation | 1 | ea | 4250.00 | $4,250 | 8 | 15 | 7 in 1 Year | A.O. Smith, gas-fired, 80-gallon, 199 MBH, #605<br>Costs to replace |
| Domestic Hot Water Generation | 3 | ea | 4250.00 | $12,750 | 15 | 15 | 1 /16 in 1 Year | A.O. Smith, gas-fired, 80-gallon, 199 MBH; #609 #623 #627<br>Costs to replace |
| Domestic Hot Water Generation | 1 | ea | 4250.00 | $4,250 | 1 | 15 | 14 in 1 Year | A.O. Smith, gas-fired, 80-gallon, 199 MBH, #611<br>Costs to replace |
| Domestic Hot Water Generation | 2 | ea | 4250.00 | $8,500 | 21 | 15 | 1 /16 in 1 Year | RUUD, gas-fired, 76-gallon, 199 MBH; #615 #619<br>Costs to replace |
| Domestic Hot Water Generation | 1 | ea | 4250.00 | $4,250 | 4 | 15 | 11 in 1 Year | Bradford White, gas-fired, 80-gallon, 199 MBH, #631<br>Costs to replace |
| Domestic Hot Water Generation | 1 | ea | 1200.00 | $1,200 | -8 | 15 | 7 in 1 Year | Lochinvar, electric 40-gallon water heater<br>Costs to replace |
| Fuel Oil Storage | | ea | | | | | | |
| Fuel Oil Transfer System | | ls | | | | | | |
| Sump Pumps | | ea | | | | | | |

*Costs projected at 3%*

## BOILERS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

## BOILER ROOM SYSTEMS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $5,075 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $12,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $19,864 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $6,241 | $0 | $0 | $0 | $0 | $0 | $0 |
| $8,500 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $13,243 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $5,712 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $1,433 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

BUILDING MECHANICAL AND ELECTRICAL

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Expected Useful life) (Years) | Replacement Schedule Year of action AND duration of project | Notes |
|---|---|---|---|---|---|---|---|---|
| **BUILDING MECHANICAL** | | | | | | | | |
| Compactors | | ea | | | | | | |
| Building Fire Suppression | | ls | | | | | | |
| Building Heating Distribution | | ls | | | | | | |
| Domestic Hot/Cold Water Dist | | ls | | | | | | |
| Building Sanitary Waste & Vent. Dist. | | ls | | | | | | |
| Building Gas Distribution | | ls | | | | | | |
| Building Air Conditioning | | ea | | | | | | |
| Ventilation & Exhaust | | ea | | | | | | |
| Warm Air Furnace | 3 | ea | 2250.00 | $6,750 | ~21 | 25 | 4 in 1 Year | Payne, gas-fired, atmospherically vented<br>Costs to replace |
| Warm Air Furnace | 5 | ea | 2250.00 | $11,250 | 15 | 25 | 10 over 2 Years | Carrier, gas-fired, atmospherically vented<br>Costs to replace |
| Warm Air Furnace | 1 | ea | 2250.00 | $2,250 | 15 | 25 | 10 in 1 Year | Carrier, gas-fired, atmospherically vented at office<br>Costs to replace |
| Sewage Ejectors | | ea | | | | | | |
| **BUILDING ELECTRICAL** | | | | | | | | No problems observed or reported |
| Building Power Wiring | 1 | ls | | $0 | ~21 | 99 | | Monitor |
| Smoke / Fire Detection | 4 | ea | 12000.00 | $48,000 | ~21 | 20 | 1 in 1 Year | Mircom Series 200, estimated age of 21 Years - no other info available<br>Costs to replace |
| Smoke / Fire Detection | 3 | ea | 12000.00 | $36,000 | ~15 | 20 | 4 in 1 Year | MircomFA260, estimated age of 15 Years - no other info available<br>Costs to replace |
| Smoke / Fire Detection | 1 | ea | 12000.00 | $12,000 | 2 | 20 | 18 in 1 Year | Firelite MS-4, Reportedly installed in 2016<br>Future costs to replace |
| Signaling / Communication | | ls | | | | | | |
| **BUILDING ELEVATORS** | | | | | | | | |
| Shafts and Doorways | | ea | | | | | | |
| Cabs | | ea | | | | | | |
| Controller/Dispatcher | | ea | | | | | | |
| Machine Room Equipment | | ea | | | | | | |

# Projected Capital Needs Over Twenty Years

## Camelot Hills

*Costs projected at 3%*

## BUILDING MECHANICAL AND ELECTRICAL

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | **BUILDING MECHANICAL** | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $7,376 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $7,339 | $7,560 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,936 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | | | | | | | | | | | | **BUILDING ELECTRICAL** | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $48,000 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $39,338 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $19,834 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | | | | | | | | | | | | **BUILDING ELEVATORS** | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

## BUILDING ARCHITECTURE

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) (Expected Useful life) | Replacement Schedule Year of action AND duration of project | | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **STRUCTURE** | | | | | | | | | |
| Foundation | 2,039 | lf | | $0 | 36 | 50 | | | Monitor |
| Framing | 1 | ls | | $0 | 36 | 70 | | | Monitor |
| Slab | | sf | | | | | | | |
| Miscellaneous | | ea | | | | | | | |
| **BUILDING EXTERIOR** | | | | | | | | | |
| Exterior Common Doors | 18 | ea | 1200.00 | $21,600 | ~21 | 30 | 9 | over 4 Years | Aluminum/glass, single leaf - fair overall condition<br>Costs to replace |
| Exterior Unit Doors | | ea | | | | | | | |
| Service Doors | 204 | ea | 500.00 | $102,000 | ~15 | 25 | 4 | over 8 Years | Mechanical closet and storage closet at each unit balcony/patio<br>Replace as needed |
| Glass Sliding Doors | 102 | ea | 1300.00 | $132,600 | ~15 | 30 | 15 | in 1 Year | Vinyl-framed sliding glass balcony/patio doors - fair condition<br>Costs to replace |
| Garage Door | 1 | ea | 1300.00 | $1,300 | ?? | 15 | 4 /19 | in 1 Year | Garage door at maintenance garage -costs to replace |
| Exterior Walls | 59,570 | sf | | $0 | 0 | 35 | | | Clapboard profile vinyl siding, isolated damage, replacements, organic growth<br>SOW includes costs to replace |
| Exterior Walls | 3,360 | sf | | $0 | 0 | 35 | | | Brick siding at each common entry - fair condition<br>SOW includes costs for pointing/repairs |
| Exterior Walls | 3,160 | sf | | $0 | 0 | 35 | | | Concrete at basement level units - fair condition<br>SOW includes costs for pointing/repairs |
| Trim, Soffit & Fascia | 1 | ls | | $0 | 0 | 20 | | | Vinyl trim and perforated soffits<br>Replace with siding |
| Canopy | 1 | ls | 2500.00 | $2,500 | ?? | 12 | 6 /18 | in 1 Year | Canvas canopy at office entry - good condition |
| Window Frames | 240 | ea | | $0 | 0 | 35 | | | Aluminum-framed, double paned, slider type windows<br>SOW includes costs to replace all windows |
| Window Frames | | ea | | | | | | | |
| | 480 | ttl | | | | | | | |
| Window Glass | 140 | ea | 65.00 | $9,100 | 0 | 15 | 10 | over 10 Years | Allowances to replace fogged window glass as needed |
| Storm / Screen Windows | | ea | | | | | | | |
| Unit Balconies/Wood Decks | 2,720 | sf | 7.50 | $20,400 | ~21 | 20 | 1 | in 1 Year | Wood decking, splitting, weathered, popping nails, org. growth<br>Costs to replace decking |
| Balcony Railings | 680 | lf | 16.00 | $10,880 | ~21 | 20 | 1 | in 1 Year | Painted steel and wood railings - rust, deterioration and weathered cond.<br>Costs to replace railings |
| Fire Escapes | | ea | | | | | | | |
| Bldg Mounted Lighting | | ea | | | | | | | |

# Projected Capital Needs Over Twenty Years

**Camelot Hills**

BUILDING ARCHITECTURE

*Costs projected at 3%*

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | **STRUCTURE** |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | | | | | | | | | | | | | | **BUILDING EXTERIOR** |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $6,841 | $7,046 | $7,257 | $7,475 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $13,932 | $14,350 | $14,781 | $15,224 | $15,681 | $16,151 | $16,636 | $17,135 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $200,569 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $1,421 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,213 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $2,898 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $4,132 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,187 | $1,223 | $1,260 | $1,297 | $1,336 | $1,376 | $1,418 | $1,460 | $1,504 | $1,549 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $20,400 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $10,880 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

BUILDING ARCHITECTURE--*continued*

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Expected Useful life) (Years) | Replacement Schedule Year of action AND duration of project | | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **ROOF SYSTEMS** | | | | | | | | | |
| Structure | 41,458 | sf | | $0 | -21 | 40 | | | Pitched roof surface Monitor |
| Roof Covering | 41,458 | sf | | $0 | 0 | 20 | | | Asphalt covered roof surfaces SOW includes costs to rip and replace |
| Roof Covering | | sf | | | | | | | |
| Roof Covering | | sf | | | | | | | |
| Roof Drainage | 3,120 | lf | | $0 | -21 | 25 | | | Aluminum gutters and downspouts Maintain |
| Skylights | | ea | | | | | | | |
| Penthouses | | ea | | | | | | | |
| Access Doors & Hatches | | ea | | | | | | | |
| Roof Railings | | lf | | | | | | | |
| **HALLS** | | | | | | | | | |
| Hallway Walls | 27,200 | sf | 0.75 | $20,400 | 11 | 10 | 2 /12 | over 4 Years | Painted surfaces Costs to paint/repair |
| Hallway Ceilings | 7,712 | sf | 0.75 | $5,784 | 11 | 10 | 2 /12 | over 4 Years | Painted surfaces Costs to paint/repair |
| Hallway Floors | 768 | sf | | $0 | -21 | 30 | | | Ceramic tile at each entrance, fair condition for age Monitor |
| Hallway Floors | 3,968 | sf | 5.00 | $19,840 | -21 | 20 | 2 | over 4 Years | VCT at first floor and each stair landing Costs to replace |
| Hallway Floors | 2,976 | sf | 2.95 | $8,779 | 0 | 10 | 10 /20 | over 4 Years | Carpeting in hallways SOW includes costs for carpet replacement; future allowance |
| Stair Railings | 1,152 | lf | 15.00 | $17,280 | -21 | 25 | 1 | in 1 Year | 5.5 inch gap between railing balusters Discuss at review |
| Stair Treads | 663 | ea | 33.50 | $22,211 | -21 | 25 | 4 | over 10 Years | Rubber stair treads - good overall condition Allowance to replace stair treads as needed |
| Miscellaneous | | ea | | | | | | | |
| **STAIRS** | | | | | | | | | |
| Stair Walls and Ceilings | | sf | | | | | | | Included with hallways |
| Stair Floors | | sf | | | | | | | |
| Stair Doors | | ea | | | | | | | |
| Stair Railings | | sf | | | | | | | |

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ROOF SYSTEMS** | | | | | | | | | | | | | | | | | | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **HALLS** | | | | | | | | | | | | | | | | | | | |
| $0 | $5,253 | $5,411 | $5,573 | $5,740 | $0 | $0 | $0 | $0 | $0 | $0 | $7,060 | $7,271 | $7,490 | $7,714 | $0 | $0 | $0 | $0 | $0 |
| $0 | $1,489 | $1,534 | $1,580 | $1,627 | $0 | $0 | $0 | $0 | $0 | $0 | $2,002 | $2,062 | $2,123 | $2,187 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $5,109 | $5,262 | $5,420 | $5,583 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,864 | $2,950 | $3,038 | $3,129 | $0 | $0 | $0 | $0 | $0 | $0 | $3,849 |
| $17,280 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $2,427 | $2,500 | $2,575 | $2,652 | $2,732 | $2,814 | $2,898 | $2,985 | $3,074 | $3,167 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| **STAIRS** | | | | | | | | | | | | | | | | | | | |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

## BUILDING ARCHITECTURE--*continued*

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) (Expected Useful life) | Replacement Schedule Year of action AND duration of project | Notes |
|---|---|---|---|---|---|---|---|---|
| **LOBBIES/MAIL FACILITIES** | | | | | | | | |
| Lobby Walls & Ceilings | | sf | | | | | | |
| Lobby Floors | | sf | | | | | | |
| Lobby Floors | | sf | | | | | | |
| Mail Facilities | | ea | | | | | | |
| Lobby Local HV | | ea | | | | | | |
| **COMMUNITY ROOM** | | | | | | | | |
| Comm. Room Walls/Ceilings | | sf | | | | | | |
| Comm. Room Floor Covering | | sf | | | | | | |
| Office Cabinets/Countertop | 1 | ea | 3000.00 | $3,000 | ~15 | 25 | 10 in 1 Year | Cabinetry in office kitchen - costs to replace |
| Office Kitchen Appliances | 1 | ea | 750.00 | $750 | 13 | 10 | 1 /11 in 1 Year | Refrigerator in office kitchen<br>Costs to replace |
| Comm. Room Furnishings | | ea | | | | | | |
| **OFFICE** | | | | | | | | |
| Office Walls/Ceilings | 2,625 | sf | 0.75 | $1,969 | 10+ | 10 | 1 /11 in 1 Year | Painted walls and ceilings<br>Costs to paint and repair |
| Office Floor Covering | 750 | sf | 2.95 | $2,213 | 10+ | 10 | 1 /11 in 1 Year | Carpeting<br>Costs to replace |
| Office Equipment | 1 | ls | | $0 | varies | 20 | | Maintain |
| **PUBLIC LAUNDRY** | | | | | | | | |
| Laundry Walls/Ceilings | | sf | | | | | | |
| Laundry Floors | | sf | | | | | | |
| Laundry Equipment | 1 | ls | | $0 | varies | 20 | | One washer, one dryer on the first floor of each address<br>Leased equipment |
| **PUBLIC RESTROOMS** | | | | | | | | |
| Restroom Walls/Ceilings | 272 | sf | | $0 | 10+ | 10 | | Painted walls and ceilings in office restroom - maintain |
| Restroom Floors | 48 | sf | | $0 | 36 | 10 | | Ceramic tile flooring - maintain |
| Restroom Fixtures | 1 | ea | | $0 | ?? | 20 | | Maintain |
| Restroom Accessories | 1 | ea | | $0 | ?? | 20 | | Maintain |

Costs projected at 3%

BUILDING ARCHITECTURE--*continued*

### LOBBIES/MAIL FACILITIES

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### COMMUNITY ROOM

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $3,914 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $1,008 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### OFFICE

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $1,969 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,646 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $2,213 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $2,973 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### PUBLIC LAUNDRY

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### PUBLIC RESTROOMS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) (Expected Useful life) | Replacement Schedule Year of action AND duration of project | | Notes |
|---|---|---|---|---|---|---|---|---|---|
| **LIVING AREA FINISHES** | | | | | | | | | |
| Unit Hallway Doors | 102 | ea | | $0 | 0 | 30 | | | Solid coredoors in metal frames SOW includes costs to replace |
| Unit Interior Doors | 319 | ea | 90.00 | $28,710 | varies | 25 | 1 | over 20 Years | Hollow core wood interior doors Replace as needed |
| Unit Closet Doors | 421 | ea | 135.00 | $56,835 | varies | 25 | 1 | over 20 Years | Hollow core closet doors Replace as needed |
| Living Area Walls | 183,680 | sf | | $0 | varies | 5 | | | Painted drywall Maintain |
| Living Area Ceilings | 59,961 | sf | | $0 | varies | 5 | | | Painted drywall Maintain |
| Living Area Floors | 59,961 | sf | 2.35 | $140,908 | varies | 9 | 1 /10 /19 | over 9 Years | Bedroom and living area carpeting - ages and conditions vary Replaces needed |
| Living Area Floors--2 | | sf | | | | | | | |
| Unit Interior Stairs | | sf | | | | | | | |
| **KITCHENS** | | | | | | | | | |
| Kitchen Walls & Ceilings | 32,538 | sf | | $0 | 0 | 5 | | | Painted surfaces SOW includes costs to paint/repair all kitchens |
| Kitchen Floors | 6,426 | sf | | $0 | 0 | 20 | | | Vinyl sheet flooring - ages and conditions vary SOW includes costs to install vinyl plank flooring |
| Kitchen Cabinets | 102 | ea | | $0 | 0 | 25 | | | Plywood and laminated particleboard cabinetry SOW includes costs to replace all cabinetry |
| Kitchen Cabinets | | ea | | | | | | | |
| Kitchen Countertop | 102 | ea | | $0 | -21 | 10 | | | SOW includes costs to replace all countertops and sinks |
| Kitchen Countertop | | ea | | | | | | | |
| Range | 102 | ea | | $0 | 0 | 20 | | | 30-inch electric ranges - ages and conditions vary SOW includes costs to replace all ranges |
| Range | | ea | | | | | | | |
| Refrigerator | 102 | ea | 690.00 | $70,380 | 0 | 15 | 14 | over 6 Years | Frost-free, top-freezer models SOW includes costs to install Energy Star rated refrigerators |
| Refrigerator | | ea | | | | | | | |
| Rangehood and Vent | 102 | ea | 125.00 | $12,750 | varies | 20 | 1 | over 5 Years | Replace rangehoods as needed |
| Fire Stop Canisters | 102 | ea | 55.00 | $5,610 | 3 | 6 | 3 /9 /15 | in 1 Year | Replacement based on manufacture expiration date |
| Dishwasher | | ea | | | | | | | |

# Projected Capital Needs Over Twenty Years

**Camelot Hills**

Costs projected at 3%

## DWELLING UNITS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | **LIVING AREA FINISHES** |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $1,436 | $1,479 | $1,523 | $1,569 | $1,616 | $1,664 | $1,714 | $1,765 | $1,818 | $1,873 | $1,929 | $1,987 | $2,047 | $2,108 | $2,171 | $2,236 | $2,304 | $2,373 | $2,444 | $2,517 |
| $2,842 | $2,927 | $3,015 | $3,105 | $3,198 | $3,294 | $3,393 | $3,495 | $3,600 | $3,708 | $3,819 | $3,934 | $4,052 | $4,173 | $4,298 | $4,427 | $4,560 | $4,697 | $4,838 | $4,983 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $15,656 | $16,126 | $16,610 | $17,108 | $17,622 | $18,150 | $18,695 | $19,255 | $19,833 | $20,428 | $21,041 | $21,672 | $22,322 | $22,992 | $23,682 | $24,392 | $25,124 | $25,878 | $26,654 | $27,454 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| | | | | | | | | | | | | | | | | | | | **KITCHENS** |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $17,226 | $17,743 | $18,275 | $18,823 | $19,388 | $19,970 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $2,550 | $2,627 | $2,705 | $2,786 | $2,870 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $5,952 | $0 | $0 | $0 | $0 | $0 | $7,107 | $0 | $0 | $0 | $0 | $0 | $8,486 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

| Replacement Items | Quantity | | Cost per unit in 2018 $$ | Total Cost in 2018 $$ | AGE (Years) | EUL (Years) (Expected Useful life) | Replacement Schedule Year of action AND duration of project | Notes |
|---|---|---|---|---|---|---|---|---|
| **BATHROOMS** | | | | | | | | |
| Bathroom Walls and Surrounds | 22,848 | sf | | $0 | 0 | 20 | | Painted surfaces<br>SOW includes costs to paint/repair all kitchens |
| Bathroom Ceilings | 4,590 | sf | | $0 | 0 | 20 | | Painted surfaces<br>SOW includes costs to paint/repair all kitchens |
| Bathroom Floors | 4,590 | sf | | $0 | 0 | 20 | | Ceramic tile flooring - conditions vary<br>SOW includes costs to install vinyl plank flooring |
| Bath-tub and Shower | 102 | ea | | $0 | 0 | 25 | | Enameled steel tubs and ceramic tile surrounds<br>SOW includes costs to replace tubs and surrounds |
| Bathroom Vanity | 102 | ea | 450.00 | $45,900 | -21 | 20 | 1 in 1 Year | Plywood and laminated particleboard vanities<br>Costs to replace vanities |
| Bathroom Sinks | | ea | | | | | | Included with cabinetry |
| Bathroom Toilets | 102 | ea | 195.00 | $19,890 | varies | 30 | 1 over 20 Years | Replace as needed |
| Medicine Cabinets | 102 | ea | 125.00 | $12,750 | -21 | 20 | 1 in 1 Year | Metal medicine cabinets with mirrors<br>Costs to replace |
| Accessories | 102 | ea | | $0 | varies | 20 | | Standard accessories<br>Maintain |
| Ventilation & Exhaust | 102 | ea | 115.00 | $11,730 | varies | 20 | 1 in 1 Year | Ceiling mounted exhaust fans<br>Costs to replace |
| **IN-UNIT MECHANICAL** | | | | | | | | |
| Unit Warm Air Furnaces | 102 | ea | | $0 | 0 | 20 | | Gas-fired, atmospherically vented Carrier furnaces<br>SOW includes costs to replace |
| Unit Thermostats | 102 | ea | 90.00 | $9,180 | -21 | 20 | 1 in 1 Year | Replace with Furnaces |
| *Unit DHW Generation* | *102* | *ea* | | *$0* | *0* | *10* | | *Central water heaters, SOW specifies new DHW in each unit - Confirm* |
| Unit Air Conditioning | 102 | ea | 1350.00 | $137,700 | 0 | 15 | 14 over 6 Years | Carrier air conditioning condensers working with unit level furnaces<br>SOW includes costs to replace; Future replacement costs |
| Unit Radiation | | lf | | | | | | |
| **IN-UNIT ELECTRICAL** | | | | | | | | |
| Unit Electrical Panel | 102 | ea | | $0 | 36 | 50 | | Bryant circuit breaker panels<br>Monitor |
| Unit Wiring | 102 | ea | | $0 | -21 | 30 | | Monitor |
| Unit Lighting | 102 | ea | | $0 | 0 | 20 | | SOW includes costs to upgrade all |
| Unit Smoke / Fire Detection | 319 | ea | 65.00 | $20,735 | *Discuss at review*<br>1 | 10 | 9 /19 in 1 Year | All being replaced in 2017 and bedroom units installed: #627 and #631<br>Scheduled for replacement after assessment - Included in SOW -*Discuss* |
| Unit GFCI's | 102 | ea | | $0 | 0 | 20 | | SOW includes costs to upgrade all |

# Projected Capital Needs Over Twenty Years

## Camelot Hills

Costs projected at 3%

DWELLING UNITS--*continued*

### BATHROOMS

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $45,900 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $995 | $1,024 | $1,055 | $1,087 | $1,119 | $1,153 | $1,187 | $1,223 | $1,260 | $1,298 | $1,337 | $1,377 | $1,418 | $1,460 | $1,504 | $1,549 | $1,596 | $1,644 | $1,693 | $1,744 |
| $12,750 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $11,730 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### IN-UNIT MECHANICAL

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $9,180 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* | *$0* |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $33,703 | $34,714 | $35,755 | $36,828 | $37,933 | $39,071 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

### IN-UNIT ELECTRICAL

| Year 1 2018 | Year 2 2019 | Year 3 2020 | Year 4 2021 | Year 5 2022 | Year 6 2023 | Year 7 2024 | Year 8 2025 | Year 9 2026 | Year 10 2027 | Year 11 2028 | Year 12 2029 | Year 13 2030 | Year 14 2031 | Year 15 2032 | Year 16 2033 | Year 17 2034 | Year 18 2035 | Year 19 2036 | Year 20 2037 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $26,266 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $35,300 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

MHT
HOUSING, INC.

*An affordable non-profit housing corporation serving Michigan's housing needs*

# Statement of Developer Experience

## GENERAL PARTNER/MEMBER EXPERIENCE

**This page must be included in Exhibit 12a**

| | |
|---|---|
| General Partner/ Member Name: | MHT Housing, Inc. |
| Is the General Partner/ Member shown in Section C.1 of the LIHTC Program Application? | Yes |
| If you answered, "No", explain the relationship between the owner shown here to the owner in the application: | |

Complete the chart below including ALL affordable developments the GP/Member has experience in owning and developing. Failure to fully complete this chart or clearly define the relationship between the entity(s) shown above to the information presented in the LIHTC Program Application may result in a loss of points when applying for LIHTC.

| Name and Project Number of Project Owned | City and State | Number of Units | Date of Ownership (mm/dd/yy) | | Date Project Last Placed in Service | Type of Financing | LIHTC Project? | Has the project materially defaulted on any obligation?* | Does the project have any uncorrected 8823s that have been outstanding longer than 6 months?** | Included in Point Total for Owner/GP Experience Points? |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Begin | End | | | | | | |
| | | | | | | | | | | |
| Adams Senior Village II | Westland, MI | 120 | 11/1/2003 | | 4/28/1999 | LIHTC/HUD 223F | LIHTC | No | No | Yes |
| Ambrose Ridge | Plainfield Twp, MI | 84 | 6/15/1996 | | 2/28/1997 | LIHTC/MSHDA | LIHTC | No | No | Yes |
| Apple Ridge aka Village of Kalamazoo | Kalamazoo, MI | 56 | 1/8/2010 | | 12/1/2005 | LIHTC/HUD 223F | LIHTC | No | No | Yes |
| Aspen Hills | Garfield Township, MI | 70 | 8/6/2002 | | 8/6/2002 | LIHTC/HUD 223F | LIHTC | No | No | Yes |
| Ballentine Stepping Stones | Lansing, MI | 16 | 1993 | 2010 | 1993 | GRANTS | LIHTC | No | No | No |
| Benjamin Manor | Highland Park, MI | 81 | 1/31/2012 | | n/a | NSP/MSHDA | | No | No | No |
| Boulder Creek | Burton, MI | 101 | 9/1/2011 | 2/20/2013 | n/a | CONV | | No | No | No |
| Brentwood II | Belding, MI | 48 | 7/11/2003 | | 7/11/2003 | LIHTC/CONV | LIHTC | No | No | Yes |
| Calumet | Detroit, MI | 104 | 12/30/1991 | | 12/31/1991 | LIHTC/MSHDA | LIHTC | No | No | Yes |
| Cass Apartments aka Arthur Antisdel | Detroit, MI | 41 | 11/1/2012 | | 12/1/2013 | LIHTC/MSHDA | LIHTC | No | No | Yes |
| Centerline Park Towers | Center Line, MI | 300 | 4/21/2005 | | 1/1/2006 | 221D4/LIHTC | LIHTC | No | No | Yes |
| Chase Run 3 | Mt. Pleasant, MI | 160 | 7/12/1997 | | 11/1/1998 | CONV/LIHTC/MSHDA | LIHTC | No | No | Yes |
| | | | | | | | | | | |

| Name and Project Number of Project Owned | City and State | Number of Units | Date of Ownership (mm/dd/yy) Begin | End | Date Project Last Placed in Service | Type of Financing | LIHTC Project? | Has the project materially defaulted on any obligation?* | Does the project have any uncorrected 8823s that have been outstanding longer than 6 months?** | Included in Point Total for Owner/GP Experience Points? |
|---|---|---|---|---|---|---|---|---|---|---|
| Colonial Meadows | Pontiac, MI | 82 | 6/1/2011 | | 1993 | MSHDA | LIHTC | No | No | Yes |
| Dauner Haus II | Fenton, MI | 41 | 12/21/1995 | | 2/26/1997 | LIHTC/CONV | LIHTC | No | No | Yes |
| Dauner Haus III | Fenton, MI | 151 | 6/27/1995 | | 7/1/1993 | LIHTC/CONV | LIHTC | No | No | Yes |
| Delhi Stratford Place | Holt, MI | 96 | 12/28/2010 | | 11/2/2005 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Dickerson Manor | Detroit, MI | 66 | 9/1/2010 | | 11/9/2011 | CONV/LIHTC | LIHTC | No | No | Yes |
| Gabrielle | Highland Park, MI | 336 | 6/24/1994 | | 6/1/1994 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Glendale Buena Vista | Highland Park, MI | 93 | 12/31/1991 | | 12/30/1991 | MSHDA/RAP/LIHTC | LIHTC | No | No | Yes |
| Harbor Pointe | Benton Twp, MI | 84 | 8/28/1998 | | 1/1/2000 | LIHTC | LIHTC | No | No | Yes |
| Harbor Pointe II | Benton Twp, MI | 72 | 8/25/2001 | | 1/30/2003 | CONV/LIHTC | LIHTC | No | No | Yes |
| Harper Square | Clinton Township, MI | 72 | 12/17/1996 | 9/8/2010 | 12/20/1996 | LIHTC/CONV | LIHTC | No | No | No |
| Hickory Woods | Lansing, MI | 102 | 6/20/2003 | | 6/20/2003 | CONV/LIHTC | LIHTC | No | No | Yes |
| Highland Manor | Highland Park, MI | 48 | 9/10/2009 | | 5/20/2010 | LIHTC/221 D4 | LIHTC | No | No | Yes |
| Hillcrest Homes aka Walnut Grove | Grand Rapids, MI | 80 | 6/20/2003 | | 6/20/2003 | CONV/LIHTC | LIHTC | No | No | Yes |
| Hope Senior | Oxford, MI | 50 | 3/15/1993 | | 12/17/1993 | TAXABLE BOND/MSHDA/LIHTC | LIHTC | No | No | Yes |
| Jefferson Meadows | Detroit, MI | 83 | 11/1/2011 | | n/a | MSHDA HOME | | No | No | No |
| Jefferson Square II | Detroit, MI | 180 | 12/30/1991 | | 10/29/2007 | HUD/221 D4 | LIHTC | No | No | Yes |
| Jennings Senior Living | Detroit, MI | 46 | 7/10/2014 | | 10/28/2015 | LIHTC/HOME | LIHTC | No | No | No |
| McDonald Square II | Detroit, MI | 180 | 12/30/1991 | | 8/20/2007 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Maplewood Manor | Bay City, MI | 158 | 2/27/2015 | | 2/27/2015 | LIHTC/ HUD 221D4 | LIHTC | No | No | No |
| Mill Pond Manor II | Brighton, MI | 58 | 3/22/2013 | | 1/1/2016 | LIHTC/ HUD 221D4 | LIHTC | No | No | No |
| Oakwood Manor | Eastpointe, MI | 44 | 6/27/2012 | | 7/1/2013 | NSP/HOME | | No | No | Yes |
| Palmer Court Townhomes | Detroit, MI | 173 | 10/20/2010 | | 10/13/2011 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Parkview Place | Detroit, MI | 199 | 5/1/2002 | | 5/1/2002 | LIHTC/Pass Thru | LIHTC | No | No | Yes |
| Prince Hall Place | Detroit, MI | 156 | 11/1/2009 | | 1992 | CONV/MSHDA | LIHTC | No | No | Yes |
| Ridgewood Vista | Jackson, MI | 150 | 6/27/1993 | | 12/21/1993 | LIHTC/MSHDA | LIHTC | No | No | Yes |

| Name and Project Number of Project Owned | City and State | Number of Units | Date of Ownership (mm/dd/yy) Begin | End | Date Project Last Placed in Service | Type of Financing | LIHTC Project? | Has the project materially defaulted on any obligation?* | Does the project have any uncorrected 8823s that have been outstanding longer than 6 months?** | Included in Point Total for Owner/GP Experience Points? |
|---|---|---|---|---|---|---|---|---|---|---|
| River Terrace | Benton Harbor, MI | 270 | 6/23/2006 | | 6/23/2006 | LIHTC/MSHDA | LIHTC | No | No | Yes |
| Royal Oak Towers | Ferndale, MI | 200 | 6/15/2003 | | 6/15/2003 | MSHDA/LIHTC/Pass Thru | LIHTC | No | No | Yes |
| Silver Creek II | Flat Rock, MI | 111 | 1/12/1997 | | 10/15/1999 | CONV/LIHTC/MSHDA | LIHTC | No | No | Yes |
| Sacred Heart | St. Francis, WI | 68 | 10/1/2011 | | 12/7/2011 | LIHTC/WHEDA | LIHTC | No | No | Yes |
| South Hill II | Milford, MI | 120 | 8/10/2007 | | 8/10/2007 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Tri City Village | Watervliet, MI | 56 | 4/19/2006 | | 4/19/2006 | HUD 221D4/LIHTC | LIHTC | No | No | Yes |
| University Club | Detroit, MI | 120 | 1/1/2010 | | n/a | MSHDA/HOME | | No | No | No |
| Uptown Towers | Portland, OR | 71 | 1/20/2011 | | 2/1/2011 | LIHTC/CONV | LIHTC | No | No | Yes |
| Van Dyke II | Detroit, MI | 200 | 8/16/2007 | | 8/16/2007 | MSDHA/LIHTC | LIHTC | No | No | Yes |
| Village of Royal Oak | Royal Oak, MI | 147 | 2/1/2010 | | 10/24/2011 | LIHTC/MSHDA | LIHTC | No | No | Yes |
| Village Park | Detroit, MI | 57 | 2/1/2012 | | 2/1/2012 | NSP/HOME/MSHDA | LIHTC | No | No | Yes |
| Village East | Springfield, OR | 42 | 12/19/2014 | | 10/1/2015 | LIHTC/CONV | LIHTC | No | No | No |
| Vista Villa | Saginaw, MI | 100 | 6/14/1993 | | 6/1/1994 | MSHDA/LIHTC | LIHTC | No | No | Yes |
| Westchester Towers | Wayne, MI | 223 | 5/17/2001 | | 1/4/2002 | LIHTC/HUD 223F | LIHTC | No | No | Yes |
| Wildwood | Westland, MI | 229 | 4/28/2011 | | 12/1/2011 | LIHTC/221D4 | LIHTC | No | No | Yes |
| **SHELTER AMERICA GROUP** | | | | | | | | | | |
| The Adriana | Des Moines, WA | 119 | 2015 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Alder Ridge | Milton, WA | 116 | 2013 | | 12/31/2013 | LIHTC/CONV | LIHTC | No | No | No |
| Avaire Apartments | Everett, WA | 96 | 2017 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Columbia Knoll | Portland, OR | 334 | 2002 | | 3/26/2006 | LIHTC/OHCS Bonds-MuniMae | LIHTC | No | No | No |
| Country Run | Kelso, WA | 100 | 1998 | | 6/20/2000 | LIHTC/CONV | LIHTC | No | No | No |
| Elma Gardens | Grays Harbor, WA | 36 | 2002 | | 3/31/2003 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Fairhaven Apartments | Burlington, WA | 40 | 2015 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Harvest Ridge | Grandview, WA | 24 | 2002 | | 8/12/2004 | LIHTC/USDA 515 | LIHTC | No | No | No |

| Name and Project Number of Project Owned | City and State | Number of Units | Date of Ownership (mm/dd/yy) | | Date Project Last Placed in Service | Type of Financing | LIHTC Project? | Has the project materially defaulted on any obligation?* | Does the project have any uncorrected 8823s that have been outstanding longer than 6 months?** | Included in Point Total for Owner/GP Experience Points? |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Begin | End | | | | | | |
| Heatherwood | Mill Creek, WA | 266 | 2002 | | 1/30/2004 | LIHTC/CONV | LIHTC | No | No | No |
| Kulshan | Mt. Vernon, WA | 38 | 2006 | | 12/31/1999 | LIHTC/CONV | LIHTC | No | No | No |
| Lauren Heights | Issaquah Highlands, WA | 51 | 2005 | | 8/18/2007 | LIHTC/CONV | LIHTC | No | No | No |
| Lexy Manor | Oak Harbor, WA | 26 | 2015 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Madrona Manor | Oak Harbor, WA | 50 | 2015 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Norris Place | Burlington, WA | 50 | 2015 | | Pending | LIHTC/CONV | LIHTC | No | No | No |
| Norwegian Wood | Gig Harbor, WA | 36 | 2002 | | 12/31/2003 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Oak Bay Station | Oak Harbor, WA | 81 | 1995 | | 12/18/1997 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Pioneer Lane | Omak, WA | 36 | 2005 | | 3/1/2010 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Rainier Glen | Enumclaw, WA | 42 | 2002 | | 9/30/2008 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Ridgeview Terrace | Mt. Vernon, WA | 80 | 2003 | | 12/15/2005 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Riverside Landing | Bothell, WA | 50 | 1997 | | 3/29/1999 | LIHTC/CONV | LIHTC | No | No | No |
| SeaBreeze | Sequim, WA | 42 | 2005 | | 3/1/2010 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Summerwind | Ephrata, WA | 28 | 2005 | | 9/27/2007 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Trailside Apartments | Everett, WA | 250 | 1999 | | 9/1/2001 | LIHTC/WSHFC Bonds | LIHTC | No | No | No |
| Vah-ki Court | Coolidge, AZ | 24 | 1999 | | 1/31/1999 | LIHTC/USDA 515 | LIHTC | No | No | No |
| Vasa Creek Woods | Bellevue, WA | 51 | 1998 | | 2/14/2000 | LIHTC/CONV | LIHTC | No | No | No |

* A material default on any obligation includes, but is not limited to the following: project foreclosure, filing a backruptcy petition, or providing a deed in lieu of foreclosure. If answered yes, the project cannot be counted towards the general partner/member experience total. However, explanation can be provided on page 15 of the Addendum I.

** If the project has any uncorrected 8823s that have been outstanding longer than 6 months, then that project cannot be counted towards the general partner/member experience total. However, explanation can be provided on page 15 of the Addendum I.

**ORDINANCE NO. _____________**

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF LANSING BY ADDING A NEW SECTION 888.___ FOR THE PURPOSES OF PROVIDING FOR A SERVICE CHARGE IN LIEU OF TAXES FOR ONE HUNDRED TWO (102) LOW INCOME MULTI-FAMILY DWELLING UNITS IN A PROJECT KNOWN AS CAMELOT HILLS, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

SECTION 1. That Chapter 888 of the Code of Ordinances of the City of Lansing, Michigan be amended to add a new Section 888.___ to read as follows:

888.___ CAMELOT HILLS

(A) *PURPOSE*. IT IS ACKNOWLEDGED THAT IT IS A PROPER PUBLIC PURPOSE OF THE STATE AND ITS POLITICAL SUBDIVISIONS TO PROVIDE HOUSING FOR ITS RESIDENTS OF LOW AND MODERATE INCOME AND TO ENCOURAGE THE DEVELOPMENT OF SUCH HOUSING BY PROVIDING FOR A SERVICE CHARGE IN LIEU OF PROPERTY TAXES IN ACCORDANCE WITH THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, BEING PUBLIC ACT 346 OF 1966, AS AMENDED [MCL 125.1401, ET SEQ.]. THE CITY IS AUTHORIZED BY SUCH ACT TO ESTABLISH OR CHANGE THE SERVICE CHARGE TO BE PAID IN LIEU OF TAXES BY ANY OR ALL CLASSES OF HOUSING EXEMPT FROM TAXATION UNDER SUCH ACT AT ANY AMOUNT IT CHOOSES, NOT TO EXCEED THE TAXES THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER

ACKNOWLEDGED THAT SUCH HOUSING FOR PERSONS OF LOW AND MODERATE INCOME IS A PUBLIC NECESSITY, AND AS THE CITY WILL BE BENEFITED AND IMPROVED BY SUCH HOUSING, THE ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE.

(B) *DEFINITIONS.*

(1) "*ACT*" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, BEING PUBLIC ACT 346 OF 1966, AS AMENDED.

(2) "*ANNUAL SHELTER RENTS*" MEANS THE TOTAL COLLECTIONS DURING AN AGREED ANNUAL PERIOD FROM ALL PERSONS OF LOW OR MODERATE INCOME, OCCUPYING THE HOUSING DEVELOPMENT REPRESENTING RENTS FOR OCCUPANCY, WHICH RENTAL AMOUNTS SHALL BE EXCLUSIVE OF CHARGES FOR GAS, ELECTRICITY, HEAT OR OTHER UTILITIES FURNISHED TO THE OCCUPANTS.

(3) "*AUTHORITY*" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY.

(4) "*HOUSING DEVELOPMENT " OR " DEVELOPMENT*" MEANS A DEVELOPMENT WHICH CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR PERSONS OF LOW AND MODERATE INCOME AND SUCH ELEMENTS OF OTHER HOUSING, COMMERCIAL, RECREATIONAL, INDUSTRIAL, COMMUNAL AND EDUCATIONAL FACILITIES AS THE AUTHORITY MAY DETERMINE WILL IMPROVE THE QUALITY OF THE DEVELOPMENT AS IT RELATES TO

HOUSING FOR PERSONS OF LOW AND MODERATE INCOME. FOR THE PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS CAMELOT HILLS, AND CONSISTS OF ONE HUNDRED TWO (102) UNITS OF RENTAL HOUSING LOCATED WITHIN LANSING AT ALL OF BRISHBIN PARK, EXCEPT LOTS 1, 2, AND 3, A SUBDIVISION OF A PART OF THE SOUTHWEST ¼ OF SECTION 4, TOWN 4 NORTH, RANGE 2 WEST, AND THE NORTHWEST ¼ OF SECTION 9, TOWN 4 NORTH, RANGE 2 WEST, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, ACCORDING TO THE RECORDED PLAT THEREOF AS RECORDED IN LIBER 36, PAGES 19 AND 20, INGHAM COUNTY RECORDS.

(5) "*HUD*" MEANS THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OF THE UNITED STATES GOVERNMENT.

(6) "*LOW INCOME HOUSING TAX CREDIT PROGRAM*" MEANS THE PROGRAM ESTABLISHED BY SECTION 42 OF THE UNITED STATES INTERNAL REVENUE CODE.

(7) "*LOW OR MODERATE INCOME*" MEANS LOW OR MODERATE INCOME ELIGIBILITY UNDER THE AUTHORITY ACT OR RULES.

(8) "*MORTGAGE LOAN*" MEANS A LOAN TO BE MADE BY A PRIVATE ENTITY AND INSURED BY HUD, OR A LOAN FROM THE AUTHORITY FOR THE FINANCING OF THE PURCHASE AND REHABILITATION OF THE HOUSING DEVELOPMENT.

(9) "*SPONSOR*" MEANS A PERSON OR OTHER ENTITY WITH A HOUSING DEVELOPMENT WHICH IS FINANCED OR ASSISTED PURSUANT TO THE ACT. FOR PURPOSES OF THIS SECTION, THE SPONSOR OF CAMELOT HILLS IS MHT HOUSING, INC., OR ITS SUCCESSORS OR ASSIGNS.

(10) "*UTILITIES*" MEANS FUEL, WATER, SANITARY SEWER AND/OR ELECTRICAL SERVICE, WHICH IS PAID FOR BY THE HOUSING DEVELOPMENT.

(C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

(1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF CAMELOT HILLS IN RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION AND UPON THE QUALIFICATION OF THE ONE HUNDRED TWO (102) UNITS OF HOUSING IN THE HOUSING DEVELOPMENT FOR EXEMPTION FROM ALL PROPERTY TAXES AS ESTABLISHED IN THIS SECTION.

(2) SUBJECT TO THE CONDITIONS AND REQUIREMENTS OF THIS SECTION AND THE ACT, THE ONE HUNDRED TWO (102) UNITS IN THE HOUSING DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS CAMELOT HILLS AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL BE EXEMPT FROM ALL PROPERTY TAXES FOR NOT MORE THAN THIRTY-FIVE (35) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2019.

(3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE ONE HUNDRED TWO (102) UNITS IN THE HOUSING DEVELOPMENT, THE SPONSOR SHALL PAY, AND THE CITY WILL ACCEPT, AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES, IN THE SUM EQUAL TO, FOUR PERCENT (4%) OF THE DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED AND UTILITIES.

(4) THE EXEMPTION PROVIDED UNDER THIS SECTION SHALL COMMENCE WHEN THE SPONSOR COMPLIES WITH SECTION 15A(1) OF 1966 PA 346, AS AMENDED, CODIFIED AS MCL 125.415A(1), WHICH PROVIDES: THE OWNER OF A HOUSING PROJECT ELIGIBLE FOR THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER (THE CITY ASSESSOR) A NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY THAT THE PROJECT IS ELIGIBLE FOR THE EXEMPTION. THE OWNER THEN SHALL FILE THE CERTIFIED NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE EXEMPTION IS TO BEGIN.

(5) IN ADDITION TO THE CERTIFICATION REQUIRED PURSUANT TO SUBSECTION (C)(4), THE SPONSOR SHALL PROVIDE FOR THE HOUSING DEVELOPMENT ANNUALLY IN WRITING TO THE CITY ASSESSOR FOR THE

PRECEDING YEAR IN WHICH THE PROPERTY TAX EXEMPTION WAS IN EFFECT:

A. THE ANNUAL AUDITED ACCOUNTING REPORT FOR THE PAYMENT IN LIEU OF TAXES; AND

B. A CERTIFIED STATEMENT IDENTIFYING ALL THE UNITS RENTED TO PERSONS OF LOW OF MODERATE INCOME; AND

C. IF REQUESTED BY THE CITY, PROOF THAT THE HOUSING DEVELOPMENT UNITS HAVE NOT INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM, UNLESS THE CITY HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION.

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

(E) *PAYMENT OF ANNUAL SERVICE CHARGE.* THE SERVICE CHARGE IN LIEU OF TAXES, AS ESTABLISHED UNDER THIS SECTION, SHALL BE PAYABLE IN THE SAME MANNER AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE MADE ON OR BEFORE JULY

1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH SUCH CHARGE IS CALCULATED.

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

(G) *DURATION*. THIS SECTION SHALL REMAIN IN EFFECT AND SHALL NOT TERMINATE FOR THIRTY-FIVE (35) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2019, PROVIDED THAT THE SPONSOR COMPLIES WITH THE REQUIREMENTS OF THE ACT AND THIS SECTION, AND FURTHER PROVIDED THAT THE HOUSING DEVELOPMENT CONTINUES TO BE RENTED TO LOW OR MODERATE INCOME PERSONS AT RENTS DETERMINED UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM, AS THE SAME MAYBE FURTHER AMENDED OR SUPERSEDED, OR THERE IS AN AUTHORITY-AIDED OR FEDERALLY-AIDED MORTGAGE ON THE HOUSING DEVELOPMENT AS PROVIDED IN THE ACT, OR THE AUTHORITY OR HUD HAS AN INTEREST IN THE PROPERTY; BUT IN NO EVENT BEYOND DECEMBER 31, 2054. IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE OF THE ONE HUNDRED TWO (102) UNITS OF HOUSING WITHIN THE DEVELOPMENT WITHOUT THE CONSENT OF THE CITY OF LANSING, BY AND THROUGH ITS REPRESENTATIVES, AND IN ACCORDANCE WITH THE REQUIREMENTS OF THE

LANSING CITY CHARTER, THIS SECTION SHALL AUTOMATICALLY EXPIRE AND BE OF NO EFFECT.

SECTION 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they pertain to Camelot Hills.

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 so declared to be valid.

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

Approved as to form:

__________________________________
James D. Smiertka, City Attorney
Dated: ________________________

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# 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-1-2017: 4215 N. Grand River Avenue, Rezoning from “D-1” Professional Office 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.

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, , 2018, 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-1-2017: 4215 N. Grand River Avenue, Rezoning from "D-1" Professional Office to "F" Commercial District

CITY OF LANSING
NOTICE OF PUBLIC HEARING

**Z-1-2017, 4215 N. Grand River Avenue**
Rezoning from "D-1" Professional Office District to "F" Commercial District

The Lansing City Council will hold a public hearing on Monday, , 2018 at 7:00 p.m. in Council Chambers, 10th Floor, Lansing City Hall, 124 W. Michigan Avenue, Lansing, Michigan to consider Z-1-2017. This is a request by First Class, Inc. to rezone the property at 4215 N. Grand River Avenue from "D-1" Professional Office District to "F" Commercial District. The purpose of the rezoning is to permit commercial use of 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, , 2018 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

## GENERAL INFORMATION

| | |
|---|---|
| APPLICANT: | Emerge Holding Company<br>P.O. Box 4901<br>East Lansing, MI 48826 |
| OWNER: | Oliver Building, LLC<br>6414 Delta River Drive<br>Lansing, MI 48906 |
| REQUESTED ACTIONS: | Rezone 4215 N. Grand River Avenue from "D-1" Professional Office to "F" Commercial District |
| EXISTING LAND USE: | Vacant Building |
| EXISTING ZONING: | "D-1" Professional Office District |
| PROPOSED ZONING: | "F" Commercial District |
| PROPERTY SIZE: | 60' x 150'= 9,000 square feet - .2 acres |
| SURROUNDING LAND USE: | N: Office/Industrial<br>S: Single Family Residential<br>E: Retail Convenience Store<br>W: Multiple Family Residential |
| SURROUNDING ZONING: | N: "H" Light Industrial District<br>S: "A" Residential District<br>E: "F" Commercial & "J" Parking Districts<br>W: "D-1" Professional District |
| MASTER PLAN: | The Design Lansing Comprehensive Plan designates the subject property for "Suburban commercial" land use. N. Grand River is designated as a principal arterial. |

DESCRIPTION:

**Z-1-2017.** This is a request by Emerge Holding Company to rezone the property at 4215 N. Grand River Avenue from "D-1" Professional Office District to "F" Commercial District. The purpose of the rezoning is to permit commercial use of the subject property.

The subject property is currently being used for a medical marijuana dispensary. Since the property is zoned "D-1" Professional Office, the dispensary is in violation of the newly adopted ordinance regulating such uses. The applicant has applied for a license to operate a dispensary on the subject property and will be eligible for consideration if the rezoning is approved.

## AGENCY RESPONSES

| | |
|---|---|
| BWL: | |
| Building Safety: | The Building Safety Office has no objections. Permit(s) may be required for alterations and/or change of use. |
| Development Office: | Development has no comment. |
| Fire Marshal: | |
| Parks & Recreation: | No comments. |
| Public Service: | Any changes in use that has a significant increase in water and sewer use should notify public service to ensure there is sewer capacity available. Any redevelopment of the site with significant site changes will require a site plan review. |
| Traffic Engineer: | The Transportation and Non-Motorized Section has no comments regarding the rezoning. The Applicant should be aware that any changes proposed to the driveway will require MDOT approval |

## COMPATIBILITY WITH SURROUNDING LAND USE:

The subject property contains a 1,800 square foot commercial building and is located in an area that is characterized by commercial, quasi-industrial, office and multiple family residential land uses. The adjacent property to the east is already zoned "F" Commercial and therefore, the proposed rezoning will not result in a "spot zone". Furthermore, while the subject property adjoins a residential neighborhood to the south, given the layout of the site, all of the activity will be confined to the area north of the building. Thus, the residences to the south will be shielded by the building from any negative impacts (noise, light glare, etc.) that could be generated by a commercial use.

Most of the properties on the south side of N. Grand River between Andrea and Grandell Avenue are currently zoned "D-1" Professional Office. N. Grand River, however, is classified as a "principal arterial" and is one of only seven in the entire City. From a planning perspective, commercial uses should primarily be concentrated along principal arterials as they are designed to carry the highest volumes of traffic. Office uses, by contrast, which typically do not generate nearly as much traffic as commercial uses, should primarily be concentrated along minor arterials. The proposed rezoning from "D-1" Professional Office to "F" Commercial is therefore, consistent with proper land use planning principles.

## COMPLIANCE WITH MASTER PLAN:

The Design Lansing Comprehensive Plan designates the subject property for "Suburban Commercial" land use. The Plan specifies the following for this land use classification:

> "To allow for general retail and commercial use, including large footprint and automobile-oriented uses, in a suburban development format that also encourages a mix of uses and accommodates pedestrians, cyclists and transit users."

The Design Lansing Comprehensive Plan establishes the following placemaking characteristics for the "Suburban Commercial" land use category:

> "Buildings located close to the street (with parking located to the side and rear) should be encouraged at major intersections; otherwise, parking should be permitted between buildings and the street. Buildings should be oriented toward the street with a clearly-defined primary entry. Landscaped setbacks should be required to screen parking from the street. Interior parking lot landscaping should be required to provide pedestrian access routes, define vehicular circulation patterns and provide for tree planting and stormwater management. Shared driveways and connections between parking lots on adjacent parcels should be encouraged to limit driveway curb cuts. Sidewalks should be required."

The "F" Commercial district is the most appropriate zoning designation to facilitate the "Suburban Commercial" land use development strategy being advanced in Design Lansing Master. It allows for restaurants, retail stores, gasoline stations, car washes and other general commercial uses as well as automobile-oriented site design regulations. In addition, the current layout of the site is consistent with the placemaking characteristics described above.

## IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC:

The proposed rezoning will have no impact on vehicular or pedestrian traffic. The only access to the site is via N. Grand River Avenue which is a principal 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:

As depicted on the attached zoning map, the site directly east of the subject property is currently zoned "F" Commercial and therefore, the request will not result in a "spot zone". There is also "F" Commercial zoning to the northwest. The property directly north of the subject property is zoned

"H" Light Industrial which district permit all commercial land uses. Given the surrounding zoning pattern, if the rezoning were to be denied, it would deprive the property owner of land use rights that are already afforded to many other property owners in the vicinity of the subject property.

## SUMMARY

**Z-1-2017.** This is a request by Emerge Holding Company to rezone the property at 4215 N. Grand River Avenue from "D-1" Professional Office District to "F" Commercial District. The purpose of the rezoning is to permit commercial use of the subject property.

The findings of fact as outlined in this staff report support a positive recommendation for the requested rezoning. The proposed rezoning will be consistent with the existing zoning and land use patterns in the area and with the future land use pattern being advanced in the Design Lansing Comprehensive Plan. Additionally, the proposed rezoning will have no negative impacts on traffic patterns, the environment or future patterns of development in the area.

## RECOMMENDATIONS

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

> Z-1-2017 be approved to rezone the property at 4215 N. Grand River Avenue from "D-1" Professional Office District to "F" Commercial District.

**Respectfully Submitted,**

**Susan Stachowiak**
**Zoning Administrator**

## ADDENDUM TO PETITION FOR RE-ZONING BY APPLICANT FIRST CLASS, INC.

**December 15, 2017**

**If so, please describe and/or explain the specific land use proposed for this property:**

Applicant will apply for licenses under MCL §§ 333.27101 et seq., and is currently applying for licenses under the Lansing Code of Ordinances §§ 1300.01 et seq. Applicant intends to operate a medical marijuana provisioning center in full compliance with all state and local laws and ordinances. *See also* attached Certificate of Occupancy (for Subject Property).

**Explain what changes or changing conditions make the passage of this rezoning necessary:**

Lansing Code of Ordinances § 1268.02(l) provides that in an F or F-1 Commercial District, the following principal use is permitted, "[a] medical marihuana establishment, as specified in Chapter 1300." (Ord. No. 735, 11-24-86; Ord. No. 1168, § 1, 6-27-11).

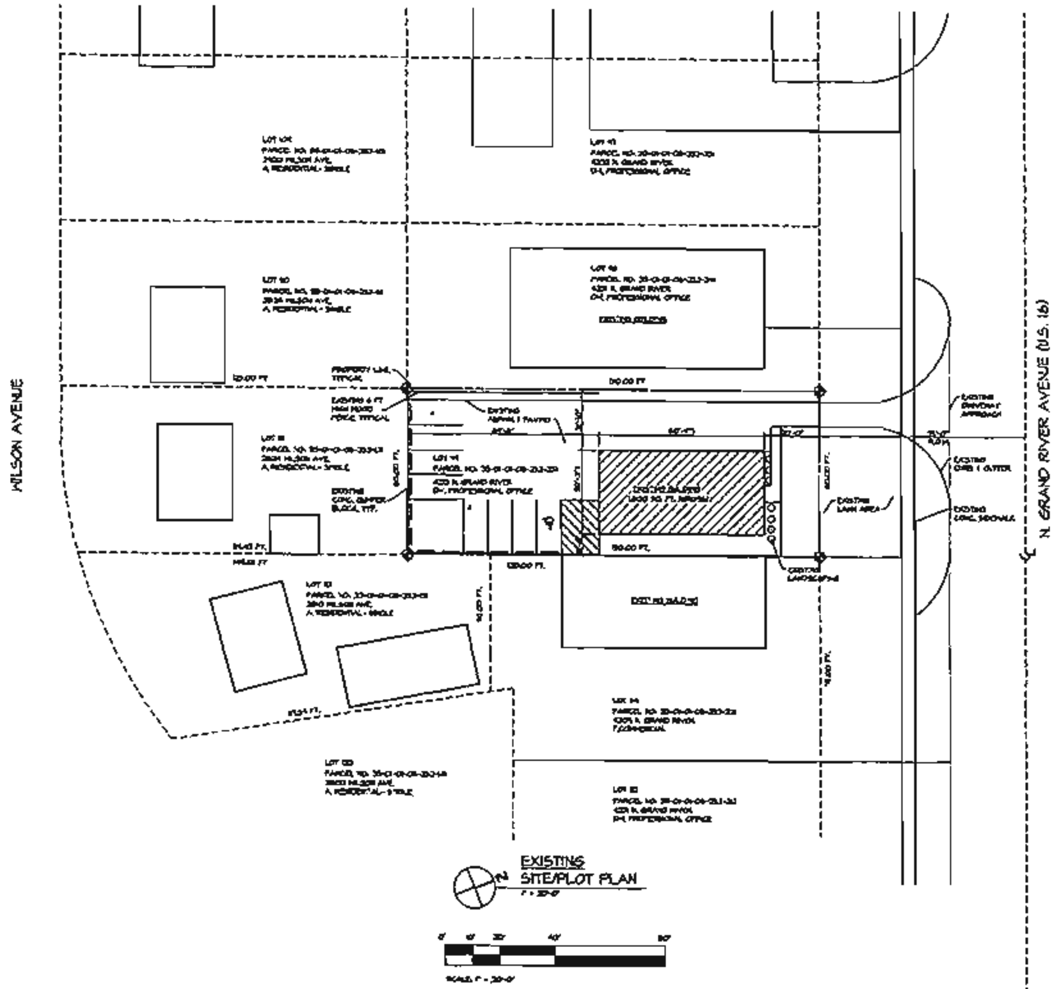
As explained, Applicant intends to apply for licenses and thereafter operate a lawful medical marijuana establishment; however, the property must be re-zoned from D-1 to F or F-1 to be compliant with the Lansing Code of Ordinances, thus necessitating this proposal.

**Comment on other circumstances which justify the amendment:**

The instant zoning amendment is justified because it is consistent with adjacent land uses and the Design Lansing Comprehensive Plan. Adjacent to the Subject Property is a small grocery and convenience store, zoned F (parcel 252-221-4209).

In addition, the proposed amendment is compliant with key aspects of the Design Lansing Comprehensive Plan. For example, the "Future Land Use" Map designates the Subject Property as "Suburban Commercial", as does the "Economic Concepts for Change" Map. The Comprehensive Plan describes Suburban Commercial uses as including retail and automobile uses, primarily. *See* Comp. Plan., pg. 60 ("In addition to retail and automobile-oriented uses, higher-density residential, office, research and light industrial should be encouraged on suburban commercial corridors, especially those that serve as major transit corridors (see Chapter 6. Transportation."). Thus, the proposal to re-zone the Subject Property to a Commercial District is consistent with the economic development and land uses contemplated by Comprehensive Plan.

As a final matter, Applicant observes that one of the many goals of the Comprehensive Plan is to enhance green space and soften the visual impact of large paved areas. Although Applicant's parking lot is already behind the building, to the extent Applicant can further the City's goal with the City's preferred design modifications, the Applicant will do so.

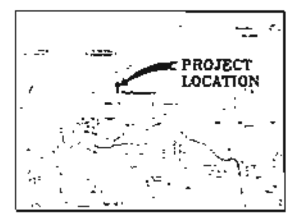



EXISTING SITE/PLOT PLAN

## NOTES

## PROJECT INFORMATION

## LEGAL DESCRIPTION




LOCATION MAP

SHEET INDEX

JOHN K. COSTA, AIA
ARCHITECTURAL DESIGN & CONSULTATION, PLLC

EXISTING COMMERCIAL BUILDING

4216 NORTH GRAND RIVER AVE, LANSING MI 48906

SITE/PLOT PLAN AND NOTES

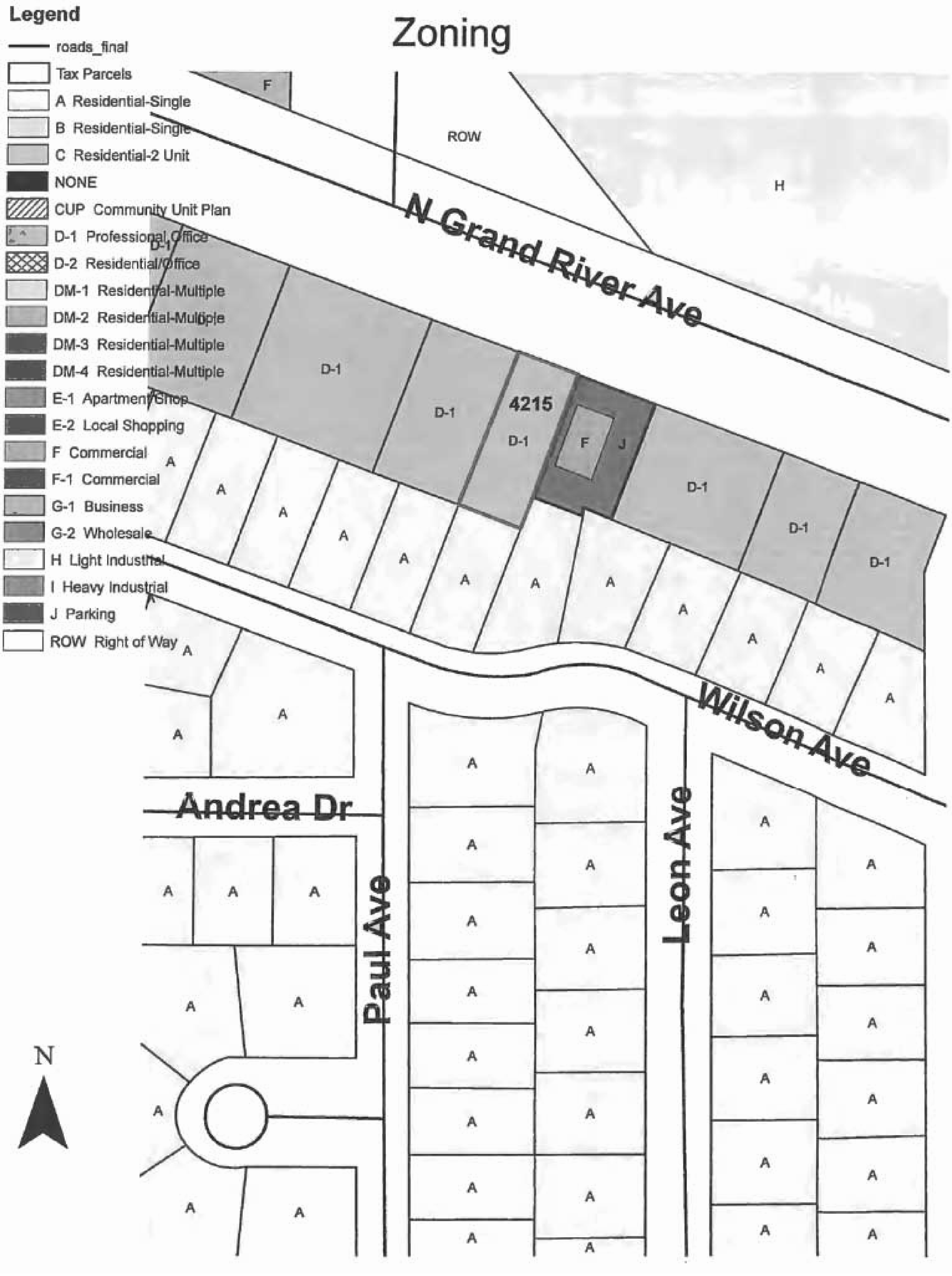
A0


FOR LEASE


LIQUOR
WIC
BEER
WINE


N Grand River Ave
4215
N

# Zoning


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
N Grand River Ave
Wilson Ave
Andrea Dr
Paul Ave
Leon Ave
ROW
H
F
4215
D-1
F
J
A
N

ORDINANCE # _______

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

The City of Lansing ordains:

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

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

| | |
|---|---|
| Case Number: | Z-1-2017 |
| Parcel Number's: | 33-01-01-06-252-231 |
| Legal Descriptions: | Lot 99, Northwestern Subdivision No 3, City of Lansing, Ingham County, MI, from "D-1" Professional Office 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 _________, 2018, 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.