AGENDA
Committee on Development and Planning
Special Meeting
Monday, November 26, 2018 @ 5:00 p.m.- note time
Council Conference Room, 10th Floor

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

- November 19, 2018

4. Discussion/Action:

A.) RESOLUTION – Brownfield Plan # 75; 600 E. Michigan Avenue-Lansing LLC; 600 E. Michigan Avenue

B.) RESOLUTION – Brownfield Plan #54 Amendment 1; Y-Site LLC, 301 W. Lenawee Street

5. Other

6. Adjourn

PUBLIC COMMENT AND SIGN IN SHEET

COMMITTEE Development & Planning - Special Meeting DATE Nov 26, 2018

Please print

NAME	ADDRESS	Purpose for Attending	Email Address	PHONE
Elaine Womboldt	RSL	Developments		
Jessica DeBone	~~3300~~ 3340 Ranger Rd	Capital City Market	deborne@pmenv.com	517-303-4167
Madyson Lawrence		listening to plan	mlly	
KATHY MILES		RSL		
Brian Lefler	124 W Allegan	Capital City Mkt	blefler@crwbard.com	517-371-2607
Pat Gillespie	330 Marshall	cap city mkt	pgillespie@gillespiegroup.com	333-4123
Eric Helzer	P.O. Box 201 Eagle MI 48822	METRO PLACE	ephelzer@msn.com	5176482434
JULIE LAWTON - ESSA	2152 COMMONS PKWY OKEMOS	METRO PLACE	JLAWTON@LAWTONGROUP.COM	517-332-1111

DRAFT

MINUTES
Committee on Development and Planning
Monday, November 19, 2018 @ 4:30 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Council Member Hussain called the meeting to order at 4:30 p.m.

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

OTHERS PRESENT
Sherrie Boak, Council Staff
Greg Venker, Assistant City Attorney
Bill Rieske, Economic Development & Planning

PUBLIC COMMENT
No public comment.

MINUTES
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM NOVEMBER 5, 2018 AS PRESENTED. MOTION CARRIED 3-0.

DISCUSSION/ACTION
RESOLUTION – ACT-6-2018; Vacate LaBelle Street west of Edgewood Blvd.
Mr. Rieske clarified that, as shown in the maps, the proposed street is an undeveloped right-of-way and the business Complete Hitch owns areas on both sides of the undeveloped Labelle. The Committee reviewed the maps.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR ACT-6-2018. MOTION CARRIED 3-0.

Adjourn
Adjourned at 4:35 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on________________

Capital City Market

GILLESPIE GROUP

THANK YOU!

GILLESPIE GROUP

AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS AGREEMENT in Consideration of Development Incentives ("Agreement") is made and entered this ______day of ________________, 2018, by and between the City of Lansing, Michigan, a Michigan municipal corporation ("City"), and 600 E. Michigan-Lansing, LLC, a Michigan limited liability company ("Applicant"), (collectively the "Parties");

I. STATEMENT OF PURPOSE:

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

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

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

II. DEFINITIONS

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

"Incentive" means a reduction in City taxes levied on real or personal property, or other financial benefit to Applicant, for a limited number of years as specified in this Agreement, and which may include, but is not limited to, those tax reductions or other financial benefits authorized by the Obsolete Property Rehabilitation Act (Public Act 146 of 2000, as amended), Neighborhood Enterprise Zone Act (Public Act 147 of 1992, as amended), Brownfield Redevelopment Financing Act (Public Act 381 of 1996, as amended), Plant Rehabilitation and Industrial Development Districts (Public Act 198 of 1974, as amended) and the New Personal Property Tax Exemption authorized by Public Act 328 of 1998.

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

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

III. RECITALS:

A. APPLICANT/PROJECT INFORMATION

Name of Project: Capital City Market

Business Name of Applicant *(if applicable):* 600 E. Michigan-Lansing, LLC

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

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

Patrick K. Gillespie Trustee of the Patrick K. Gillespie Trust U/A/D 7/30/1999	99%
Gillespie Group Manager, Inc.	1%

Gillespie Group Manager, Inc. is the Manager of 600 E. Michigan-Lansing, LLC

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

Act 381 Brownfield	30 Years
Alternative: City Supported DEQ Loan	15 Years

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

Michigan Strategic Fund Community Revitalization Program Grant ($1,500,000)

Michigan Department of Environmental Quality Grant and/or Loan (up to $2,000,000)

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

Applicant agrees to furnish commitment letter(s)

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

15 FTE by the hotel and urban grocery that are part of the Project (in addition to several temporary construction and part-time jobs)

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

$41,500,000 as described in Brownfield Plan #75

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

$10.00 per hour

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

(initial spaces below to indicate acceptance)

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

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

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

P.D ________ Applicant acknowledges and agrees that all employees, contractors and sub-contractors related to this Project must pay all City individual income tax. Applicant agrees to put language to that effect in all contracts, and require contractors and sub-contractors to put language to that effect in their contracts.

P.D ________ Applicant agrees to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all of Applicant's employees.

P.D ________ Applicant agrees that all contractors and sub-contractors will be instructed that they are to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees.

C. LEDC STAFF/ADMINISTRATION RECOMMENDATION

Name of Lead Staff Person: Karl R. Dorshimer

Revenue currently paid to the City by the site or project: $ 1,055,098

Estimated total revenue to the City upon Project Completion: $ 2,496,964

Estimated total value of City Incentive(s): $ 2,995,174

Estimated total new net revenue to the City: $ 1,233,917

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

The Project Area has extensive environmental contamination and site conditions that add significant cost to its redevelopment. The Brownfield plan will help alleviated most of these extraordinary costs and make the redevelopment economically feasible. The City and TIFA will enjoy additional tax revenue and jobs and the underutilized property will become a much-needed urban market, hotel and residential building that will be a catalyst for additional downtown development.

Project Timeline: June 30, 2019 to September 30, 2021

Have all appropriate City Incentive fees been received? YES NO

Staff Recommendation: APPROVE DENY MODIFY

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

Administration Recommendation: APPROVE DENY MODIFY

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

D. ADDITIONS:

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

2. The Applicant has applied for Incentive for the purpose of redeveloping a brownfield at the site generally known as 600 E. Michigan Avenue, Lansing, into a four-story mixed used project consisting of an urban market, a hotel and market rate residential apartments. The building will have an approximate 48,000 square foot footprint (i.e. first floor area) with just under 35,000 square feet on each of the additional floors ("Project"). The hotel and urban grocery that are part of the Project are expected to hire at least 15 new full-time equivalent employees (FTE). Additionally, the Project is estimated to have a total investment in real property of at least $41,500,000 as set forth in Brownfield Plan #75 and personal property of at least $25,000, when completed.

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

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

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

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

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

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

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

IV. AGREEMENT:

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

A. Reliance on Recitals

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

B. Project Area

The location of the Project is commonly known as 600 E. Michigan Avenue, Lansing, MI ("Project Area") and legally described as follows:

The location of the Project is commonly known as 600-636 E. Michigan Avenue, 117 S. Larch Street, 145-147 S. Larch Street and 601-637 Barnard Street, Lansing Michigan ("Project Area") and legally described on the following page:

[Remainder of page intentionally left blank]

PLOT PLAN

For:
Gillespie Group
600 E. Michigan-Lansing, LLC
330 Marshall Street
Lansing, MI 48912

Survey Address:
600 Michigan Avenue
Lansing, MI 48912

Legal Description: A parcel of land in Block 242, Original Plat, City of Lansing, Ingham County, Michigan, as recorded in Liber 2 of Plats, Page 36, Ingham County Records, Connard's Subdivision on Lot 1, Block 242, Original Plat, City of Lansing, Ingham County, Michigan, as recorded in Liber 1 of Plats, Page 31, Ingham County Records, and in Barnard's Subdivision on Lots 2, 3 and 4, Block 242, Original Plat, City of Lansing, Ingham County, Michigan, as recorded in Liber 1 of Plats, Page 32, Ingham County Records, the surveyed boundary of said parcel described as: Beginning at the Northwest corner of said Connard's Subdivision; thence S89°25'55"E along the North line of said Connard's Subdivision 425.18 feet (recorded as 425.04 feet) to the Northeast corner of said Connard's Subdivision; thence S00°06'32"W along the East line of said Connard's Subdivision, the East line of said Block 242, and the East line of said Barnard's Subdivision 521.16 feet to the Southeast corner of Block 1, said Barnard's Subdivision; thence N89°29'27"W along the South line of said Block 1 a distance of 429.20 feet (recorded as 429.00 feet) to the Southwest corner of said Block 1; thence N00°33'03"E along the West line of said Barnard's Subdivision 121.50 feet to the Northwest corner of Block 1 of said Barnard's Subdivision; thence S89°28'38"E along the North line of said Block 1 of Barnard's Subdivision 135.00 feet to the East line of the West 135 feet of Lot 2, said Block 242; thence N00°33'02"E along said East line 78.23 feet to the South line of the North 8 feet of said Lot 2, Block 242; thence S89°18'57"E along said South line 30.00 feet to the Southerly extension of the East line of Lot 23, said Connard's Subdivision; thence N00°33'03"E along said Southerly extension of the East line of said Lot 23 and the East line of Lots 23, 22, 21, and 20, said Connard's Subdivision 179.36 feet to the South line of the North 16.50 feet of said Lot 20; thence N89°26'46"W along said South line 165.00 feet to the West line of said Connard's Subdivision; thence N00°33'03"E along said West line 142.49 feet to the point of beginning; said parcel containing 4.19 acres more or less; said parcel subject to all easements and restrictions if any.

KEBS, INC. KYES ENGINEERING BRYAN LAND SURVEYS
2116 HASLETT ROAD, HASLETT, MI 48840
PH. 517-339-1014 FAX. 517-339-8047
13432 PRESTON DRIVE, MARSHALL, MI 49068
PH. 269-781-9800 FAX. 269-781-9805

CRAWN BY KDB	SECTION 16, T4N, R2W
FIELD WORK BY ----	JOB NUMBER:
SHEET 2 OF 2	92950.BND-PLT

C. Project Timeframe.

The Applicant and City agree the City's approval of the Incentive is based upon completion of the Project within a specific time period ("Project Timeframe"). The Project Timeframe starts on or before June 30, 2019 and ends on or before September 30, 2021.

D. Project Completion

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

1. At least 15 new, permanent full-time equivalent employees (FTE) will be hired by the hotel and the urban grocery that are part of the Project.

2. Purchase and/or locate within the Project Area, personal property with a fair market value of at least $25,000. This personal property may not be moved to the Project Area from another location within the City of Lansing.

3. Make at least $21,500,000 of improvements to the real property. Improvements include only hard costs, and exclude architectural and engineering costs.

4. Obtain all necessary building permits and site plan approvals, including payment of all required fees, plus final inspections including a Certificate of Occupancy from the City of Lansing and all other appropriate authorities and agencies.

5. Upon Project Completion, the applicant will provide to the LEDC, upon request, any and all appropriate financial records that are referenced as part of this Agreement.

6. Project Completion must be performed on or before September 30, 2021.

E. Project Completion Progress Reports

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

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

F. Verification of Project Completion

No later than thirty (30) days after the end of the Project Timeframe, the Applicant shall provide in writing to the LEDC a Final Project Completion Report ("Final Report") with proof of Project Completion. Acceptable forms of proof may include, as directed by LEDC, proof of employment, proof of paid invoices, executed and filed tax documentation, final financing documents and similar material which confirm original financial data, engineering and architectural "as-built" drawings, photographs, and other like evidence of completion of the Project in the Project Area. If at any time during the Project Timeframe the Applicant completes the Project as agreed upon in Section (4), the Applicant may submit the Final Project Completion Report to the LEDC.

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

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

H. Failure to Pay Tax Applicable to Personal Property

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

I. Failure to Pay Tax Applicable to Real Property

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

J. City's Rights under Act

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

K. Ambiguity

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

L. Rights and Remedies Cumulative

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

M. Right In Third Parties

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

N. Severability

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

O. Subsequent Waivers

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

P. Termination

This Agreement terminates on or before December 31, 2054 or upon the written agreement of the parties.

Q. Authority.

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

[Remainder of page intentionally left blank]

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

WITNESSES:

600 E. MICHIGAN-LANSING LLC:

By: Patrick K. Dillon

Its: Authorized Representative

CITY OF LANSING:

By:______________________
Andy Schor

Its: Mayor

LANSING ECONOMIC DEVELOPMENT CORPORATION:

By:______________________
Karl R. Dorshimer

Its: Representative

Approved as to form:

____

City Attorney

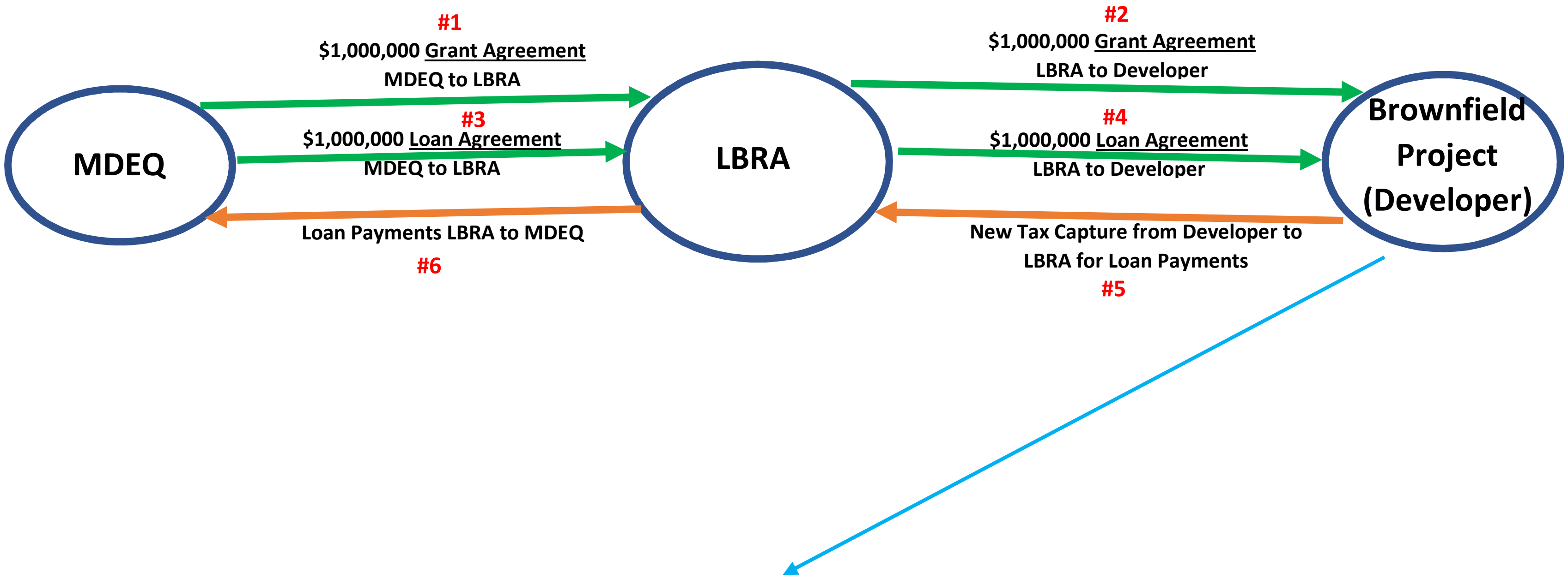
I hereby certify that funds are available in Account No.:______________

____

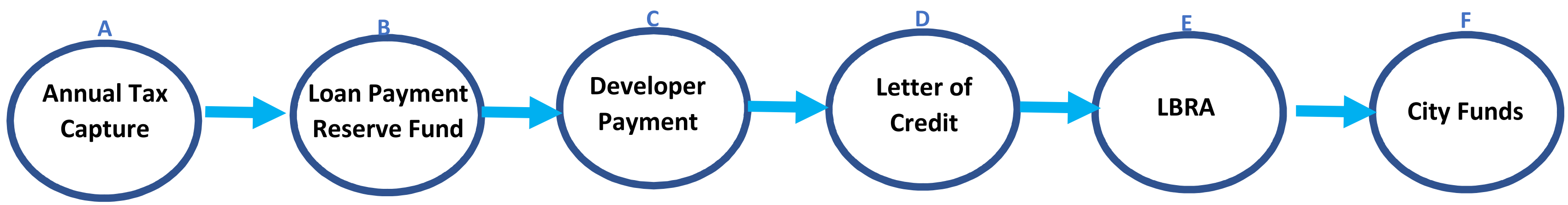
City Controller

4823-9344-1653.12

Capital City Market - Flow of Grant and Loan Funds



Layers of Loan Security Provided by Developer in Loan Agreement to LBRA



Proposed Approval Schedule

Plan #75 - Capital City Market

Oct 5	Plan Approved by LBRA Board
Oct 18	Plan and supporting documents sent to Mayor’s Office
Oct 22	Received and referred to Committee by the City Council
Nov 5 (4:00 pm)	Development and Planning Committee approves Public Hearing Request
Nov 5 (7:00 pm)	City Council sets Public Hearing for November 19
Nov 19 (7:00 pm)	Public Hearing held at Council meeting
Nov 26 (6:00 pm)	Development and Planning Committee approves Brownfield Plan (Special Meeting)
Nov 26 (7:00 pm)	Council Approves Brownfield Plan

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING BROWNFIELD PLAN #75
CAPITAL CITY MARKET REDEVELOPMENT PROJECT

WHEREAS, the Brownfield Redevelopment Authority (the 'Authority') of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the 'Act') has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Brownfield Plan #75 – Capital City Market Redevelopment Project (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on November 19, 2018 and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on October 19, 2018 reviewed testimony and evidence regarding the Plan, and found that:

1. the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority,

2. the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property,

3. the Project may result in new private investment of approximately $41.5 million.

4. the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible actives they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on October 5, 2018, unanimously recommended approval of the Plan, for this Project; and

WHEREAS, the City of Lansing Department of Economic Development and Planning has determined the proposed Project is consistent with local development and redevelopment plans and zoning ordinances, and

WHEREAS, the Lansing Brownfield Redevelopment Authority (the 'Authority'), and 600 East Michigan-Lansing, LLC, (the 'Developer') have entered into a Secured Loan Agreement (Attachment A).

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

- The Plan constitutes a public purpose under the Act;
- The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;
- The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act; and
- The amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable; and
- The proposed project is consistent with local development and redevelopment plans and zoning ordinances as has also been determined by the City of Lansing Department of Economic Development and Planning.

BE IT FURTHER RESOLVED that consistent with and conditioned upon the Developer honoring its obligations in the Secure Loan Agreement, the Lansing City Council commits to repayment of Michigan Department of Environmental Quality funds loaned to the Authority and Developer pursuant to Section 196 of Michigan Act 451 of 1994 (the Natural Resources and Environmental Protection Act)

IT IS FINALLY RESOLVED that the Lansing City Council hereby approves the LBRA 'Brownfield Plan #75 – Capital City Market Redevelopment Project'.

Lansing Brownfield Redevelopment Authority

Metro Place Project (Formerly Reutter Park Place) Brownfield Redevelopment Plan

301 W. Lenawee Street
Lansing, Michigan

Brownfield Plan #54
Amendment No. 1

Revised October 1, 2018

Prepared with assistance from:
ADVANCED REDEVELOPMENT SOLUTIONS
PO Box 204
Eagle, MI 48822
Contact: Eric P. Helzer, EDFP
Phone: (517) 648-2434

Approved by the LBRA – October 5, 2018
Approved by the Lansing City Council – ________ ____, 2018

Table of Contents

INTRODUCTION

This Amendment No. 1 to the City of Lansing (the "City") and Lansing Brownfield Redevelopment Authority (the "Authority") Brownfield Redevelopment Plan No. 54 (the "Plan") for property at 301 W. Lenawee Street, originally adopted on June 13, 2011 by the City of Lansing City Council (the "City Council") after adoption by the Authority on May 6, 2011, has been adopted to promote the redevelopment of and investment in "Brownfield" properties within the City identified in the Plan. The Plan facilitated financing of eligible activities at eligible properties, and also provided tax incentives to eligible taxpayers willing to invest in revitalization of eligible property, commonly referred to as "Brownfields" that are either environmentally contaminated (a "facility"), blighted property, historic resource or deemed functionally obsolete property. By facilitating redevelopment of Brownfield properties, this Plan promoted economic growth for the benefit of the City and all taxing units located within and benefited by the Authority.

A. BACKGROUND AND OVERVIEW

The City Council adopted the original Plan No. 54 (also known as Reutter Park Place, now called Metro Place) on June 13, 2011 (Exhibit B). Since adoption of the original Plan, Y Site, LLC (the "Developer") has invested over $2.2 million at the Eligible Property in the Plan and has completed or begun the following: completed engineering design; completed full stamped construction drawings and specifications; completed full and complete financing which has closed and is funded; completed asbestos abatement; received all demolition and construction permits; commenced utility work, and; commenced demolition.

This Plan Amendment No. 1 is necessary to allow for Brownfield Plan No. 54 to fulfill its original intent, allow for the Project's tax increment financing structure to be satisfied by maintaining the originally contemplated 12-year duration of tax increment revenue capture, extend time to complete the eligible activities, and to recognize the change in project scope/clarify the Project's changes since the original Plan's adoption. Additionally, this Plan Amendment No. 1 will not negatively impact or change the validity of Brownfield Redevelopment Plan No. 54 in any way as adopted by the City Council on June 13, 2011.

In furtherance of these purposes, the original Plan is hereby amended as set forth herein. All references in the original Plan are to remain unchanged (no changes), unless specified otherwise in this Amendment No.1.

B. AMENDMENT NO.1 OF ORIGINAL PLAN

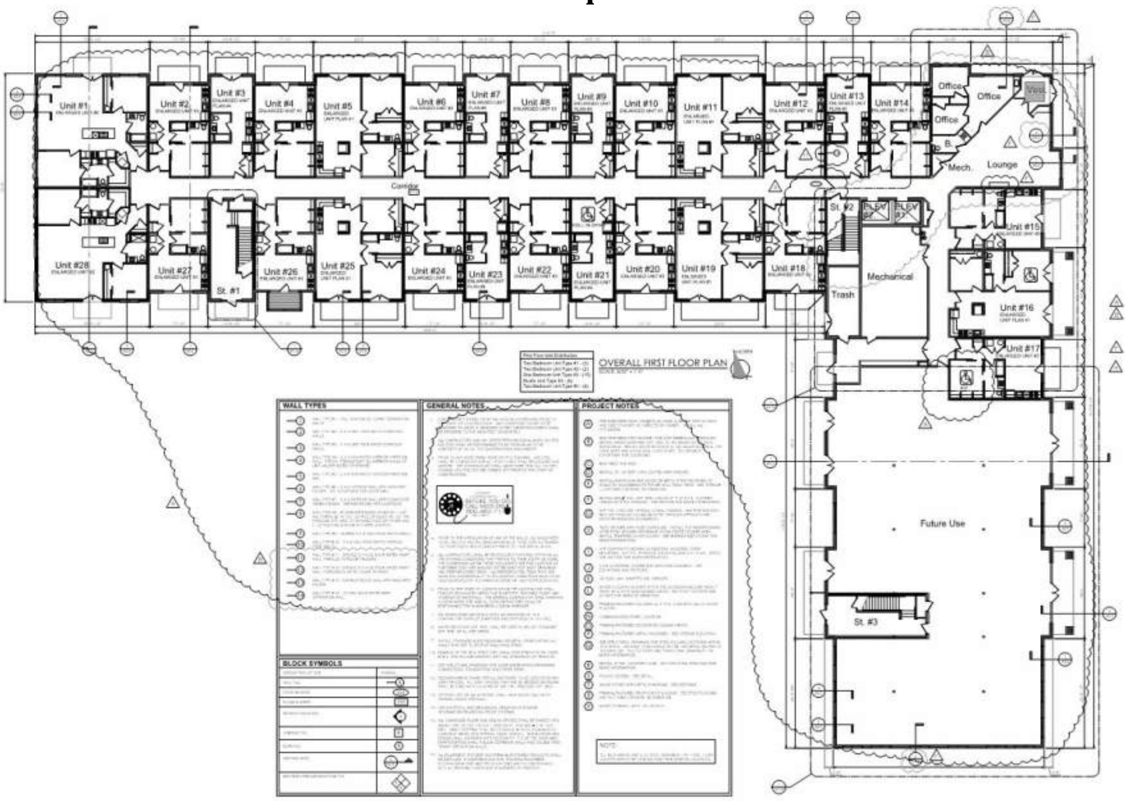
1. **Site Location & Floor Plan.** The below figures amend and replace the original content in the Plan as follows.

Now called: "Metro Place"

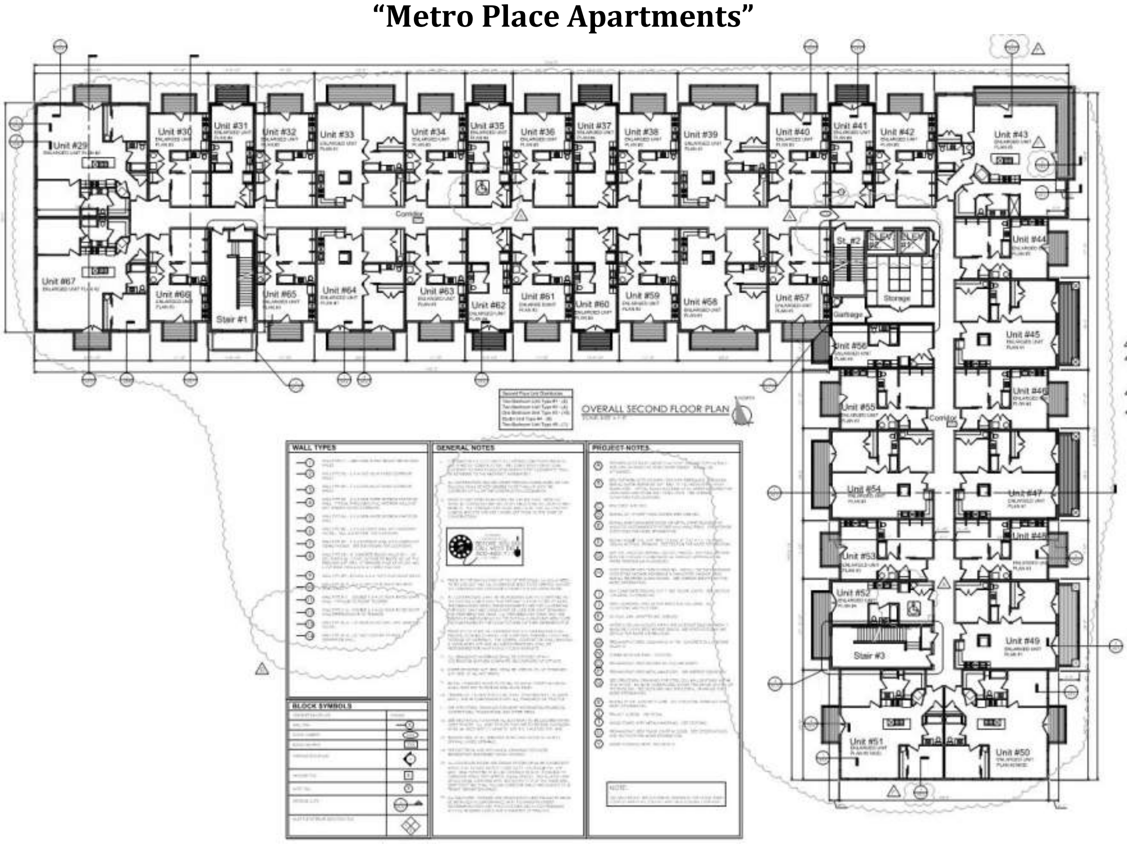
Existing YMCA Before Demolition

Project After Redevelopment
"Metro Place Apartments"

First Floor Plan
"Metro Place Apartments"



Second Floor Plan (3rd and 4th Floors Similar)
"Metro Place Apartments"



2. **Project Summary Sheet.** The below text shall replace the original content in the Plan as follows.

Project Name:	Metro Park Place
Property Location:	301 W. Lenawee Street, Lansing, Michigan
Project Description:	This Amendment No. 1 does not materially change the project from the originally planned project. With completed development plans and construction drawings, the Project now consists of a four-story mixed-use development totaling approximately 122,130 gross square-feet, including 145 loft apartment units and approximately 6,925 square feet of commercial and retail space on the ground level. For the sake of clarity, the below summary is an accurate description of the project.
Developer:	Y Site, LLC
Developer Investment:	Total capital investment has increased from $20 million to an estimated $25 million due to this project being completed under federal prevailing wage requirements and the dramatic rise in construction and labor costs. This is including $2,770,500 of eligible brownfield activities.

Estimated Job Creation/Retention:
The project is expected to create 25 permanent, full-time jobs, with an average hourly wage of $15.00. Numerous prevailing wage construction jobs will also be created.

Estimated Duration of Plan Capture:
12 years (2020 thru 2031).

Estimated Duration of Plan:
21 years (2011 thru 2031) estimated.

Property Taxes Generated by Project Over 12 Year Capture Period 2020 thru 2031:

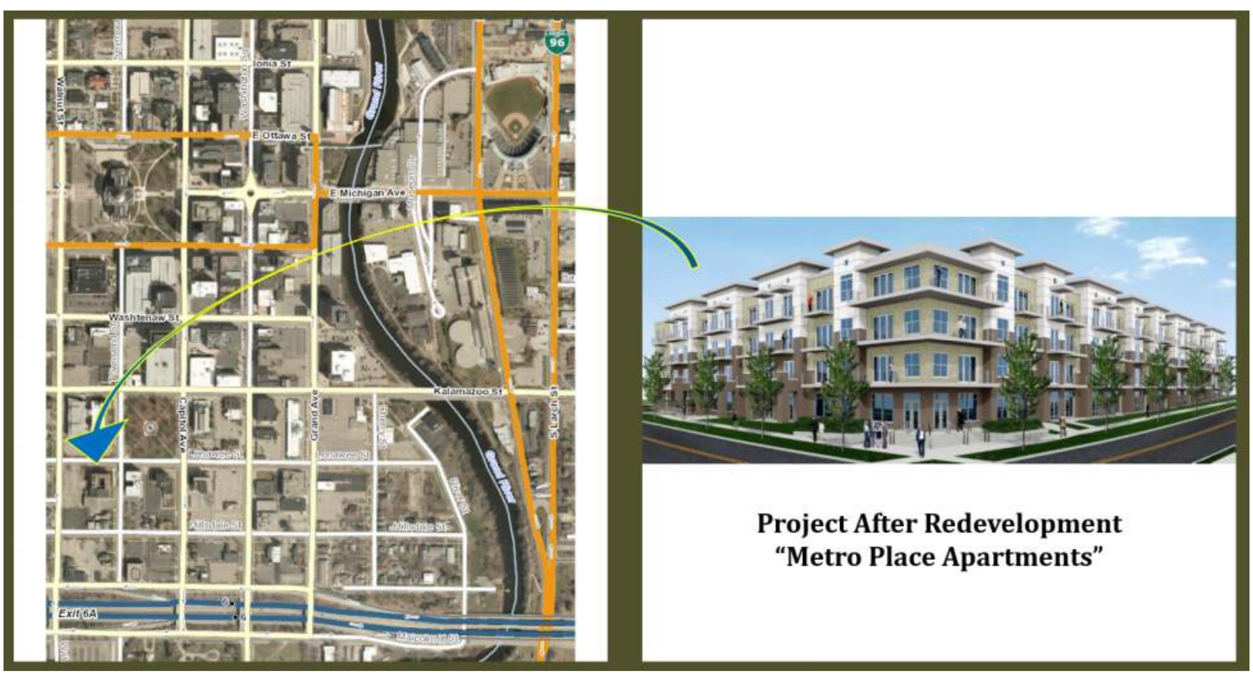
(for the life of plan)	**$4,763,163**	**Property Taxes Paid**
Gain in Taxes	$ 97,218	To Other Local Tax Units
	$ 86,149	To City of Lansing
	$ 1,011,620	To Lansing School Dist.
	$ 390,434	To State Education Tax
	$ 1,585,421	**Total Revenue to Others**
Taxes to LBRA	$ 135,747	For LBRA Admin & Legal
	$ 271,494	For LBRA Revolving Fund
	$ 2,200,996	Local Taxes To Developer (Eligible Activities)
	$ 7,365	Local Taxes To LBRA (Eligible Activities)
	$ 557,505	Sch. Taxes To Developer (Eligible Activities)
	$ 4,635	Sch. Taxes To LBRA (Eligible Activities)
	$ 3,177,742	**Total Capture – LBRA**
Total Taxes	**$ 4,763,163**	

3. **Past Use of the Property – Site History.** No changes.

4. **Brownfield Project Description.** The below text shall replace the original content in the Plan as follows.

   Metro Place consists of a four-story mixed-use development totaling approximately 122,130 gross square-feet. Located three blocks south of the state capitol building, Metro Place is located in the heart of downtown Lansing. Currently, the site contains a vacant, obsolete ex-YMCA building and a small commercial structure which was originally used as a house. The vacant YMCA building, which was constructed in 1949, is in very poor condition. Renovation is not economically feasible. The building has been heavily vandalized resulting in destruction of the interior character. There is extensive water damage in the building on all floors, which has contributed to irreparable loss of previous amenities and finishes. Mold growth is prevalent throughout the building walls and ceilings. The lathe is exposed and rusted in many areas and the plaster surfaces are heavily damaged. The commercial structure (previously a house), which was constructed in 1876, has been renovated with alterations on the front exterior façade, windows, and additions to the north and west sides of the original structure. These renovations/alterations included adding exterior aluminum siding and changing the exterior facade. The interior has been renovated into a duplex with removal of the original plaster and lathe walls.

   Construction activities are beginning in the third quarter of 2018, following closing on financing. The obsolete structures and other site improvements will be demolished upon full asbestos abatement, and the site will be prepared for construction. The new Metro Place development will have 145 loft apartment units (30 studio units, 69 1BR/1BA units, 29 2BR/1BA units, and 17 2BR/2BA units). Approximately 6,925 square feet of commercial and retail space will be located on the ground level, along with some of the apartments. 154 surface parking places will be available onsite. Supplemental parking will be available on adjacent streets. Metro Place is located just three blocks from the Capitol in Downtown Lansing, which is also a Traditional Commercial Center.



Project After Redevelopment
"Metro Place Apartments"

5. **Developer Eligible Activities.** The below text and tables shall replace the original content in the Plan as follows. Other than a realignment of eligible activities and costs, <u>there is no change in the total amount of activities and costs supported from the originally adopted Plan. Additionally, there is no change in any proportionality of tax increment revenues used toward eligible activity costs, thus no further impact to any taxing jurisdiction beyond what was contemplated in the original Plan.</u>

   The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include Department-Specific Activities (Baseline Environmental Assessment, due care, additional response), lead and asbestos abatement, demolition, infrastructure improvements, site preparation, preparation of a Brownfield Plan/Act 381 Work Plan (including amendments), and Brownfield Plan implementation.

   A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the Property are shown in the following tables (Tables 1a and 1b).

   The Eligible Activities projected in this Plan may switch categories if onsite, offsite or Property conditions change. If conditions change, an eligible activity may fall under a different category so long as the Plan adjustments stay within the Environmental activity category and the Non-Environmental activity category because this Plan contemplates capture of state revenues for certain eligible activities. Adjustments between an Environmental activity category and a Non-Environmental activity category may occur on eligible activities reimbursed with local tax capture only revenues.

   For Environmental Activities, the line item costs for any eligible activity may be adjusted with the approval of the Authority after the date the Plan is approved by the Authority and/or Governing Body, so long as the costs do not exceed the total combined costs of said activities plus a pro-rata contingency amount, to the extent that the adjustments do not violate the terms of any approved documents, such as a Reimbursement Agreement or Work Plan (if applicable), or Public Act 381 of 1996, as amended.

   For Non-Environmental Activities, the line item costs for any eligible activity may be adjusted with the approval of the Authority after the date the Plan is approved by the Authority and/or Governing Body, so long as the costs do not exceed the total Non-Environmental costs plus a pro-rata contingency amount, to the extent that the adjustments do not violate the terms of any approved documents, such as a Reimbursement Agreement or Work Plan (if applicable), or Public Act 381 of 1996, as amended.

   The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the Authority and used to reimburse the cost of the eligible activities completed. Amendments to Act 381 that were signed in to law on December 28, 2012 to allow local units of government to approve reimbursement of eligible activities with tax increment revenues attributable to local taxes on any eligible activities conducted on eligible property or prospective eligible properties prior to approval of the Plan, if those costs and the eligible property are subsequently included in an approved Plan. In the event that eligible activities are performed prior to Plan approval, approved eligible activity costs will be reimbursable in accordance with Act 381. Furthermore, certain costs in this Plan are subject to approval by the MDEQ and MSF (through the MEDC) for the use of state tax increment revenues. The MDEQ and MSF/MEDC may adjust specific eligible activities amongst environmental and non-environmental eligible activities in accordance with state policy and guidance. Changes made between environmental and non-environmental eligible activities will be reflected in the Act 381 Work Plan. These adjustments made by the state agencies are allowed and do not change the validity of this Plan, so long as the Grand

Total of eligible activity costs identified are not exceed. Any costs not authorized by the MDEQ or MSF/MEDC will become reimbursable costs with captured local-only tax increment revenues from locally levied millages, if available.

In accordance with this Plan and the associated Reimbursement Agreement (the "Agreement") with the Authority, the amount advanced by the Developer will be repaid by the Authority solely from the tax increment revenues realized from the Eligible Property. Further use of tax increment revenues generated by this Project will be governed by the Agreement.

The costs listed in the tables are estimated costs and may increase or decrease depending on the nature and extent of the actual conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the Authority from the Property shall be governed by the terms of the Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Agreement.

To summarize, if the Plan amendment is adopted as proposed, Developer reimbursement shall remain at the original Plan's capped amount not to exceed $2,758,501 on the actual costs of the eligible activities incurred by the Developer.

Table 1a - Itemized Eligible Activities	Eligible Activity Amount Supported in Brownfield Plan Amendment No.1	Local Tax Capture	State School Tax Capture	Local Tax Capture Only
		61.38%	38.62%	100.00%
DEQ Eligible Activities				
Department-Specific Activities				
DEQ Environmental Eligible Activities Total	**$ 725,886**	**$ 33,759**	**$ 21,241**	**$ 670,886**
MSF Eligible Activities				
Demolition Activities	$ 609,000	$ 233,858	$ 147,142	$ 228,000
Lead and Asbestos Abatement Activities	$ 369,000	$ 226,492	$ 142,508	$ -
Infrastructure Improvements Activities (Private)	$ 178,210	$ -	$ -	$ 178,210
Infrastructure Improvements Activities (Public)	$ 262,405	$ 59,232	$ 37,268	$ 165,905
Site Preparation Activities	$ 554,000	$ 340,045	$ 213,955	$ -
MSF Non-Environmental Eligible Activities Total	**$ 1,972,615**	**$ 859,627**	**$ 540,873**	**$ 572,115**
Sub Total: EAs	***$ 2,698,501***	***$ 893,386***	***$ 562,114***	***$ 1,243,001***
Brownfield Plan & Work Plan Preparation	$ 60,000	$ -	$ -	$ 60,000
Total Developer Administration: Brownfield Plan & Work Plan Preparation	**$ 60,000**	**$ -**	**$ -**	**$ 60,000**
Sub Total: EAs + Developer Administration	***$ 2,758,501***	***$ 893,386***	***$ 562,114***	***$ 1,303,001***
Brownfield Redevelopment Authority (BRA) Administration	$ 135,747	$ -	$ -	$ 135,747
BRA Brownfield Plan & Work Plan Implementation (to BRA)	$ 12,000	$ 7,366	$ 4,634	$ -
BRA Local Brownfield Revolving Fund (LBRF)	$ 271,494	$ -	$ -	$ 271,494
Total BRA : BRA Administration + BRA Brownfield Plan & Work Plan Implementation + LBRF	**$ 419,241**	**$ 7,366**	**$ 4,634**	**$ 407,241**
Sub Total: EAs + Developer Administration + Total BRA	***$ 3,177,742***	***$ 900,752***	***$ 566,749***	***$ 1,710,242***
GRAND TOTAL: EAs + Developer Administration + Total BRA	**$ 3,177,742**	**$ 900,752**	**$ 566,749**	**$ 1,710,242**

Table 1b - Summary of Eligible Activities	Eligible Activity Amount Supported in Brownfield Plan Amendment No.1
Total Local Taxes to Developer for Eligible Activities	$ 2,196,387
Total Local Tax Capture for Eligible Activities	**$ 2,196,387**
Total Local Taxes to BRA Administration	$ 135,747
Total Local Taxes to BRA Brownfield Plan & Work Plan Implementation	$ 7,366
Total Local Taxes to BRA Local Brownfield Revolving Fund (LBRF)	$ 271,494
Total Local Tax Capture to BRA	**$ 414,607**
Total School Taxes to Developer for Eligible Activities	$ 562,114
Total School Tax Capture for Eligible Activities	**$ 562,114**
Total School Taxes to BRA Brownfield Plan & Work Plan Implementation	$ 4,634
Total School Tax Capture to BRA	**$ 4,634**
Total Capture by Brownfield Redevelopment Authority (BRA)	**$ 419,241**
Total Capture for Developer	**$ 2,758,501**
GRAND TOTAL	**$ 3,177,742**

6. **Captured Taxable Value and Tax Increment Revenues.** The below text and table shall replace the original content in the Plan as follows.

   The LBRA is expected to capture the tax increment revenues from 2020 through 2031 which will be generated by the increase in taxable to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Due to the Project's delay in the start of construction, the duration of the Plan amendment is longer than the originally adopted Plan. However, there are no additional capture years of tax increment revenue for eligible activity costs beyond the original Plan's 12-year commitment.

   The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the Property set through the property assessment process by the local unit of government and equalized by the County(s). The actual increased taxable value of the land and all future taxable improvements on the Property may vary. Furthermore, the amount of tax increment revenue available under this Plan amendment will be based on the actual millage levied annually by each taxing jurisdiction on the increase in tax value resulting from the redevelopment project that is eligible and approved for capture. The New Developer is eligible to apply for State of Michigan for Brownfield Michigan Business Tax Credits.

The following table provides a summary of the anticipated taxable value and the tax increment revenue which it will provide:

Table 2:		
Tax Year	**Incremental Tax Value**	**Tax Increment Revenue**
2011 – Base Year	$0	$0
2012	$0	$0
2013	$0	$0
2014	$0	$0
2015	$0	$0
2016 – Tax Pass-Through Year (Beginning Date of Capture)	$0	$0
2017 – Tax Pass-Through Year	$0	$0
2018 – Tax Pass-Through Year	$0	$0
2019 – Tax Pass-Through Year	$0	$0
2020	$2,000,000	$123,900
2021	$6,000,000	$371,701
2022	$6,060,000	$375,418
2023	$6,120,600	$379,172
2024	$6,181,806	$314,350
2025	$6,243,624	$237,407
2026	$6,306,060	$239,781
2027	$6,369,121	$242,179
2028	$6,432,812	$244,601
2029	$6,497,140	$247,047
2030	$6,562,112	$249,517
2031	$6,627,733	$152,670
Total		**$3,177,742**

7. **Method of Brownfield Plan Financing.** The below text shall replace the original content in the Plan as follows.

The Developer will be reimbursed for eligible costs as listed in Tables 1a and 1b. The current estimated amount of capture used to reimburse the Developer is $2,758,501. Additionally, the LBRA is not obligated to reimburse the Developer for more than $2,758,501 of total Eligible Activities during the life of this Plan. The LBRA is not obligated to reimburse any Eligible Activities performed after December 16, 2020. The specific date to complete eligible activities was selected to aligned with the approved February 27, 2018 Michigan Strategic Fund Act 381 Work Plan approval for eligible activities obtained under MSF Resolution 2018-034.

The LBRA will provide financing for its costs to implement and administer the Plan, as amended, by utilizing 5% of the new local taxes captured per year for the duration of the Plan. This expense is noted in Tables 1a and 1b above. No portion of captured school taxes will be used for LBRA administration costs. The LBRA will also deposit up to $271,494 in local captured taxes into its Local Site Remediation Revolving Fund (LSRRF) now called a Local Brownfield Revolving Fund (LBRF).

8. **Amount of Note or Bonded Indebtedness Incurred.** No changes.

9. **Duration of the Brownfield Plan.** The below text shall replace the original content in the Plan as follows.

   Unless amended by the Lansing City Council, the Plan is anticipated to remain in effect until all approved activities in this Plan amendment are covered or until the end of the year 2031, whichever occurs first.

10. **Estimated Impact on Taxing Jurisdictions**. No changes.

    There is no change in any proportionality of tax increment revenues used toward eligible activity costs, thus no further impact to any taxing jurisdiction beyond what was contemplated in the original Plan. Additional information related to the impact of tax increment financing on the various taxing jurisdictions is presented in Schedule 1 attached to this Plan amendment.

11. **Legal Description & Site Map**. No changes.

12. **Personal Property**. No changes.

13. **Displacement of Persons**. No changes.

14. **LBRA Revolving Fund**. No changes.

15. **Other Information**. No changes.

ATTACHMENTS

Schedule 1

Detailed Financial Numbers

Revised per attached dated October 1, 2018.

Schedule 1 - Detailed Financial Numbers - Metro Place Brownfield Plan #54 Amendment No.1 (revised October 1, 2018)

Estimated Project Numbers	
Current Base Tax Value	$500,000
Total New Personal Property Investment	$520,000
Total Real Property Investment	$15,059,078
Total Project Investment	$15,579,078
Yrly Real Prop. Appreciation Rate	1%

1 Year	2 Existing Real Prop. Tax Value	3 Additional Real Prop. TV Capture	4 Taxes to Tax Units	5 *Captured* Local Taxes to LBRA Adm.	6 *Captured* Local Taxes to LBRA Fund	7 *Captured* School Taxes to LBRA & Developer	Extra Sch. Taxes to Schools and State	8 *Captured* Local Taxes to LBRA & Developer	9 Total Captured Taxes	10 Total Taxes
2011-2019	$500,000	$0	$32,115	$0	$0	$0	$0	$0	$0	$32,115
2020	$300,000	$2,000,000	$23,827	$3,802	$7,605	$47,852	$0	$64,641	$123,900	$147,727
2021	$303,000	$6,000,000	$33,135	$11,407	$22,814	$143,557	$0	$193,922	$371,701	$404,835
2022	$306,030	$6,060,000	$33,466	$11,521	$23,042	$144,993	$0	$195,861	$375,418	$408,884
2023	$309,090	$6,120,600	$33,801	$11,636	$23,273	$146,443	$0	$197,820	$379,172	$412,973
2024	$312,181	$6,181,806	$34,139	$11,753	$23,506	$79,294	$68,613	$199,798	$314,350	$417,102
2025	$315,303	$6,243,624	$34,480	$11,870	$23,741	$0	$149,386	$201,796	$237,407	$421,273
2026	$318,456	$6,306,060	$34,825	$11,989	$23,978	$0	$150,880	$203,814	$239,781	$425,486
2027	$321,641	$6,369,121	$35,173	$12,109	$24,218	$0	$152,389	$205,852	$242,179	$429,741
2028	$324,857	$6,432,812	$35,525	$12,230	$24,460	$0	$153,913	$207,911	$244,601	$434,038
2029	$328,106	$6,497,140	$35,880	$12,352	$24,705	$0	$155,452	$209,990	$247,047	$438,379
2030	$331,387	$6,562,112	$36,239	$12,476	$24,952	$0	$157,006	$212,090	$249,517	$442,763
2031	$334,701	$6,627,733	$36,601	$12,601	$25,201	$0	$158,576	$114,868	$152,670	$347,848
			$439,206	$135,747	$271,494	$562,139	$1,146,216	$2,208,361	$3,177,742	$4,763,163

% of New Local Taxes Captured	100.0%
% of New Sch. Taxes Captured	100.0%
% of Local Cap to Developer	85.0%
% of Sch Tax Cap to Developer	100.0%
% of Local Cap to LBRA Adm.	5.0%
% of Sch Tax Cap to LBRA Adm.	0.0%
% of Local Cap to LBRA Fund	10.0%
% of Sch Tax Cap to LBRA Fund	0.0%
Total Taxes to Local Taxing Units	$97,218
Total Taxes to City of Lansing	$86,149
Total Taxes to Lansing Schools	$1,011,620
Total School Taxes to State	$390,434
Taxes to Others	$1,585,421
Local Taxes to LBRA Admin	$135,747
Local Taxes to LBRA Revolving Fund	$271,494
Local Taxes to Reimburse Eligible Activities (Developer)	$2,200,996
Local Taxes to Reimburse Eligible Activities (LBRA)	$7,365
School Taxes to Reimburse Eligible Activities (Developer)	$557,505
School Taxes to Reimburse Eligible Activities (LBRA)	$4,635
Total Taxes Captured by LBRA	$3,177,742
Total Taxes Generated	$4,763,163

11	12 Taxing Unit	13 Millage Rate	14 Taxes to Tax Units	15 *Captured* Local Taxes to LBRA Adm.	16 *Captured* Local Taxes to LBRA Fund	17 *Captured* School Taxes to Developer	Extra Sch. Taxes to Schools and State	18 *Captured* Local Taxes to Developer	19 Total Captured Taxes	20 Total Taxes
	City	0.0154400	$66,465	$55,122	$110,243	$0	$0	$896,728	$1,062,093	$1,128,558
	LCC	0.0038072	$16,389	$13,592	$27,184	$0	$0	$221,115	$261,891	$278,280
	ISD	0.0046956	$20,213	$16,764	$33,527	$0	$0	$272,712	$323,003	$343,216
	County	0.0084413	$36,338	$30,136	$60,272	$0	$0	$490,256	$580,663	$617,001
	Airport	0.0006990	$3,009	$2,495	$4,991	$0	$0	$40,597	$48,083	$51,092
	CATA	0.0029708	$12,789	$10,606	$21,212	$0	$0	$172,539	$204,357	$217,145
	CADL	0.0015600	$6,715	$5,569	$11,139	$0	$0	$90,602	$107,310	$114,025
	PP Zoo	0.0004100	$1,765	$1,464	$2,927	$0	$0	$23,812	$28,203	$29,968
	Total Local	**0.0380239**	**$163,683**	**$135,747**	**$271,494**	**$0**	**$0**	**$2,208,361**	**$2,615,603**	**$2,779,286**
	City Debt	0.0002600	$19,683	$0	$0	$0	$0	$0	$0	$19,683
	Schl Debt	0.0020189	$152,842	$0	$0	$0	$0	$0	$0	$152,842
	Total Debt	**0.0022789**	**$172,526**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$172,526**
	Schl Oper	0.0179262	$77,168	$0	$0	$421,171	$858,778	$0	$421,171	$1,357,117
	State Educ.	0.0060000	$25,829	$0	$0	$140,968	$287,438	$0	$140,968	$454,235
	Total Schl	**0.0239262**	**$102,996**	**$0**	**$0**	**$562,139**	**$1,146,216**	**$0**	**$562,139**	**$1,811,351**
	Totals	**0.064229**	**$439,206**	**$135,747**	**$271,494**	**$562,139**	**$1,146,216**	**$2,208,361**	**$3,177,742**	**$4,763,163**

EXHIBIT A: Legal Descriptions of the Properties

No changes.

EXHIBIT B: Original Brownfield Plan #54

I, CHRIS SWOPE, CITY CLERK of the City of Lansing, Michigan, do hereby certify that I have compared the annexed copy of Resolution #2011-190, Approval of Brownfield Redevelopment Plan #54; 301 W. Lenawee St., Reutter Park Place, demolition of the existing structure to construct an estimated 228 unit loft/residential building with 228 parking spaces, which was Adopted on June 13, 2011 with the original now on file in my office, and that it is a correct copy thereof, and of the whole of such original.

SEAL

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City of Lansing this 14th day of June, 2011

CHRIS SWOPE, City Clerk

RESOLUTION #2011-190
BY THE DEVELOPMENT AND PLANNING COMMITTEE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING
BROWNFIELD PLAN #54 – REUTTER PARK PLACE BROWNFIELD
REDEVELOPMENT PLAN

WHEREAS, the Brownfield Redevelopment Authority (the 'Authority') of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the 'Act') has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Brownfield Plan #54 – Reutter Park Place Brownfield Redevelopment Plan (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on June 13, 2011 and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on the June 13, 2011, reviewed testimony and evidence regarding the Plan, and found that:

1. the Project Property was historically used for office and health facilities,

2. the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority,

3. the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property,

4. the Project may result in new private investment of approximately $20,000,000,

5. the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible actives they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on May 6, 2001, unanimously recommended approval of the Plan, for this Project;

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

1. The Plan constitutes a public purpose under the Act;

2. The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;

3. The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;

4. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act; and

5. The amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable.

IT IS FINALLY RESOLVED that the Lansing City Council hereby approves the LBRA 'Brownfield Plan #54 – Reutter Park Place Brownfield Redevelopment Plan'.

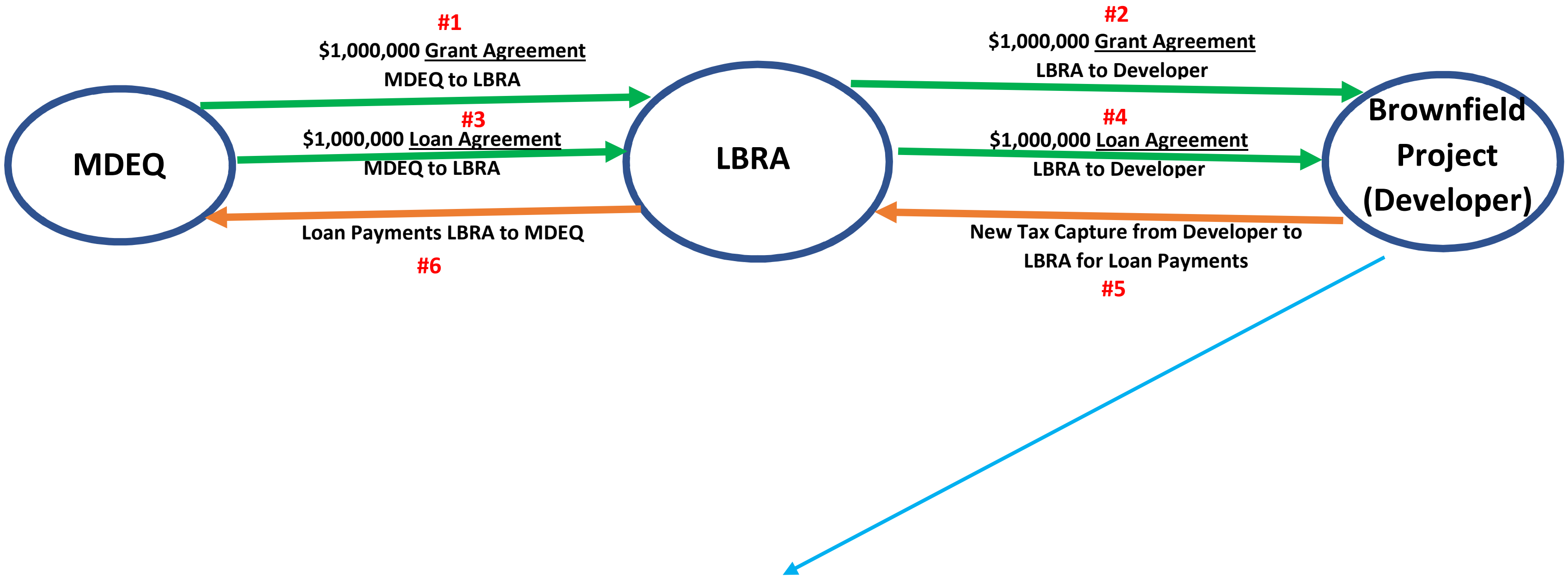
Brownfield Plan #54 Comparisons (as of November 5, 2018)

2011 Original Plan vs. 2018 Plan Amendment No.1

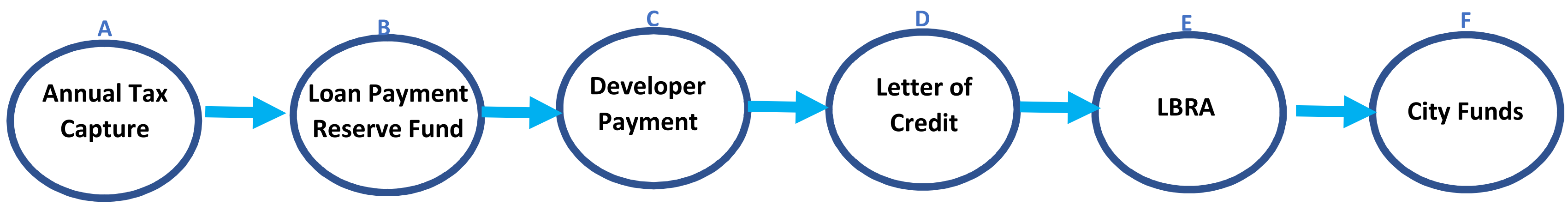
Metro Place (formerly Reutter Park Place)

Row	Project Specifics	2011 City Adopted Brownfield Plan	2018 Brownfield Plan Amendment No.1	Difference
1	**Capital Investment**	$20,000,000	$25,000,000	$5,000,000
2	**Gross Square Feet**	151,400	122,130	-29,270
3	**Number of Apartments**	228	145	-83
4	**Type of Apartments**	Market Rate	Market Rate	None
5	**Commercial Square Feet**	0	6,925	6,925
6	**Number of Full-Time-Equivalent Jobs**	0	25	25
7	**Construction Wage Rates**	Market	Prevailing	2018 Project Prevailing Wage Rates are Higher
8	**Brownfield Plan Summary**			
9	***- Grand Total Eligible Activity Costs***	$3,177,742	$3,177,742	None
10	***- Eligible Activity Costs (Developer)***	$2,758,501	$2,758,501	None
11	***- LBRA Administration/Implementation Costs (City/Authority)***	$147,747	$147,747	None
12	***- LBRA Local Brownfield Revolving Fund***	$271,494	$271,494	None
13	***- Duration of Brownfield Plan (Years)***	12	21	9
14	***- Tax Capture Duration of Brownfield Plan (Years)***	12	12	None
15	**During Brownfield Plan Capture Period (Not Including "Base" Taxes Paid)**			
16	***- New Taxes Returned to All Taxing Jurisdictions (Total)***	$1,585,421	$1,585,421	None
17	***- New Taxes Returned to City of Lansing (Total)***	$86,149	$86,149	None
18	***- New Taxes Returned to Other Local Tax Units***	$97,218	$97,218	None
19	***- New Taxes Returned to Lansing School District***	$1,011,620	$1,011,620	None
20	***- New Taxes Returned to State Education Tax***	$390,434	$390,434	None

Capital City Market - Flow of Grant and Loan Funds



Layers of Loan Security Provided by Developer in Loan Agreement to LBRA



Proposed Approval Schedule

Amended Brownfield Plan #54 –

Metro Place Park Brownfield Redevelopment Project

Oct 5	Plan Approved by LBRA Board
Oct 18	Plan and supporting documents sent to Mayor's Office
Oct 22	Received and referred to Committee by the City Council
Nov 5 (4:00 pm)	Development and Planning Committee approves Public Hearing Request
Nov 5 (7:00 pm)	City Council sets Public Hearing for November 19
Nov 19 (7:00 pm)	Public Hearing held at Council meeting
Nov 26 (6:00 pm)	Development and Planning Committee approves Brownfield Plan (Special Meeting)
Nov 26 (7:00 pm)	Council Approves Brownfield Plan

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING AMENDED BROWNFIELD PLAN #54
METRO PLACE PARK BROWNFIELD REDEVELOPMENT PROJECT

WHEREAS, the Brownfield Redevelopment Authority (the ‘Authority’) of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the ‘Act’) has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Amended Brownfield Plan #54 – Metro Place Park Brownfield Redevelopment Project (the ‘Plan’); and

WHEREAS, a public hearing was held by the Lansing City Council on November 19, 2018 and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on November 19, 2018 reviewed testimony and evidence regarding the Plan, and found that:

1. the Plan provides for the reimbursement of costs attributable to eligible activities to the developer and the Authority,

2. the Project includes, in addition to the eligible activities identified in the Plan, the redevelopment of the property,

3. the Project may result in new private investment of approximately $25,000,000,

4. the Plan provides for the capture of property tax increment revenues due to the private investment on the site, and devotes them to repaying the Authority for its costs associated with eligible activities it performs, and to repaying the developer for their costs associated with eligible actives they perform, in accordance with the Plan,

WHEREAS, the Authority Board of Directors, at its meeting on October 5, 2018, unanimously recommended approval of the Plan, for this Project;

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

- The Plan constitutes a public purpose under the Act;

- The Plan meets all of the requirements for a Brownfield Plan set forth in

Section 13 of the Act;

- The proposed method of financing the costs of the eligible activities, as described in the Plan, is feasible and the Authority has the ability to arrange the financing;

- The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act; and

- The amount of the captured taxable value estimated to result from the adoption of the Plan is reasonable.

IT IS FINALLY RESOLVED that the Lansing City Council hereby approves the Amended Brownfield Plan #54 – Metro Place Park Brownfield Redevelopment Project'.

METRO PLACE APARTMENTS
301 W. Lenawee Street, Lansing, MI 48933

Lansing Employees with Subcontractors Working for Oakwood Construction Company

As of 11-13-2018

Contractor	Company	Union or Prevailing Wage	Address	Lansing Employees
Demo	Adamo Group	Union	320 Seven Mile E, Detroit, MI 48203	1
Excavation	L.D. Clark	Prevailing Wage	7707 Rickle - Lansing, Michigan 48917	12
Foundation/Slab	L.D. Clark	Prevailing Wage	7707 Rickle - Lansing, Michigan 48917	12
Asphalt	Reith-Riley	Union	4150 S Creyts Rd, Lansing, MI 48917	4
Framing	Countrywide Framing	Prevailing Wage	911 4th Ave Ste 101 Lake Odessa, MI	4
Steel	Windsor Steel	Prevailing Wage	4780 Royston Rd, Potterville, MI 48876	0
Masonry	Roberts Masonry	Prevailing Wage	1647 Kelly Rd, Mason, MI 48854	2
Plumbing	Precision Plumbing	Union	2410 RENFREW WAY LANSING, MI 48911	2
HVAC	J & J Sheet Metal	Prevailing Wage	9000 M 66 East Leroy, MI 49051	0
Electrical	Consolidated Electric	Prevailing Wage	1095 Mak Tech Dr A, Lansing, MI 48906	26
Fire Suppression	Advanced Fire Protection	Prevailing Wage	716 E Mt Hope Ave, Lansing, MI 48910	0
Drywall	Mudman Drywall	Prevailing Wage	1917 South Cedar St. Lansing, MI 48910	3
Elevator	Thyssenkrupp	Union	1940 Turner Avenue Northwest b, Grand Rapids, MI 49504	1
Flooring	DF Flooring	Prevailing Wage	5242 Exchange Dr # 2, Flint, MI 48507	1
Roofing	Roof Technologies ?	Prevailing Wage	4825 Buttercup Ln, Okemos, MI 48864	13
Siding	REI	Prevailing Wage	1335 LAKESIDE Dr. Unit 7 ROMEOVILLE IL. 60446	0
Trim	D & B Trim	Prevailing Wage	299 COTTONWOOD DRIVE LAPEER, MI 48446	0
			TOTAL # OF LANSING RESIDENTS AS EMPLOYEES	81

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

(initial spaces below to indicate acceptance)

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

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

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

P.D Applicant acknowledges and agrees that all employees, contractors and sub-contractors related to this Project must pay all City individual income tax. Applicant agrees to put language to that effect in all contracts, and require contractors and sub-contractors to put language to that effect in their contracts.

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

P.D Applicant agrees that all contractors and sub-contractors will be instructed that they are to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees.

submitted @ mtg

ADDENDUM TO AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

THIS ADDENDUM to the Agreement in Consideration of Development Incentives ("Addendum") is made and entered this ___ day of November 2018_ by and between the City of Lansing, Michigan, a Michigan municipal corporation ("City") and 600 E. Michigan – Lansing, LLC, a Michigan limited liability company ("Applicant"), (collectively the "Parties");

I. STATEMENT OF PURPOSE

The Parties, in order to clarify the intent that projects receiving development incentives from the City employ as much Local Labor as is reasonably possible.

1. "Local Labor" means employees whose permanent home address is within the City of Lansing's boundaries.

2. Applicant (if applicable) agrees to post all bid solicitations or request for bids ("Bid Solicitations") by the Applicant or their agents for a minimum of 15 days ("Posting Period") on the Builders Exchange of Lansing and Central Michigan ("Builders Exchange") and to document this, unless Applicant deems the use of certain contractors or subcontractors are critical to the success of the Project or portions of the Project. If Applicant bypasses the Builders Exchange because it deems the use of a certain contractor or subcontractor as critical to the success of the Project, or portions of the Project, Applicant shall, within 30 business day of such hiring, provide to the LEDC a written statement of that fact and an explanation of why the use of the contractor or subcontractor was so critical. The Bid Solicitations must be available to all Builders Exchange Users.

3. Within 45 days of the Completion of Construction, the Applicant must provide to the LEDC, a list of all Bidders selected to enter into an agreement to perform all or part of the work solicited in the Bid Solicitation ("Selected Bidders List"). The Selected Bidders List must include the following information as shown on the Applicants or their agents' income tax return.

    a. Business Name
    b. Address (number, street, and apt. or suite no.)
    c. City, state, and ZIP code
    d. Employer ID Number (EIN)
    e. Phone Number

N. I. Smith [handwritten initials] @ MTH

f. Primary Contact Person (Authorized Representative)
g. Corresponding Builders Exchange Bid Solicitation Number

4. The Applicant will be not be required to participate in the above Bidding Process, if doing so would result in the violation of federal rules concerning homeland security or the disclosure of classified information.

II. EFFECT ON EXISTING AGREEMENT IN CONSIDERATION OF DEVELOPMENT INCENTIVES

The Agreement in Consideration of Development Incentives for this Project (the "Existing Agreement") is still in full force and effect as it relates to all definitions and obligations of Parties contained therein. Nothing in this Addendum is intended to relieve or alter the obligations of the Parties as outlined in the Agreement in Consideration of Development Incentives, except that in the case of conflicts between this Addendum and the Existing Agreement this Addendum shall control.

[Signature Page to Follow]

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

Dated: NOV. 26, 2018

APPLICANT: 600 E. MICHIGAN – LANSING LLC

____

BY: Patrick K. Gillespie
Patrick K. Gillespie,
Authorized Representative

Dated: _____________, 20__

CITY:

BY:__________________________
Andy Schor, Mayor

BY:__________________________
Chris Swope, Clerk

Dated: _____________, 20__

LANSING ECONOMIC DEVELOPMENT CORPORATION:

BY:__________________________
Karl R. Dorshimer, Representative

Approved as to form:

BY:__________________________
_______________, (Asst.) City Attorney