AGENDA
Committee on Development and Planning
Tuesday, February 18, 2020 @ 3:30 P.M.
Council Conference Room, 10th Floor

Councilmember Spitzley, Chair
Councilmember Garza, Vice Chair
Councilmember Betz, Member
Councilmember Hussain, Member

1. **Call to Order**

2. **Public Comment on Agenda Items**

3. **Minutes**
   - February 4, 2020

4. **Discussion/Action:**

   A.) RESOLUTION – Set Public Hearing; OPRA (Obsolete Property Rehabilitation Act) Certificate; 1611 East Kalamazoo Street; Allen Neighborhood Center

   B.) RESOLUTON - Set Public Hearing; Brownfield Plan #79; 700 North Washington; Michigan Realtors Redevelopment Project

   C.) RESOLUTION – Set Public Hearing; SLU-1-2020; Property located between 1220 & 1306 North Homer Street; Metro Fibernet, LLC; Telecommunications Tower

   D.) RESOLUTION – Set Public Hearing; PILOT (Payment in Lieu of Taxes); Porter Senior Apartments; 505 Townsend Street

5. **Other**

6. **Adjourn**

DRAFT

MINUTES
Committee on Development and Planning
Tuesday, February 4, 2020 @ 3:30 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Council Member Garza called the meeting to order at 3:30 p.m.

PRESENT
Council Member Spitzley, Chair- arrived at 3:39 p.m.
Council Member Garza, Vice-Chair
Council Member Betz, Member
Council Member Hussain, Member

OTHERS PRESENT
Sherrie Boak, Council Staff
Lisa Hagen, Assistant City Attorney, Council Research Assistant
Amanda O'Boyle, Assistant City Attorney
Susan Stachowiak, Economic Development & Planning
Amy Potchen
Mary Farrand
Lucy McClintic, CACS Headstart
Sheryl Landgraf, FTZ Labs
Jeff Landgraf, FTZ Labs
Nickolas Lentz
Sidney Wuycheck
Roger Donaldson
Miguel Rodriguez, CACS

PUBLIC COMMENT
No public comment at this time.

MINUTES
MOTION BY COUNCIL MEMBER BETZ TO APPROVE THE MINUTES FROM JANUARY 27, 2020 AS PRESENTED. MOTION CARRIED 3-0.

DISCUSSION/ACTION

RESOLUTION – Set Public Hearing; SLU-3-2019; 1315 Massachusetts Avenue; Parking Lot in "B" Residential Zoning District

Ms. Stachowiak noted that currently the applicants own the property adjoining this property, and due to their issue with lack of parking, they have a purchase agreement with the Land Bank to purchase 1315 Massachusetts Avenue. They will provide 6' off the north to that neighboring property owner and then convert the remainder of the lot into a parking lot. Being that the sole use will be parking, and permitted in residential, their only needed request is for a Special Land Use for that type of use. Council Member Hussain asked if the structures have been removed and what other amendments will they make to convert to a parking lot. Ms. Stachowiak confirmed the structures are gone, they will access the lot from the rear alley.

Ms. McClintic stated that currently the CACS Head Start program that uses the school, has 3 teachers per classroom, and with the Early Learning Institute that is housed in the building as well, that requires 10 staff per class room.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR MARCH 16, 2020. MOTION CARRIED 3-0.

RESOLUTION – Introduction/Set Public Hearing; Z-9-2019; 3440 N East Street; Conditional Rezoning from F- Commercial to G-2 Wholesale District

Ms. Stachowiak acknowledged the applicants were before Council in early 2018, at which point when the process was done the Council denied their rezoning to go from F-Commercial to G-2 Warehouse. The proposal now is a new application for a Conditional Rezoning for the purpose of the Conditional Rezoning request is for the G-2 Warehouse zoning designation with a condition that the only use allowed will be the marihuana testing/safety compliance facility. The other marihuana uses of processing, transport or provisioning center will not be allowed. The Committee reviewed the maps in the packets, discussed other G-2 uses in the area and any neighborhood input. Council Member Betz confirmed that during his Council election in late 2019 the residents he spoke to in the area supported this use. Mr. Landgraff confirmed all their discussions with the neighbors has resulted in good input and support. Council Member Hussain acknowledged his struggle with the application the first time in 2018, and noted his concerns with this application. This included the surrounding zoning and his concern it would create spot zoning now and in the future for other properties. Mr. Landgraff referenced an article he brought on spot-zoning for the Committee. Council Member Spitzley asked if the Planning Board approved this conditional rezoning request and Ms. Stachowiak confirmed it was unanimous. Council Member Hussain asked if there was any historical use of the property and if it was ever residential. Ms. Stachowiak noted it was used as an office, and the applicants confirmed they have no intention of tearing down the structure because it will be used just for the safety testing. Ms. Landgraff added that they own the two properties to the south of this parcel and therefore they are the "neighbors". Ms. Stachowiak did clarify that those parcels were not part of this request, and Council Member Spitzley asked if they intended to come back to Council in the future to have those two additional parcels rezoned as well. Mr. Landgraff confirmed they did not have those intentions at this time, and if they needed larger space they would move. Council Member Spitzley asked what their intentions were for safety, and was told they will have alarms, cameras, and assured her that they will not have the similar amount of marihuana on site as with a dispensary. They are closed to the public and only collect samples. Council Member Hussain asked about onsite parking, deliveries and the access. Mr. Landgraff assured the Committee the parking lot is currently asphalt, and Ms. Stachowiak added that during the first request in 2018 they did research what kind of traffic was generated and it would be similar to a car wash. Council Member Betz was asked how many employees they will have

and was told four (4). Council Member Spitzley recommended the applicants attend the Council meeting the night of the public hearing to do a brief presentation. Council Member Hussain asked how the Planning Board voted in 2018, and was told in unanimous support.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR Z-9-2019; 3440 N EAST STREET, FOR MARCH 16, 2020. MOTION CARRIED 4-0.

Adjourn

Adjourned at 3:51 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee

ALLEN
NEIGHBORHOOD CENTER

1611 E. Kalamazoo St., Lansing, MI 48912 517-367-2460
www.allenneighborhoodcenter.org

Tuesday, February 4th, 2020

Lansing City Clerk's Office
124 W Michigan Avenue, 9th Floor
Lansing, MI 48933

Re: Requesting an OPRA Certificate for 1611 East Kalamazoo St., Lansing

Dear Clerk Swope,

Per the Obsolete Property Rehabilitation Act - Act 146 of 2000 (OPRA), ANC Holdings, a wholly owned, non-profit subsidiary of Allen Neighborhood Center and 100% owner of the property commonly known as 1611 East Kalamazoo St., Lansing 48912 (Property), legal description attached, is requesting an OPRA Certificate be granted by the City of Lansing on the Property. The Property has recently been determined to be obsolete by the City of Lansing Assessor (determination of obsolescence attached).

General Description of the Obsolete Facility

The building was constructed in stages, with the first section built in 1932. The complex has served as home to many small businesses over the years including the Allen Neighborhood Center and the Allen Farmers Market. In the past several years, several of the commercial tenants have moved out, leaving only Allen Neighborhood Center and Happendance Studio in the complex. The unoccupied portions, including the entire second floor and much of the first floor, have been vacant for up to 15 years.

Proposed use of the Rehabilitated Facility

The project proposes rehabilitating the two-story complex, adding a third floor to the 2-story building along E. Kalamazoo and constructing three-story additions on the east and west ends of the building. The proposed development will provide 29 units of mixed income housing for a total of 30,000 square feet of residential space, and over 20,000 square feet of commercial space, totaling 49,164 square feet. Project amenities will include active programming from ANC, a community room, computer center, on-site exercise/dance studio, outdoor picnic areas and 'green spaces', an on-site farmers market, nutrition education and cooking classes and other events in our commercial kitchen.

Detailed Description of Rehabilitation

Construction Hard Costs – **$5,965,558** (See attached itemized table for detail)
Brownfield Remediation (Demolition, Abatement, Due Care) - **$850,000**
Total Hard Costs (Does not include acquisition or soft costs) - **$6,815,558**

Time Schedule for Rehabilitation

Commencement of construction is scheduled for late spring 2020 with completion of the project expected by the fall of 2021. Environmental remediation and demolition of part of the Property will begin beforehand.

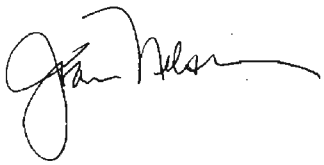
Expected Economic Advantages

We expect this project to create 70 construction jobs during the build, and 20 FTE jobs after construction is complete. The commercial aspect of the project will bring commercial enterprise and vibrancy to a formerly vacant space, and inspire comparable efforts along the E. Kalamazoo Street corridor. The project will increase density in the area and provide usable green space for residents and the broader community.

We appreciate your consideration of our request for certification by City Council of this designated OPRA District, and look forward to working with the City of Lansing to redevelop this important property.

If you have any questions, please don't hesitate to contact me.

Sincerely,



Joan Nelson
ANC Holdings, LLC
(517) 999-3912

LEGAL DESCRIPTION AND PROPERTY TAXABLE VALUE

The District will be for the property commonly known as 1611 East Kalamazoo St. and legally described as follows:

LOT 6, 7, 8, 9, 10 BLOCK 4 ASSESSORS PLAT NO 16

PARCEL NUMBER: 33-01-01-15-427-302

Taxable Value (2019): $10,000

State Equalized Value (2019): $10,000

Owners Name: Allen Neighborhood Center Support Corp.

Michigan Department of Treasury
3674 (Rev. 05-19)

Application for Obsolete Property Rehabilitation Exemption Certificate

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

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

Applicant (Company) Name (applicant must be the OWNER of the facility) Allen Neighborhood Center Support Corp		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 1611 East Kalamazoo Street, Lansing, MI, 48912		
Location of obsolete facility (No. and street, City, State, ZIP Code) 1600 Block of East Kalamazoo Street, Lansing, MI, 48912		
City, Township, Village (indicate which) City of Lansing	County Ingham	
Date of Commencement of Rehabilitation (mm/dd/yyyy) 2/12/2020	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 12/31/2021	School District where facility is located (include school code) Lansing School District, 33020
Estimated Cost of Rehabilitation $6,815,558.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet

Expected project likelihood (check all that apply):

- [x] Increase Commercial activity
- [x] Retain employment
- [x] Revitalize urban areas
- [x] Create employment
- [ ] Prevent a loss of employment
- [x] Increase number of residents in the community in which the facility is situated

Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment 71

Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. [x]

APPLICANT'S CERTIFICATION

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

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

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

Name of Company Officer (no authorized agents) Joan Nelson	Telephone Number (571) 999-3912	Fax Number (517) 367-0158
Mailing Address 1611 E. Kalamazoo Street, Lansing, MI 48912		Email Address joann@allenneighborhoodcenter.org
Signature of Company Officer (no authorized agents)		Title Executive Director

RECEIVED
2020 FEB -5 PM 2:41
LANSING CITY CLERK

LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

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

Signature	Date application received

FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code

LOCAL GOVERNMENT ACTION

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

PART 1: ACTION TAKEN

Action Date:_____

☐ Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)

☐ Denied

Date District Established	LUCI Code	School Code

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

A statement that the local unit is a Qualified Local Governmental Unit.

A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.

A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.

A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.

A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.

A statement that the applicant is not delinquent in any taxes related to the facility.

If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.

A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.

A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.

A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.

A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.

A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.

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

A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.

PART 3: ASSESSOR RECOMMENDATIONS

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

	Taxable Value	State Equalized Value (SEV)
Building(s)		

Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

PART 4: CLERK CERTIFICATION

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

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

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

If you have any questions, call 517- 335-7491.

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

Andy Schor, Mayor

CITY ASSESSORS OFFICE

Sharon Frischman, MMAO
City Assessor
3rd Floor City Hall
124 West Michigan Avenue
Lansing, Michigan 48933
(517) 483-7624
FAX: (517) 483-4101
www.lansingmi.gov/City-Assessor

August 19, 2019

Functional Obsolescence Determination
1611 E Kalamazoo St.
33-01-01-15-427-302

This building is comprised of various additions from 1932 to 1970. There are varying ceiling heights, the floor plan is convoluted.

The heating and cooling systems are currently obsolete. There is no working system for parts of the building.

Tri Terra Environmental performed a Phase I Environmental Assessment in May 2019. Review of historic uses reveals that there have been gas station uses, dry cleaner uses, lawnmower repair, auto repair and glass/paint shops on this site. All of these uses indicate property contamination.

For these reasons, I have determined that the building at 1611 E Kalamazoo St. suffers from functional obsolescence.

Sharon Frischman, MMAO
City Assessor

RESOLUTION #2019-286
BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

Resolution to Establish an Obsolete Property Rehabilitation Act District at 1611 East Kalamazoo St.

WHEREAS, pursuant to PA 146 of 2000, the Obsolete Property Rehabilitation Act (the "Act"), the City of Lansing has the authority to establish "Obsolete Property Rehabilitation Districts" within the City of Lansing, and

WHEREAS, ANC Holdings, LLC, hereinafter called the "Developer" has requested in writing that the City of Lansing establish an Obsolete Property Rehabilitation District (the "District") as enabled by the Act, for the property commonly known as 1611 East Kalamazoo St. located in the City of Lansing hereinafter described, and

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

WHEREAS, it is determined that the District meets the requirements set forth in section 3(1) of PA 146 of 2000, and

WHEREAS, the Act requires that before establishing the District the Lansing City Council shall give written notice by certified mail to the owners of all real property within the proposed District and shall hold a public hearing in order to provide an opportunity for owners, residents or other taxpayers of the City of Lansing to appear and be heard regarding the establishment of the District and that such notice was given and said public hearing was held on October 14, 2019;

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

LOT 6, 7, 8, 9, 10 BLOCK 4 ASSESSORS PLAT NO 16 - PARCEL NUMBER: 33-01-01-15-427-302, and

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

CITY OF LANSING OPRA CERTIFICATE
ALLEN PLACE REDEVELOPMENT PROJECT
PROPOSED APPROVAL PROCESS SCHEDULE

DATE	BOARD/ COMMITTEE	ACTION	ATTENDANCE BY APPLICANT
By February 5, 2020	LEAP/LEDC	Ready for submission to Lansing City Council: 1) OPRA Certificate Resolution to Set Public Hearing 2) OPRA Certificate Pubic Hearing Notice 3) OPRA Certificate Resolution of Approval	
February 10, 2020 7:00PM	Lansing City Council	Council Receives Resolution to Approve Certificate and refers it to the Committee on Development and Planning	
February 18, 2020 3:30PM	Committee on Development and Planning	Applicant Presents Project to the D&P Committee to review OPRA Certificate Application. Committee approves Resolution to set Public Hearings	YES
February 24, 2020 7:00PM	Lansing City Council	Council passes resolution setting the Public Hearing for 7:00PM on March 16, 2020. *Public Hearing Notice-10 Days (Mail/Paper)*	YES
March 16, 2020 7:00PM	Lansing City Council	Public Hearing held at Council for OPRA Certificate. Resolution to approve Certificate referred back to the Committee on Development and Planning	YES
March 17, 2020 3:30PM	Committee on Development and Planning	D&P Committee approves resolution to approve the OPRA Certificate	YES
March 23, 2020 7:00PM	City Council Meeting	City Council Approves OPRA Certificate	YES
	LEAP/LEDC	Submit Application Package to the State Tax Commission for Review and Approval	

REV-02/04/2020

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

Resolution to Set a Public Hearing Regarding the Granting of an
Obsolete Property Rehabilitation Act Certificate
1611 East Kalamazoo Street

WHEREAS, Allen Neighborhood Center Support Corp, owner of the property located at 1611 East Kalamazoo St. in the City of Lansing, Michigan (the "Property") has applied to the City of Lansing for the City to approve the issuance of an Obsolete Property Rehabilitation Exemption Certificate (the "OPRA Certificate"), pursuant to the Michigan Obsolete Property Rehabilitation Act, being Public Act 146 of 2000 (the "Act"); and

WHEREAS, the Property in question of the Certificate is legally described as:

LOT 6, 7, 8, 9, 10 BLOCK 4 ASSESSORS PLAT NO 16, Parcel Number: 33-01-01-15-427-302, and

WHEREAS, the Act requires that before granting a Certificate the Lansing City Council hold a public hearing in order to provide an opportunity for the applicant, the City Assessor, a representative of the affected taxing units, the residents, and other taxpayers of the City of Lansing general public appear and be heard regarding the approval of the OPRA Certificate.

NOW THEREFORE BE IT RESOLVED that a public hearing be held in the City Council Chambers of the City of Lansing, 10th Floor, Lansing City Hall, Lansing, Michigan, on Monday, March 16, 2020 at 7:00 p.m. for the purpose of receiving public comment on the approval of an OPRA Certificate under the provisions of Public Act 146 of 2000 and that the Clerk shall publish once in a publication of general circulation within the community a notice of the scheduled public hearing and that the notice appear not less than 10 or more than 30 days prior to the date of the hearing.

City of Lansing
Notice of Public Hearing

The Lansing City Council will hold a public hearing on Monday, **(Insert Date)** at 7:00 p.m. in the City Council Chambers, 10th Floor, Lansing City Hall, Lansing, MI, for the purpose stated below:

To afford an opportunity for all residents, taxpayers of the City of Lansing, City Assessor, other interested persons and ad valorem taxing units to appear and be heard on the approval of an Obsolete Property Rehabilitation Certificate (the "Certificate"), pursuant to and in accordance with the provisions of the Obsolete Property Rehabilitation Act, Public Act 146 of 2000, for property located at 1611 East Kalamazoo St., Lansing, Michigan, but more particularly described as follows:

LOT 6, 7, 8, 9, 10 BLOCK 4 ASSESSORS PLAT NO 16

PARCEL NUMBER: 33-01-01-15-427-302

Approval of this Certificate will provide the owner or potentially the developer of property an abatement of certain property taxes for the improvements to the property noted above. Further information regarding this issue may be obtained from Kris Klein, Lansing Economic Area Partnership (LEAP), 1000 S. Washington Ave., Suite 201, Lansing, MI 48910, 517-702-3387.

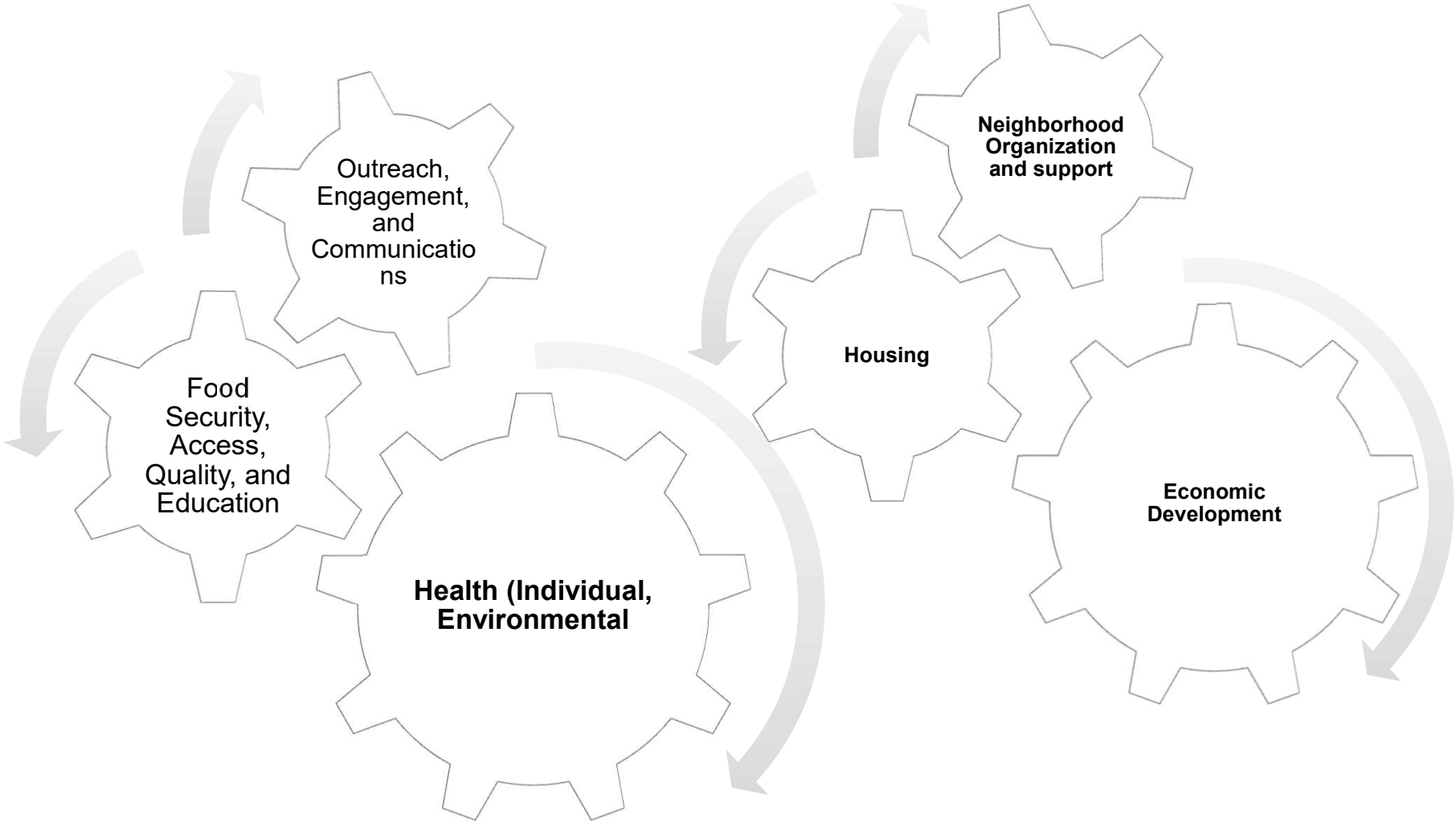
For more information, please call 517-483-4177. If you are interested in this matter, please attend the public hearing or send a representative. Written comments will be accepted between 8 a.m. and 5 p.m. on City business days if received before 5 p.m., on the day of the Public Hearing at the City Clerk's Office, Ninth Floor, City Hall, 124 West Michigan Ave., Lansing, MI 48933 or email city.clerk@lansingmi.gov.

Chris Swope, Lansing City Clerk, MMC/CMMC
www.lansingmi.gov/Clerk
www.facebook.com/LansingClerkSwope

Preserving and Creating Place on Lansing's Eastside

A place-based organization, serving as a hub for neighborhood revitalization and for activities that promote the health and well-being of the Eastside community and other regional stakeholders.

Comprehensive and Integrative Community Development



Purchased in August 2018

Allen Place Partnership

Allen Neighborhood Center (and its wholly owned subsidiary ANC Holdings, LLC)

Cinnaire Solutions, the development arm of Cinnaire Corporation, headquartered in REO Town, Lansing.

Current Occupants of the Property

- Allen Neighborhood Center with its Allen Market Place facility and
- Happendance Lansing Studio

Current Condition- Functionally Obsolete!

Rehabilitation Challenges

1. Three USTs, courtesy of Al's Service Station, 1938-58
2. Vapor Intrusions, from two (!) dry cleaning companies
3. Lawn Mowing Repair concerns
4. Car detailing concerns
5. Asbestos
6. Interior and Exterior Demolition
7. Further Environmental Investigation

Coming Soon: Allen Place

ALLEN PLACE
19.08.20
ALLEN NEIGHBORHOOD CENTER
SHEPARD ST & E KALAMAZOO ST
pH design

The Allen Place Project envisions the conversion of the current complex into a 3-story Allen Place, a comprehensive community space that will provide 29 units of age-friendly, mixed-income housing along with commercial space, integrative services and programming.

Key Figures

Overall Development: $10,000,000

Number of Units: 29 (4 Studio, 15 One-BR, 10 Two-BR)

Square footage: 30,000 square feet of residential and 20,000 square feet of commercial space

Green features: Substantial green space and gathering areas, raingardens, passive design (i.e., electric heat in residential units), solar doks, electric car charging station, shared vehicles/car rental, bike and scooter parking and storage, recycling and composting opportunities, and more.

Amenities: Integrated programming with ANC's food and health services, including access to exercise/dance classes, weekly on-site market, gardening and cooking workshops, and more.

Estimated date of completion: ***June 2021***

Allen Place will address 4 Strategic Priorities

1. Stabilization and Strengthening of the E. Kalamazoo St. Corridor

2. Development of age-friendly and affordable housing for older neighbors

3. Creation of a pipeline for small-scale food-processing infrastructure (ISD to Incubator to Accelerator to Sole Proprietorship)

4. Growing the Food Innovation District between Penn. and US127

- ANC and Allen Place Food Programs (Market, Food Hub, Incubator and Accelerator Kitchens, Culinary School)
- Gardening Operations in both Hunter Park and Foster Park
- Lansing Urban Farm Project and 10 Urban Farms in Urbandale
- Neogen Corporation

Thank you for your interest.

Joan Nelson
Allen Neighborhood Center
1611 E. Kalamazoo St.
Lansing, MI 48912
517.999.3912
joann@allenneighborhoodcenter.org

allenneighborhoodcenter.org

Questions?

Lansing Brownfield Redevelopment Authority

Lansing Brownfield Redevelopment Authority
Michigan Realtors Redevelopment Project

Brownfield Plan #79

700 N. Washington Avenue
Lansing, Michigan 48906

PREPARED BY:

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

REVIEWED BY:

Lansing Brownfield Redevelopment Authority
1000 S. Washington Avenue, Suite 201
Lansing, Michigan 48910
Contact Person: Karl Dorshimer
karl@purelansing.com
Phone: 517-999-9039

January 28, 2020

Approved by the LBRA on _____
Adopted by the Lansing City Council on _____

Table of Contents

Section **Page**

1. Project Summary Sheet 1
2. Purpose of Brownfield Plan and Past Use of the Property 3
3. Brownfield Project Description 4
4. Developer Eligible Activities 5
5. Captured Taxable Value and Tax Increment Revenues 6
6. Method of Brownfield Plan Financing 6
7. Amount of Note or Bonded Indebtedness Incurred 7
8. Duration of the Brownfield Plan 7
9. Estimated Impact on Taxing Jurisdictions 7
10. Legal Description & Site Map 8
11. Personal Property 8
12. Displacement of Persons 9
13. Local Brownfield Revolving Fund 9
14. Other Information 9

FIGURES

Figure 1: Property Location Map
Figure 2: Eligible Property Map

TABLES

Table 1: Brownfield Eligible Activities
Table 2: Tax Increment Revenue Capture Estimates
Table 3: Tax Increment Revenue Reimbursement Allocation Table

ATTACHMENTS

Attachment A: Legal Description of the Property
Attachment B: Letter of Functional Obsolescence
Attachment C: Renderings

1. Project Summary Sheet

The purpose of this Brownfield Plan (the "Plan") is to identify eligible activities and cost estimates for redevelopment of the property located at 700 N. Washington Avenue in the City of Lansing, Michigan. Brownfield tax increment financing is necessary to support redevelopment of the property.

Project Name:	Michigan Realtors Redevelopment Project (the "Project")
Developer:	Michigan Realtors® (the "Developer") 700 N. Washington Avenue Lansing, MI 48906
Property Location:	700 N. Washington Avenue, Lansing, Michigan 48906 (the "Property")
Type of Eligible Property:	"Functionally Obsolete", and adjacent and contiguous
Project Description:	The Project includes the demolition of the existing, functionally obsolete building at 700 N. Washington Avenue and demolition of the building (known as 720 N. Washington Avenue) at 724 N. Washington Avenue. The entire 1.46-acre Property will be redeveloped to include a three-story, 19,443-square foot commercial office building with a roof deck and 72 paved parking spaces. When the new building is complete the existing building (720 N. Washington) will be demolished and the remainder of the Project will be completed. The development will be constructed to provide space designed for the Michigan Realtors®, a Lansing based association. Brownfield Eligible activities include asbestos and lead surveys and abatement, demolition, site preparation, infrastructure improvements, and preparation of the Brownfield Plan.
Total Capital Investment:	Property and Building Improvements: Estimated at $9,200,000 million (not including acquisition) of which there is $536,276 in eligible activities associated with the proposed Project.

Estimated Job Creation/Retention: The redevelopment will create approximately 25-30 temporary construction related jobs. The completed project will retain 30 existing Michigan Realtors® staff with room for projected creation of new jobs.

Duration of Plan: 9 years (starting in 2021)

Total New Taxes Generated by Development: $1,092,984		**% of New Taxes**
Uses		
Portion Passed Through to Saginaw Street Corridor Improvement Authority	$55,115	5%
Passed Through to: (CADL, School, Debt)	$442,007	40%
Portion Captured by LBRA to Reimburse Developer	$536,276	49%
Portion Captured for LBRA Plan Administration / Local Brownfield Revolving Fund (LBRF)	$59,586	6%
TOTAL NEW TAXES GENERATED	**$1,092,984**	**100%**

2. Purpose of Brownfield Plan and Past Use of the Property

The City of Lansing Brownfield Redevelopment Authority (Authority or "LBRA"), duly established by resolution of the City Council of the City of Lansing, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (Act 381), is authorized to exercise its powers within the City of Lansing, Michigan. The purpose of this Plan, to be implemented by the LBRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Plan will allow the LBRA to use tax increment financing to reimburse **Michigan Realtors®** (the "Developer") for the costs of eligible activities required to redevelop the eligible property located at 700 N. Washington Avenue in the City of Lansing, Michigan, (the "Property"). Any proposed redevelopment of the Property will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein. The location of the Property is depicted on Figure 1.

The Property is fully defined in the following table and in Attachment A.

Eligible Property		
Address	**Tax ID**	**Basis of Eligibility**
700 N. Washington Avenue	33-01-01-09-453-061	Functionally Obsolete
724 N. Washington Avenue	33-01-01-09-453-023	Adjacent and Contiguous
730 N. Washington Avenue	33-01-01-09-453-011	Adjacent and Contiguous
732 N. Washington Avenue	33-01-01-09-453-001	Adjacent and Contiguous
0 N. Washington Avenue	33-01-01-09-453-051	Adjacent and Contiguous
104 E. Madison Street	33-01-01-09-453-111	Adjacent and Contiguous

The Property is located within the boundaries of the City of Lansing and is surrounded by commercial property and thoroughfares. Property layout and boundaries are depicted on Figure 2. The legal descriptions of the Property are included in Attachment A.

The Property consists of a total of 1.46-acres and comprised of six contiguous parcels. One vacant two-story commercial office building totaling approximately 5,186-square feet and built in 1969 exists on the south end of the Property; and one occupied single-story commercial office building totaling approximately 4,898-square feet exists on the west-central portion of the Property. The remainder of the Property is comprised of grass lots and paved parking. The buildings have been used for commercial purposes.

The Property is considered an "eligible property" as defined by Act 381, Section 2 because: (a) the

Property was previously utilized as a commercial property; (b) it is located within the City of Lansing, a qualified local governmental unit under MCL 125.2782(k); and (c) the parcel located at 700 N. Washington Avenue has been determined to be "functionally obsolete" as defined in Section 2(s) of Act 381, and the parcels located at 724, 730, 732, 0 N. Washington Avenue and 104 E. Madison Avenue are adjacent and contiguous to 700 N. Washington Avenue. Refer to Attachment B, Letter of Functional Obsolescence.

3. Brownfield Project Description

The Project includes the demolition of the existing, functionally obsolete building at 700 N. Washington Avenue and demolition of the building (known as 720 N. Washington Avenue) at 724 N. Washington Avenue. The entire 1.46-acre Property will be redeveloped to include a three-story, 19,443-square foot commercial office building with a roof deck and 72 paved parking spaces. When the new building is complete the existing building (720 N. Washington) will be demolished and the remainder of the Project will be completed. The development will be constructed to provide space designed for the Michigan Realtors® headquarters with over 30,000 members statewide.

The new building will provide space designed for hosting programs including workplace and conference space for Michigan Realtors® staff and training/meeting space to host dinners, continuing education seminars, committee meetings, and other events for members, stakeholders, and partners from around the State. The event space and video production facilities will also be used by other organizations, most likely groups from around the state with a need for a presence in Lansing.

The first and second floors will support Michigan Realtors® staff with a high-performance workplace that fuels efficiency, collaboration, and productivity. The third-floor engagement center and roof deck will provide diverse spaces for up to 226 people to learn socialize, network, and work together.

Improved landscaping, sidewalks, and parking will create a more inviting, clean appearance allowing for easier access to the site and to Durant Park. Enhanced lighting onsite will allow for greater safety. The Project includes streetscape improvements with expanded tree lawns and corner bump-outs with decorative paving at the southeast and southwest corners of Washington Avenue and Saginaw Street. Additional landscaping and decorative paving at the southeast corner will provide a transition to the Project site. The plan was developed in cooperation with the Public Service Department to extend streetscape improvements on both sides of Washington Avenue north to Madison Street at the time sanitary sewers are replaced. These improvements will enhance the aesthetics and curb appeal for Saginaw Street and Washington Avenue, create a better connection to Durant Park, and a safer intersection for both pedestrian and vehicles.

Total capital investment is estimated at $9,200,000, not including acquisition. This Project will result in the retention of 30 existing Michigan Realtors® staff with room for projected creation of new jobs. The Project is also projected to create/leverage 25 to 30 temporary construction related jobs.

4. Developer Eligible Activities

The Developer will fund the improvements being made to the site including the public infrastructure improvements. Once the development project is complete a portion of the resulting increase in Property taxes will be used to reimburse the Developer for their extraordinary brownfield costs to redevelop the Property. The activities that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381 and include asbestos and lead surveys and abatement, (building and site) demolition, site preparation, infrastructure improvements, and preparation of the Brownfield Plan.

The costs of eligible activities included in this Plan can be reimbursed with the new local increment tax revenues generated by the Property redevelopment and captured by the LBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the "Reimbursement Agreement").

The total estimated eligible activity costs estimated for Developer reimbursement is $536,276.

ELIGIBLE ACTIVITIES

NON-ENVIRONMENTAL

Asbestos and Lead Activities	$61,252.00
Demolition	$77,126.00
Site Preparation	$97,357.00
Infrastructure Improvements	$222,257.00
(Estimated cost for public way improvements is $163,000)	
Total Non-Environmental Costs	**$457,992.00**
Contingency (15%) *	$68,284.00
Brownfield Plan Preparation	$10,000.00
Interest (0%, simple)	$0.00
Total Anticipated TIR Available for Reimbursement	**$536,276.00**
State Brownfield Redevelopment Fund	$0.00
LBRA Plan Administration / LBRF	$59,586.00
Total Local TIR Capture	**$595,862.00**

* Asbestos/Lead Surveys, Brownfield Plan preparation are excluded from contingency calculation.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property.

5. Captured Taxable Value and Tax Increment Revenues

The costs of eligible activities included in, and authorized by, this Plan can be reimbursed with incremental local only tax revenues generated by the Property redevelopment and captured by the LBRA. The LBRA will not be obligated to reimburse the Developer for Eligible Activities completed after December 31, 2022.

The taxable value of the Property according to the city assessor was $476,518 which is the initial taxable value for this Plan. The new projected taxable value for 2021 was estimated at $2,000,000. Estimated taxable values were based on estimates determined by the Project's development team. The actual taxable value will be determined by the City's Assessor after the Project is completed.

It is estimated that the LBRA will capture tax increment revenues from 2021 through 2029 to reimburse the Developer and the LBRA for the cost of eligible activities, pay for the LBRA's administration of the Plan and make deposits into the LBRA's Local Brownfield Revolving Fund (LBRF). Ninety percent of the new local taxes will be captured by the LBRA. This Plan will pass through 10% of new local taxes captured per year for the duration of the Plan for deposit into the Saginaw Street Corridor Improvement Authority (SSCIA). After the Plan expires, the SSCIA will capture 100% of the new local taxes for the duration of the SSCIA plan.

The captured incremental taxable value and associated tax increment revenue will be determined by the City Assessor. 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 will be based on the actual millage levied annually by each local taxing jurisdiction on the increase in tax value resulting from the redevelopment project that is eligible and approved for capture.

6. Method of Brownfield Plan Financing

The Developer is ultimately responsible for providing financing for the costs of eligible activities included in this Plan. However, the City will be using the LBRA's LBRF to finance a portion of the infrastructure improvements (i.e. streetscape). These LBRF funds will be recovered by the LBRA from tax increment revenues.

The inclusion of eligible activities and estimates of cost to be reimbursed in this Plan are intended to authorize the LBRA to fund such reimbursements. Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

Annually, the LBRA will capture 10% of the available new local taxes for LBRA Plan administration and/or deposits into the LBRF.

7. Amount of Note or Bonded Indebtedness Incurred

None.

8. Duration of the Brownfield Plan

The duration of this Plan shall not exceed 10 years total tax capture after the first year of tax capture anticipated as 2021.

9. Estimated Impact on Taxing Jurisdictions

The table on the following page presents a summary of the new tax revenues generated by the taxing jurisdictions whose millage is subject to capture by the LBRA under this Plan. These are estimations based on the commercial components of the proposed redevelopment.

Projected Impact to Taxing Jurisdictions					
Taxing Unit	Current Base Taxes	New Taxes to Saginaw Street Corridor Improvement Authority	New Taxes to Taxing Units*	New Taxes for BRA Admin/ LBRF Deposits and Developer Reimbursement	Total New Taxes
Lansing Operating	$9,264	$27,980		$251,820	$279,800
Ingham County	$1,968	$5,944		$53,499	$59,443
Ingham County Sum	$3,240	$9,787		$88,085	$97,872
Airport Authority	$333	$1,006		$9,055	$10,061
CATA	$1,433	$4,328		$38,952	$43,280
Potter Park Zoo	$195	$590		$5,311	$5,901
Lansing Community College	$1,814	$5,480		$49,317	$54,797
Ingham Inter. School District	$2,243		$6,774	$60,963	$67,736
Lansing School Sinking Fund	$1,430		$4,318	$38,861	$43,179
Lansing School District Operating	$8,472		$255,896		$255,896
State Education Tax (6 mills)	$2,859		$86,358		$86,358
Capital Area District Library	$743		$22,453		$22,453
City Debt	$2,192		$66,208		$66,208
Total	**$36,186**	**$55,115**	**$442,007**	**$595,862**	**$1,092,984**

* Increased by investment, but not captured by the LBRA

Additional information related to the impact of tax increment financing on the various taxing jurisdictions is presented in Table 2.

10. Legal Description & Site Map

The Property location and boundaries are shown on Figures 1 and 2. The legal description of the Property is provided in Attachment A.

11. Personal Property

This Brownfield Plan will capture incremental tax revenues resulting from personal property to the extent they are available.

12. Displacement of Persons

No persons will be displaced as a result of this Project.

13. Local Brownfield Revolving Fund

The City will be using the LBRA's accelerated reimbursement program to finance a portion of the infrastructure improvements.

The LBRA will capture all available tax increment revenues for deposit to the LBRF as permitted by Act 381.

14. Other Information

The LBRA and the Lansing City Council, in accordance with the Act, may amend this Plan in the future in order to fund additional eligible activities associated with the Project described herein.

FIGURES

Figure 1: Property Location Map

Figure 2: Eligible Property Map

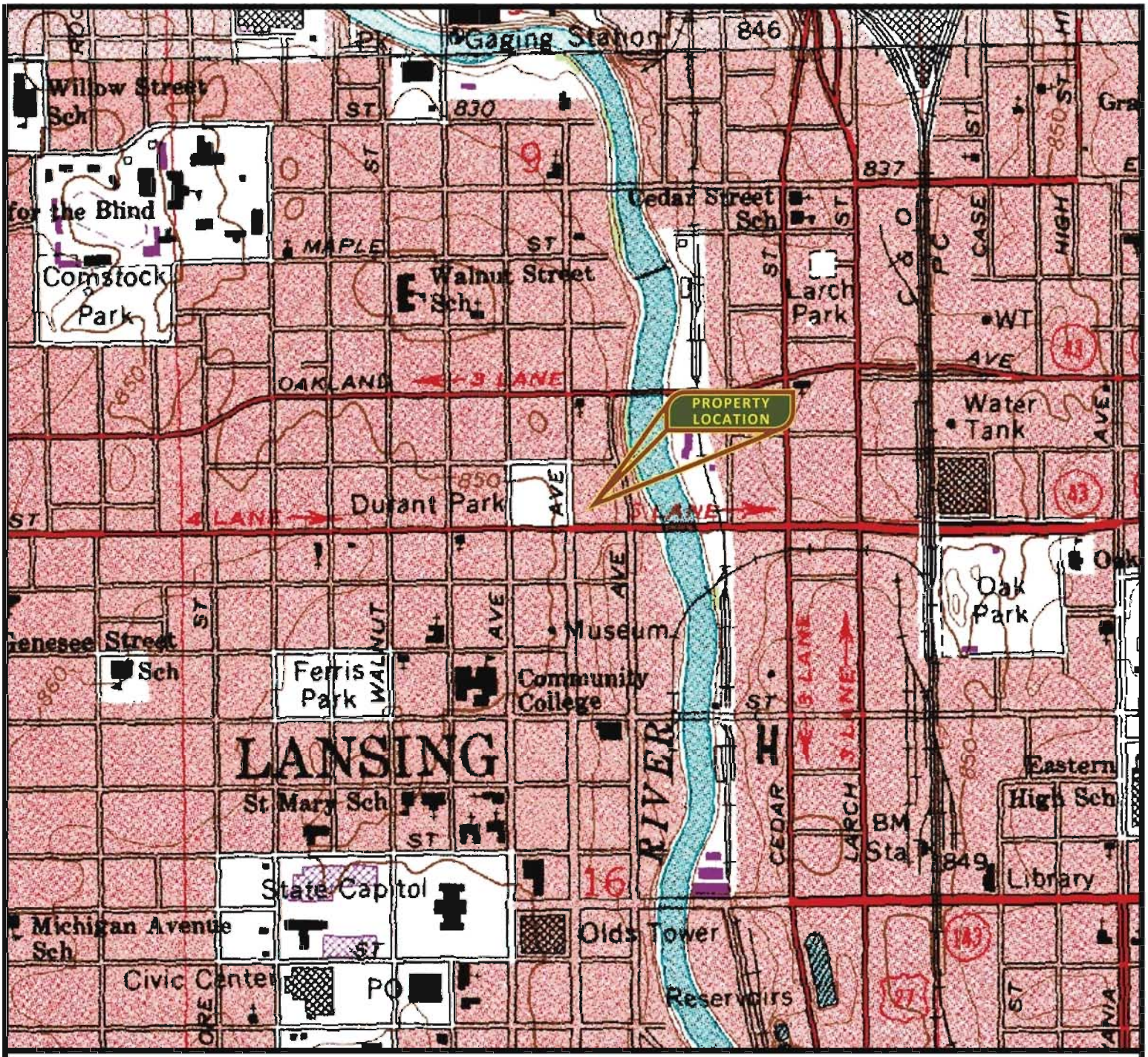


FIGURE 1
PROPERTY LOCATION

TRI TERRA

700 N. WASHINGTON AVENUE
LANSING, MICHIGAN 48906

INGHAM COUNTY
T4N, R2W, SECTION 9

PROJECT NUMBER: 19-2147

500 0 500 1000 1500 ft

1:12000

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG

TRI TERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 19-2147

700 N. WASHINGTON AVENUE
LANSING, MICHIGAN 48906

DIAGRAM CREATED BY: AL DATE: 11/26/2019

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 1
Brownfield Eligible Activities
700 N. Washington Avenue
Lansing, MI

ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	REIMBURSEMENT ALLOCATION		
					DEQ ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES
MSF ELIGIBLE ACTIVITIES							
Asbestos and Lead Activities							
			Subtotal Asbestos and Lead Activities	***$ 61,252***		***$ -***	***$ 61,252***
Demolition							
			Subtotal Demolition Activities	***$ 77,126***	***$ -***	***$ -***	***$ 77,126***
Site Preparation							
			Subtotal Site Preparation Activities	***$ 97,357***	***$ -***	***$ -***	***$ 97,357***
Infrastructure Improvements							
			Subtotal Infrastructure Improvement Activities	***$ 222,257***			***$ 222,257***
			MSF ELIGIBLE ACTIVITIES SUB-TOTAL	**$ 457,992**	**$ -**	**$ -**	**$ 457,992**
			MSF AND EGLE ELIGIBLE ACTIVITIES SUB-TOTAL	**$ 457,992**	**$ -**	**$ -**	**$ 457,992**
Contingency (15%)				$ 68,284			$ 68,284
Brownfield Plan	1	LS	$ 10,000	$ 10,000			$ 10,000
Interest (0%, simple)			$ -	$ -			
			TOTAL ELIGIBLE COST FOR REIMBURSEMENT	**$ 536,276**	**$ -**	**$ -**	**$ 536,276**
State Brownfield Revolving Fund				$ -			
BRA Administrative Fees/LBRF				$ 59,586			
			GRAND TOTAL	**$ 595,862**			
					0.00%	*0.00%*	*100.00%*

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Asbestos/Lead Surveys and Brownfield Plan are excluded from contigency calculation.

Table 2
Tax Increment Revenue Capture Estimates
700 N. Washington Avenue
Lansing, MI

Estimated Taxable Value (TV) Increase Rate: 1% per year

Plan Year			2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	Total	Pass-Through	Captured
Base Taxable Value (TV)			$ 476,518	$ 476,518	$ 476,518	$ 476,518	$ 476,518	$ 476,518	$ 476,518	$ 476,518	$ 476,518			
Estimated New TV			$ 2,000,000	$ 2,020,000	$ 2,040,200	$ 2,060,602	$ 2,081,208	$ 2,102,020	$ 2,123,040	$ 2,144,271	$ 2,165,713			
Incremental Difference (New TV - Base TV)			$ 1,523,482	$ 1,543,482	$ 1,563,682	$ 1,584,084	$ 1,604,690	$ 1,625,502	$ 1,646,522	$ 1,667,753	$ 1,689,195			
Total Incremental Difference			$ 1,523,482	$ 1,543,482	$ 1,563,682	$ 1,584,084	$ 1,604,690	$ 1,625,502	$ 1,646,522	$ 1,667,753	$ 1,633,800			
School Capture	**Millage Rate**													
School Operating	17.7792		$ 27,086	$ 27,442	$ 27,801	$ 28,164	$ 28,530	$ 28,900	$ 29,274	$ 29,651	$ 29,048	$ 255,896	$ 255,896	$ -
State Education Tax (SET)	6.0000		$ 9,141	$ 9,261	$ 9,382	$ 9,505	$ 9,628	$ 9,753	$ 9,879	$ 10,007	$ 9,803	$ 86,358	$ 86,358	$ -
School Total:	23.7792	*34.08%*	**$ 36,227**	**$ 36,703**	**$ 37,183**	**$ 37,668**	**$ 38,158**	**$ 38,653**	**$ 39,153**	**$ 39,658**	**$ 38,850**	$ 342,254	$ 342,254	$ -
Local Capture	**Millage Rate**													
Lansing Operating	19.4400		$ 29,616	$ 30,005	$ 30,398	$ 30,795	$ 31,195	$ 31,600	$ 32,008	$ 32,421	$ 31,761	$ 279,800	$ 27,980	$ 251,820
Ingham County	4.1300		$ 6,292	$ 6,375	$ 6,458	$ 6,542	$ 6,627	$ 6,713	$ 6,800	$ 6,888	$ 6,748	$ 59,443	$ 5,944	$ 53,499
Ingham County Sum	6.8000		$ 10,360	$ 10,496	$ 10,633	$ 10,772	$ 10,912	$ 11,053	$ 11,196	$ 11,341	$ 11,110	$ 97,872	$ 9,787	$ 88,085
Airport Authority	0.6990		$ 1,065	$ 1,079	$ 1,093	$ 1,107	$ 1,122	$ 1,136	$ 1,151	$ 1,166	$ 1,142	$ 10,061	$ 1,006	$ 9,055
CATA	3.0070		$ 4,581	$ 4,641	$ 4,702	$ 4,763	$ 4,825	$ 4,888	$ 4,951	$ 5,015	$ 4,913	$ 43,280	$ 4,328	$ 38,952
Potter Park Zoo	0.4100		$ 625	$ 633	$ 641	$ 649	$ 658	$ 666	$ 675	$ 684	$ 670	$ 5,901	$ 590	$ 5,311
Lansing Community College	3.8072		$ 5,800	$ 5,876	$ 5,953	$ 6,031	$ 6,109	$ 6,189	$ 6,269	$ 6,349	$ 6,220	$ 54,797	$ 5,480	$ 49,317
Ingham Intermediate School District	4.7062		$ 7,170	$ 7,264	$ 7,359	$ 7,455	$ 7,552	$ 7,650	$ 7,749	$ 7,849	$ 7,689	$ 67,736	$ 6,774	$ 60,963
Lansing School Sinking	3.0000		$ 4,570	$ 4,630	$ 4,691	$ 4,752	$ 4,814	$ 4,877	$ 4,940	$ 5,003	$ 4,901	$ 43,179	$ 4,318	$ 38,861
Local Total:	45.9994	*65.92%*	**$ 70,079**	**$ 70,999**	**$ 71,928**	**$ 72,867**	**$ 73,815**	**$ 74,772**	**$ 75,739**	**$ 76,716**	**$ 75,154**	$ 662,069	$ 66,207	$ 595,862
Total Capturable Taxes:	69.7786	*100.00%*	**$ 106,306**	**$ 107,702**	**$ 109,112**	**$ 110,535**	**$ 111,973**	**$ 113,425**	**$ 114,892**	**$ 116,373**	**$ 114,004**	**$ 1,004,323**	**$ 408,461**	**$ 595,862**
Non-Capturable Millages	**Millage Rate**													
School Debt	4.6000		$ 7,008	$ 7,100	$ 7,193	$ 7,287	$ 7,382	$ 7,477	$ 7,574	$ 7,672	$ 7,515	$ 66,208	$ 66,208	$ -
Capital Area District Library	1.5600		$ 2,377	$ 2,408	$ 2,439	$ 2,471	$ 2,503	$ 2,536	$ 2,569	$ 2,602	$ 2,549	$ 22,453	$ 22,453	$ -
Total Non-Capturable Taxes:	6.1600											**$ 88,661**	**$ 88,661**	$ -
												$ 1,092,984	**$ 497,122**	**$ 595,862**

Notes:

Table 3
Tax Increment Revenue Reimbursement Allocation Table
700 N. Washington Avenue
Lansing, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	0.0%	$ -		$ -
Local	100.0%	$ -	$ 536,276	$ **536,276**
TOTAL		$ -	$ **536,276**	$ **536,276**
EGLE	0.0%	$ -		
MSF	0.0%	$ -		

Estimated Total Years of Plan:	9

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	$ -
BRA Administrative Fees / LBRF	$ 59,586

***** During the life of the Plan

	2021 1	2022 2	2023 3	2024 4	2025 5	2026 6	2027 7	2028 8	2029 9	2030 10	2031 11	2032 12	2033 13	TOTALS
Available Tax Increment Revenue (TIR)														
Total State Tax Capture Available	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
State TIR Available for Reimbursement to Developer	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Local Tax Capture Available	$ 70,079	$ 70,999	$ 71,928	$ 72,867	$ 73,815	$ 74,772	$ 75,739	$ 76,716	$ 75,154	$ -	$ -	$ -	$ -	
Capture for Saginaw Street Corridor Improvement Authority (10%)	$ 7,008	$ 7,100	$ 7,193	$ 7,287	$ 7,381	$ 7,477	$ 7,574	$ 7,672	$ 7,515	$ -	$ -	$ -	$ -	$ **66,207**
Capture for BRA Administrative Fees and/or Local Brownfield Revolving Fund (10% of available Local TIR)	$ 6,307	$ 6,390	$ 6,474	$ 6,558	$ 6,643	$ 6,729	$ 6,817	$ 6,904	$ 6,764	$ -	$ -	$ -	$ -	$ **59,586**
Local TIR Available for Reimbursement to Developer	$ 56,764	$ 57,509	$ 58,262	$ 59,022	$ 59,790	$ 60,565	$ 61,349	$ 62,140	$ 60,875	$ -	$ -	$ -	$ -	
Total State & Local TIR Available for Reimbursement to Developer	$ 56,764	$ 57,509	$ 58,262	$ 59,022	$ 59,790	$ 60,565	$ 61,349	$ 62,140	$ 60,875	$ -	$ -	$ -	$ -	
DEVELOPER	Beginning Balance													
	$ 536,276	$ **479,512**	$ **422,002**	$ **363,740**	$ **304,718**	$ **244,928**	$ 184,363	$ 123,014	$ 60,875	$ **(0)**	$ **(0)**	$ **(0)**	$ **(0)**	$ **(0)**	
MSF Eligible Activities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
State Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EGLE Eligible Activities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
State Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local Tax Reimbursement	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
LOCAL-ONLY Activities	$ 536,276	$ 479,512	$ 422,002	$ 363,740	$ 304,718	$ 244,928	$ 184,363	$ 123,014	$ 60,875	$ (0)	$ (0)	$ (0)	$ (0)	$ (0)	
Local-Only Tax Reimbursement	$ 536,276	$ 56,764	$ 57,509	$ 58,262	$ 59,022	$ 59,790	$ 60,565	$ 61,349	$ 62,140	$ 60,875	$ -	$ -	$ -	$ -	$ **536,276**
TOTAL ANNUAL DEVELOPER REIMBURSEMENT		$ **56,764**	$ **57,509**	$ **58,262**	$ **59,022**	$ **59,790**	$ **60,565**	$ **61,349**	$ **62,140**	$ **60,875**	$ -	$ -	$ -	$ -	
														$ **662,069**

Attachment A

Legal Description of the Property

ATTACHMENT A

Legal Description
700 N. Washington Avenue
Lansing, Michigan 48906

---

700 N. Washington Avenue (Parcel No. 33-01-01-09-453-061) - S 1/2 LOT 2 BLOCK 53 ORIG PLAT

0 N. Washington Avenue (Parcel No. 33-01-01-09-453-051) – N ½ LOT 2 BLOCK 53 ORIG PLAT

724 N. Washington Avenue (Parcel No. 33-01-01-09-453-023) - LOTS 3, 4 & 5 BLOCK 53 ORIG PLAT

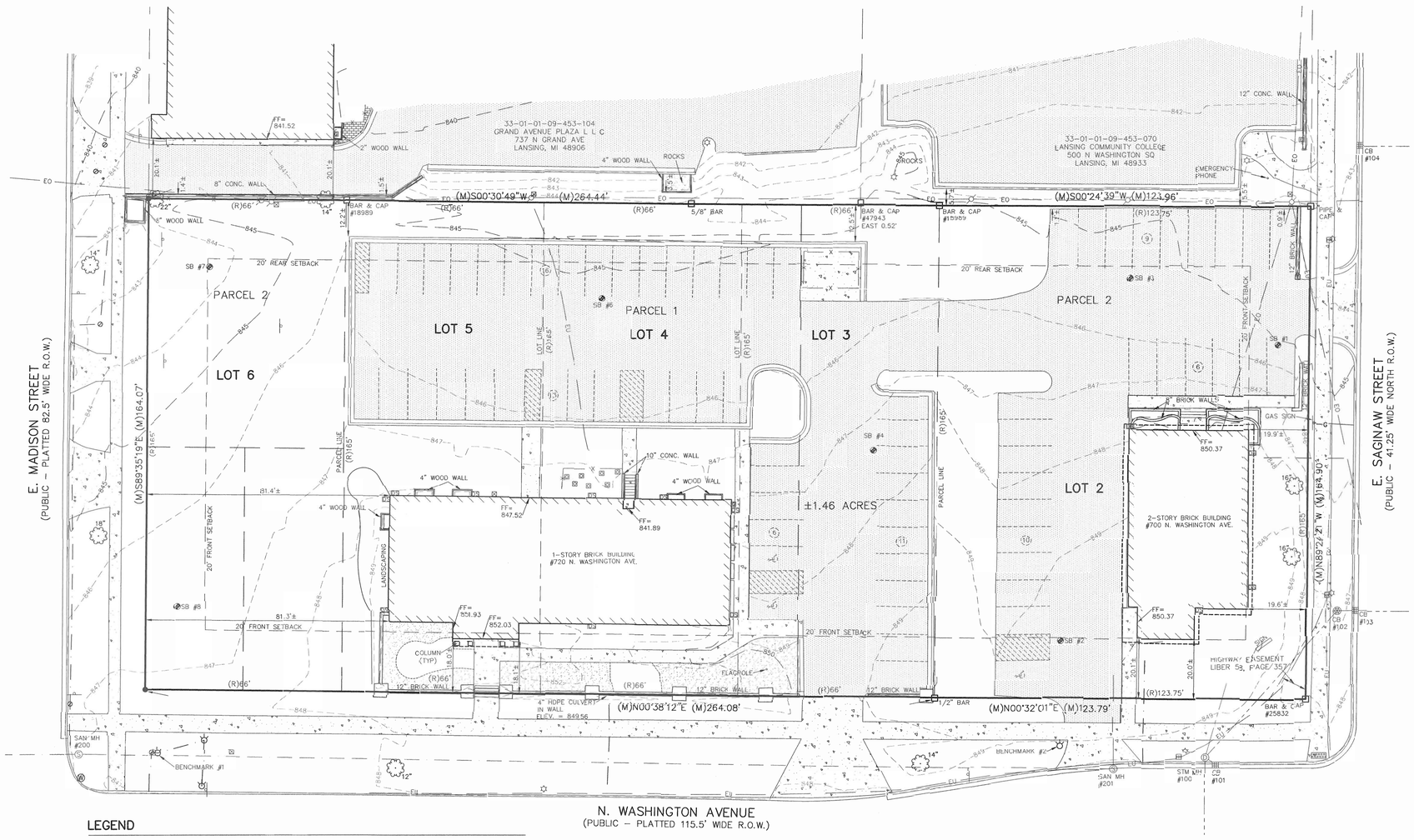
730 N. Washington Avenue (Parcel No. 33-01-01-09-453-011) – S 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

732 N. Washington Avenue (Parcel No. 33-01-01-09-453-001) – N 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

104 E. Madison Street (Parcel No. 33-01-01-453-111) – E 83.5 FT LOT 6 BLOCK 53 ORIG PLAT

ALTA/NSPS LAND TITLE SURVEY

"700, 720, 730, 732, & VACANT N. WASHINGTON AVENUE & 104 E. MADISON STREET, LANSING, MI 48906"



SCALE 1" = 20'

0' 20' 40' 60'

SEWER INVENTORIES

STORM MANHOLE #100
RIM ELEV. = 848.30
12" RCP E INV. = 842.74
12" RCP SE INV. = 840.86
12" RCP SW INV. = 844.94
12" RCP W INV. = 840.86
SUMP ELEV. = 840.10

CATCH BASIN #101
RIM ELEV. = 847.80
12" RCP NE INV. = 845.14
SUMP ELEV. = 845.00

CATCH BASIN #102
RIM ELEV. = 846.74
12" RCP S INV. = 841.03
12" RCP NW INV. = 840.80
SUMP ELEV. = 840.74

CATCH BASIN #103
RIM ELEV. = 846.75
12" RCP N INV. = 840.91
12" RCP S INV. = 840.79
SUMP ELEV. = 840.75

CATCH BASIN #104
RIM ELEV. = 842.23
12" RCP S INV. = 838.19
SUMP ELEV. = 837.83

SANITARY MANHOLE #200
RIM ELEV. = 847.27
8" VCP N INV. = 837.62
8" VCP S INV. = 837.67

SANITARY MANHOLE #201
RIM ELEV. = 847.86
8" VCP N INV. = 841.32
8" VCP E INV. = 841.56

SURVEYOR'S NOTES:

1. This plan was made at the direction of the parties named hereon and is intended solely for their immediate use. Survey prepared from fieldwork performed in November 2018.

2. All bearings and distances on the survey are record and measured unless otherwise noted. All bearings are Michigan State Plane South Zone grid bearings obtained from GPS observations using corrections obtained from the Lansing C.O.R.S.

3. All dimensions are in feet and decimals thereof.

4. All elevations are North American Vertical Datum of 1988 (NAVD88).

5. No building tie dimensions are to be used for establishing the property lines.

6. There are no observable potential encroachments onto the subject property from adjoining lands, or from the subject property onto adjoining lands, except as shown hereon.

7. Parcel has direct access to public N Washington Avenue, public E. Madison Street, and public E. Saginaw Street (M-43).

ALTA/NSPS LAND TITLE SURVEY – TABLE "A" REQUIREMENTS:

Item 1: Shown on the survey map.

Item 2: Addresses of the surveyed property: 700, 720/724*, 730, 732, & Vacant N. Washington Avenue & 104 E. Madison Street, Lansing, MI 48906. *Building is placarded as #720 N. Washington, but assessing data and title search summary have property listed as #724.

Item 3: By scaled map location and graphic plotting only, this property lies entirely within Flood Zone "X", areas outside the 0.2% annual chance floodplain, according to the National Flood Insurance Program, Flood Insurance Rate Map for the City of Lansing, Ingham County, Michigan, Community Panel No. 260090 0131 D, dated August 16, 2011.

Item 4: 1.46 Acres (63,841 square feet)

Item 5: Shown on the survey map.

Item 6a: Zoned: D-1: Professional Office District (Per City of Lansing Zoning Map):
Current building setback requirements (Per City of Lansing Zoning Ordinance):
Front Setback 20'
Side yard Setback: Determined by the Planning Division
Rear yard Setback: 20'
Maximum Building Height: 45'
Zoning and setback information was not provided by the insurer as required, therefore the information listed hereon must be verified by the local governing agency.

Item 6b: Shown on the survey map.

Item 8: Shown on the survey map.

Item 9: Parking:
Regular Parking Spaces: 68
Disabled Parking Spaces: 3
Total on-site Parking Spaces: 71

Item 11: Utility information as shown was obtained from available public records and from supporting field observations, where possible, and is subject to verification in the field by the appropriate authorities prior to use for construction. This parcel was marked by MISS DIG Ticket Nos. A83041314, B83041742, B83041743, B83041744, and B83041747. MISS DIG positive response shows markings were completed by Consumers Energy for gas, Comcast for cable and fiber optic, Lansing Board of Water & Light for electric and water, and Midwest Fiber Networks for communication. Utilities found on site that were located by MISS DIG were: gas, electric, and water.

Item 13: Shown on the survey map.

Item 16: There is no observable evidence of earth moving work, building construction, or building additions within recent months.

Item 17: There is no observable evidence of proposed changes in street right of way lines, or recent street or sidewalk construction or repairs.

Item 19: There are no offsite easements or restrictions of record for this parcel. No offsite easement or servitudes that benefit the subject property were provided to this surveyor or observed in the process of conducting this survey.

LEGEND

- = SET 1/2" BAR WITH CAP
- = FOUND IRON AS NOTED
- = DEED LINE
- = DISTANCE NOT TO SCALE
- = FENCE
- = ASPHALT
- = CONCRETE
- = GRAVEL
- = BRICK
- = ADA PLATE
- 860 = EXISTING CONTOUR ELEVATION
- = BUILDING OVERHANG
- = SANITARY SEWER
- = STORM SEWER
- = WATER LINE
- —G— = GAS LINE
- —EU— = UNDERGROUND ELECTRIC
- —EO— = OVERHEAD WIRES
- = DECIDUOUS TREE
- = CONIFEROUS TREE
- = SANITARY MANHOLE
- = DRAINAGE MANHOLE
- = CATCHBASIN
- = SANITARY CLEANOUT
- = FIRE HYDRANT
- = VALVE
- = UTILITY POLE
- = LIGHT POLE
- = GUY WIRE
- = UTILITY PEDESTAL
- = TRANSFORMER
- = HANDHOLE
- = ELECTRIC METER
- = GAS METER
- = WATER METER
- = SOIL BORING
- = SIGN
- = POST
- = WATER MANHOLE
- = AIR CONDITIONING UNIT

BENCHMARKS

BENCHMARK #1 ELEV. = 849.08 (NAVD88)
NORTHEAST FLANGE BOLT, UNDER "N" IN "OPEN", FIRE HYDRANT, SOUTHEAST QUADRANT OF WASHINGTON AVE. AND MADISON ST.

BENCHMARK #2 ELEV. = 850.21 (NAVD88)
NORTHEAST FLANGE BOLT, UNDER RIGHT ARROW IN "OPEN→", FIRE HYDRANT, NORTHEAST QUADRANT OF WASHINGTON AVE. AND SAGINAW ST.

LEGAL DESCRIPTION:

(As provided by Transnation Title Agency, Title Search Summary No. 261760LANS, dated November 30, 2018)

PARCEL 1:
Lots 3, 4 and 5, Block 53, Original Plat, City of Lansing, Ingham County, Michigan, as recorded in Liber 2 of Plats, Page 36.

PARCEL 2:
Lots 2 and 6, Block 53, Original Plat, City of Lansing, Ingham County, Michigan, as recorded in Liber 2 of Plats, Page 36.

SCHEDULE B, SECTION II, EXCEPTIONS:

(As provided by Transnation Title Agency, Title Search Summary No. 261760LANS, dated November 30, 2018)

9. Highway Easement Release recorded in Liber 58, Page 357, crosses parcel, is plottable and shown hereon.

CERTIFICATION:

To Michigan Realtors; and Transnation Title Agency:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 "Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys," jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 5, 6a, 6b, 8, 9, 11, 13, 16, 17, 19, and 20 of Table A thereof. The fieldwork was completed on November 13, 2018.

12/18/18

Erick R. Friestrom Date of Plat or Map:
Professional Surveyor No. 53497
efriestrom@kebs.com

STATE OF MICHIGAN
ERICK R. FRIESTROM
PROFESSIONAL SURVEYOR
53497
LICENSED PROFESSIONAL SURVEYOR

REVISIONS	COMMENTS
12/18/2018	ORIGINAL

KEBS, INC. ENGINEERING AND LAND SURVEYING
2116 HASLETT ROAD, HASLETT, MI 48840
PH. 517-339-1014 FAX 517-339-8047
WWW.KEBS.COM
Marshall Office – Ph. 269-781-9800

DRAWN BY SSF	SECTION 9, T4N, R2W
FIELD WORK BY RR	JOB NUMBER: 94495.ALT
SHEET 1 OF 1	

Attachment B

Letter of Functional Obsolescence

Andy Schor, Mayor

CITY ASSESSORS OFFICE

Sharon Frischman, MMAO
City Assessor
3rd Floor City Hall
124 West Michigan Avenue
Lansing, Michigan 48933
(517) 483-7624
FAX: (517) 483-4101
www.lansingmi.gov/City-Assessor

September 17, 2019

Functional Obsolescence Determination
700 N. Washington St
Parcel 33-01-01-09-453-061

This building was originally constructed in 1969 as a split entry, single occupant office building. Because of the split entry, there is no access to the building that does not include stairs. There is no ground level entry. There is no elevator. The design as a split entry office building is obsolete.

The heating and cooling systems are currently obsolete. The heating and cooling system is accessed through a port in the ceiling and not easily accessible.

The restrooms are not handicap accessible because of the small size and narrow doorways.

The windows are fixed and do not open. There is no sprinkler system.

For these reasons, I have determined that the building at 700 N. Washington Ave. suffers from functional obsolescence.

Sharon Frischman, MMAO
City Assessor

Attachment C

Renderings

NEW HEADQUARTERS BUILDING

MICHIGAN REALTORS®

progressive ae

Pioneer CONSTRUCTION

Project Information

PROJECT LOCATION - LANSING, MI.

PROJECT STATISTICS

BUILDING AREA:

First Floor:	4,855 SF
Second Floor:	8,778 SF
Third Floor:	5,810 SF
Total:	19,443 SF
Roof Deck:	2,840 SF

SITE AREA AND FACTS

Site Area:	1.46 acres
Parking:	72 spaces

BUILDING FACTS:

- New building on property currently owned by Michigan Realtors reaffirms the organizations commitment to Lansing.
- Programs include workplace and conference space for Michigan Realtors staff and training / meeting space to host dinners, continuing education seminars, and other events for members, stakeholders, and partners.
- The building will focus on advancing the credibility of Michigan Realtors as the top advocacy group and a leader in member service through a building that reflects the organizations brand and culture.
- The first and second floors will support Michigan Realtors staff of between 35 and 40 in a high performance workplace that fuels efficiency, collaboration, and productivity.
- The third floor engagement center and roof deck will provide diverse spaces for up to 266 people to learn, socialize, network, and work together.
- The site and roof deck design creates opportunities for staff to work and collaborate outdoors using plants and materials indigenous to Michigan while not increasing impervious surface or storm water discharge.

MICHIGAN REALTORS

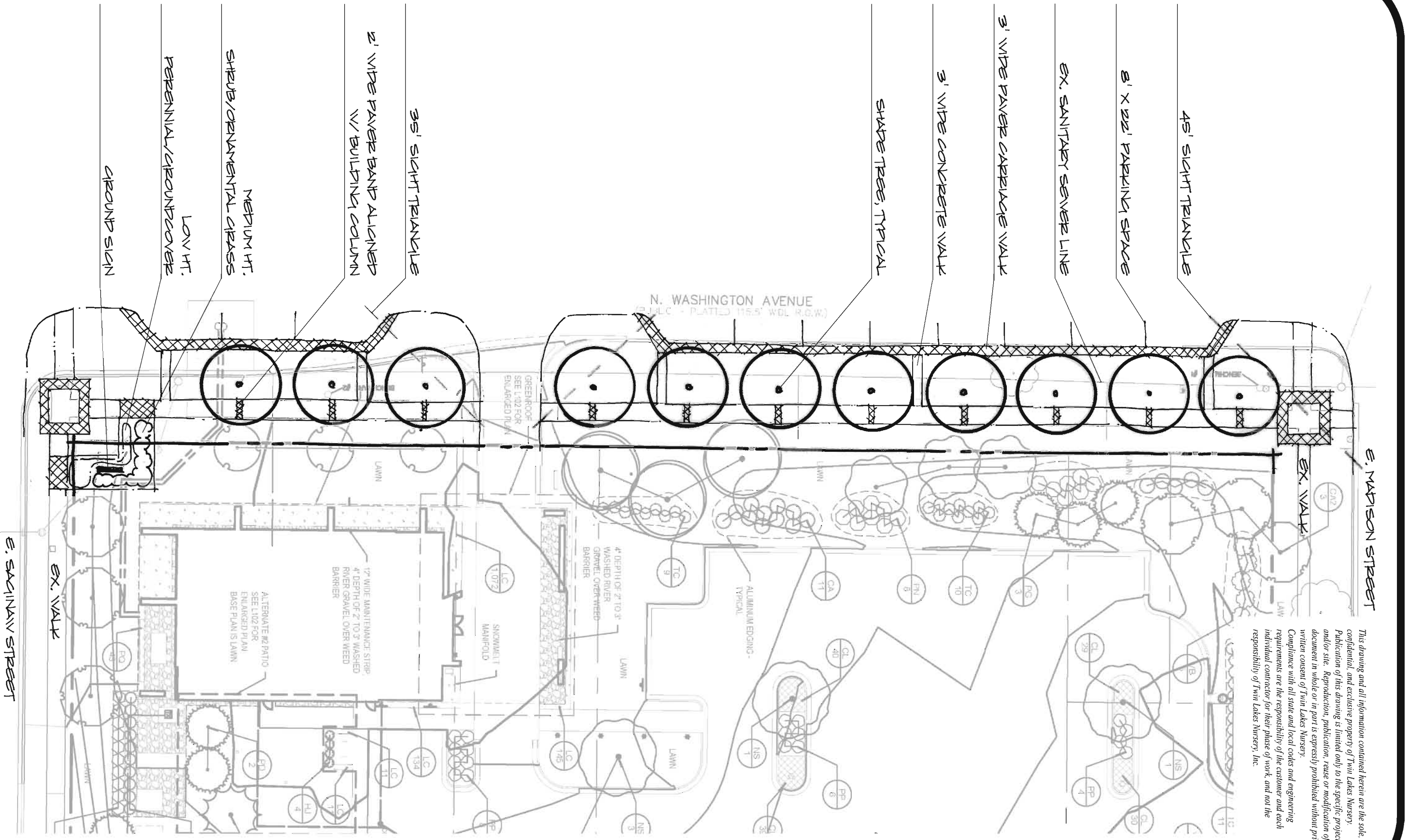
CONCEPT STREETSCAPE PLAN FOR:

SCALE: 1"=30' 0' 15' 30'

1 of 1

Designer: J. Faasse

Date: 11/13/19



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Compliance with all state and local codes and engineering requirements are the responsibility of the customer and each individual contractor for their phase of work, and not the responsibility of Twin Lakes Nursery, Inc.

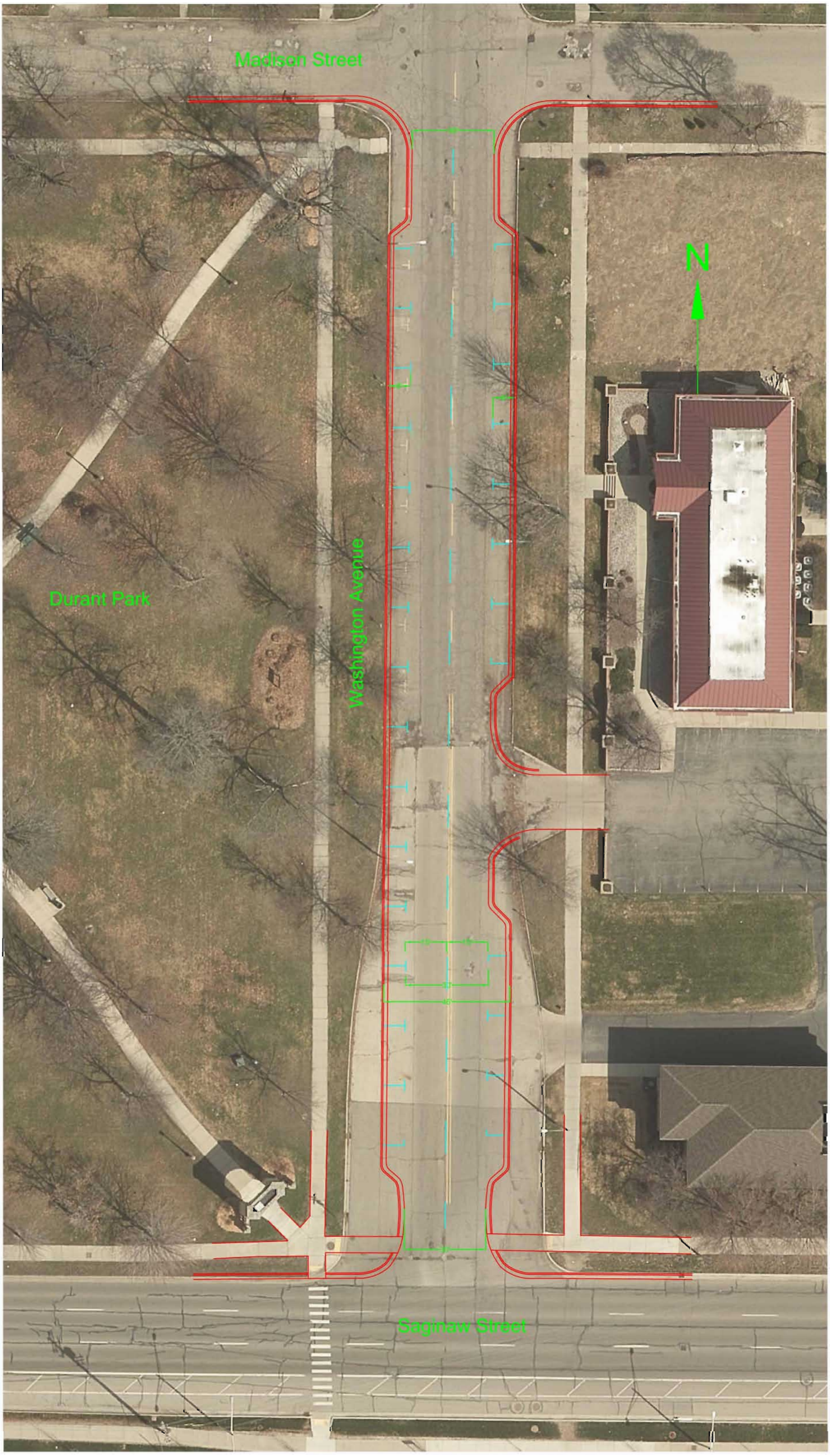
Twin Lakes Nursery, Inc.

LANDSCAPE DESIGN AND CONSTRUCTION

3680 MICHIGAN RD. N.E.
GRAND RAPIDS, MI 49525
PH. 949-5230
FAX. 949-1751
www.twinlakesnursery.com

ELEMENTS | STUDIO inc
LANDSCAPE ARCHITECTURE

907 Britten Ave., Lansing, MI 48910
www.ElementsStudio.net | P: (517) 599-7152


Madison Street
N
Durant Park
Washington Avenue
Saginaw Street

CITY OF LANSING BROWNFIELD PLAN #79, MICHIGAN REALTORS
PROPOSED BROWNFIELD PLAN APPROVAL PROCESS SCHEDULE

DATE	BOARD/ COMMITTEE	ACTION	ATTENDANCE BY APPLICANT
By January 31, 2020	LEAP/LEDC	Final Brownfield Plan and Agreement is submitted to LEAP/LEDC for Review.	
January 31, 2020	LEAP/LBRA	Final Draft Brownfield Plan Sent to LBRA Board.	
Feb 7, 2020 3:00 P.M	Lansing Brownfield Redevelopment Authority	LBRA Approves Brownfield Plan #79.	YES
Feb 10, 2020 7:00PM	Lansing City Council	Receives Brownfield Plan and refers it to the Committee on Development and Planning.	
Feb 18, 2020 3:30 PM	Committee on Development and Planning	Applicant Presents Project to the D&P Committee to review and Approve Resolution to set Public Hearing.	YES
Feb 24, 2020 7:00PM	Lansing City Council	Council passes resolution setting the Public Hearing for 7:00PM on March 16, 2020. *Public Hearing Notice - 10 Days (Mail/Paper)*	YES
March 16, 2020 7:00PM	Lansing City Council	Public hearing held at Council for Brownfield Plan. Referred back to the D&P Committee for approval.	YES
March 17, 2020 3:30 PM	Committee on Development and Planning	D&P Committee passes resolution to approve the Brownfield Plan.	(if requested)
March 23, 2020 7:00PM	City Council Meeting	City Council Approves Brownfield Plan.	YES

DRAFT

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION TO SET A PUBLIC HEARING FOR
BROWNFIELD PLAN #79
MICHIGAN REALTORS REDEVELOPMENT PROJECT

WHEREAS, the Lansing Brownfield Redevelopment Authority has prepared and forwarded an approved Brownfield Plan pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, for property commonly referred to as 700 N Washington Ave located in the City of Lansing; and

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

WHEREAS, maps, plats, and a description of the brownfield plan are available for public inspection at the Lansing Economic Area Partnership, 1000 South Washington, Suite 201, Lansing, MI 48912, and that all aspects of the brownfield plan are open for discussion at the public hearing.

NOW, THEREFORE, BE IT RESOLVED that a public hearing be held in the City Council Chambers of the City of Lansing, 10th Floor, Lansing City Hall, Lansing, Michigan, on March 16, 2020 at 7:00 p.m. on Brownfield Plan #79 – Michigan Realtors Redevelopment Project under the Brownfield Redevelopment Financing Act, for property more particularly described as:

700 N. Washington Avenue (Parcel No. 33-01-01-09-453-061) - S 1/2 LOT 2 BLOCK 53 ORIG PLAT

0 N. Washington Avenue (Parcel No. 33-01-01-09-453-051) – N ½ LOT 2 BLOCK 53 ORIG PLAT

724 N. Washington Avenue (Parcel No. 33-01-01-09-453-023) - LOTS 3, 4 & 5 BLOCK 53 ORIG PLAT

730 N. Washington Avenue (Parcel No. 33-01-01-09-453-011) – S 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

732 N. Washington Avenue (Parcel No. 33-01-01-09-453-001) – N 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

104 E. Madison Street (Parcel No. 33-01-01-453-111) – E 83.5 FT LOT 6 BLOCK 53 ORIG PLAT

And that the City Clerk cause notice of such hearing to be published twice in a publication of general circulation, no less than 10 days or more than 40 days prior to the date of the public hearing, and that the City Clerk also cause the legislative body of each taxing unit levying ad valorem taxes on this property, to be notified of Brownfield Plan #79 – Michigan Realtors Redevelopment Project and the scheduled public hearing.

_____

City Clerk

City of Lansing
Notice of Public Hearing

The Lansing City Council will hold a public hearing on March 16, 2020 at 7:00 p.m. in the City Council Chambers, 10th Floor, Lansing City Hall, Lansing, MI, for the purpose stated below:

To afford an opportunity for all residents, taxpayers of the City of Lansing, other interested persons and ad valorem taxing units to appear and be heard on the approval of Brownfield Plan #79 – Michigan Realtors Redevelopment Project pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, for property commonly referred to as 700 N. Washington Avenue located in the City of Lansing, but more particularly described as:

700 N. Washington Avenue (Parcel No. 33-01-01-09-453-061) - S 1/2 LOT 2 BLOCK 53 ORIG PLAT

0 N. Washington Avenue (Parcel No. 33-01-01-09-453-051) – N ½ LOT 2 BLOCK 53 ORIG PLAT

724 N. Washington Avenue (Parcel No. 33-01-01-09-453-023) - LOTS 3, 4 & 5 BLOCK 53 ORIG PLAT

730 N. Washington Avenue (Parcel No. 33-01-01-09-453-011) – S 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

732 N. Washington Avenue (Parcel No. 33-01-01-09-453-001) – N 33 FT OF W 81.5 FT LOT 6 BLOCK 53 ORIG PLAT

104 E. Madison Street (Parcel No. 33-01-01-453-111) – E 83.5 FT LOT 6 BLOCK 53 ORIG PLAT

Approval of this Brownfield Plan will enable the Lansing Brownfield Redevelopment Authority to capture incremental tax increases which result from the redevelopment of the property to pay for costs associated therewith. Further information regarding this issue, including maps, plats, and a description of the brownfield plan will be available for public inspection and may be obtained from Karl Dorshimer – Director of Business Development, Lansing Economic Area Partnership, 1000 South Washington, Suite 201, Lansing, MI 48912, (517) 702-3387.

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

Chris Swope, Lansing City Clerk, MMC/CMMC
www.lansingmi.gov/Clerk
www.facebook.com/LansingClerkSwope

Brownfield Plan #79

Michigan Realtors Redevelopment Project

700 N. Washington Avenue Lansing, MI

TRI TERRA

Brownfield Development
Environmental Consulting
Natural Resources

Eligible Property

- **Project Name:**
  - Michigan Realtors Redevelopment Project
- **Applicant:**
  - Michigan Realtors® (the "Developer")
- **Subject Property:**
  - 700 N. Washington Avenue
  - Parcel #'s 33-01-01-09-453-001; 011; 023; 051; 061 and 111
- **Eligibility Status:**
  - Functionally Obsolete

TRIOTERRA

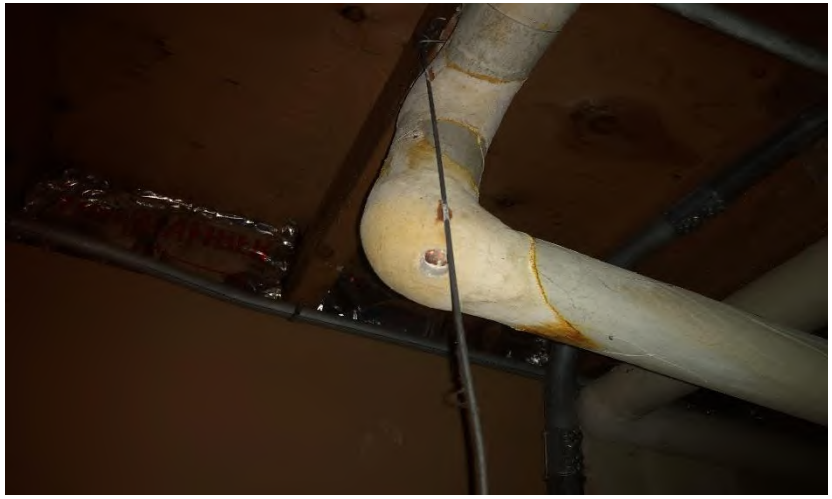
Brownfield Conditions

- Statement of Obsolescence:

  City of Lansing Assessing Department issued a statement of functional obsolescence for the building (700 N. Washington Ave) on September 17, 2019. The heating and cooling systems are currently obsolete, restrooms are not handicap accessible, no elevators, no ground entry and windows are fixed and do not open.

TRIOTERRA

Brownfield Conditions



- Asbestos & Lead Based Paint:

  The existing building was constructed in 1969 and has been used for commercial purposes (office space) since. Based on the results of an Asbestos Assessment, mudded joints on pipe elbows, mortar on the ceramic floor tile, joint compound and roofing material were identified as asbestos containing materials. These materials will be abated and/or handled appropriately during demolition. Based on the age, lead based paint is expected to be within the existing structure.

TRI TERRA

Proposed Brownfield Plan

Brownfield Plan – 9 Year Plan

- Total investment is estimated at $9,200,00 of which $536,276 is currently proposed for Brownfield reimbursement to the developer.
- Demolition of a functionally obsolete building.
- The entire 1.46-acres will be redeveloped to include a three-story, 19,443-square foot office building.
- The third-floor engagement center and roof deck will provide diverse spaces for up to 226 people for continuing education seminars, committee and board meetings, and other events for members, stakeholders, and partners from around the State.
- The building is designed as a more efficient and productive workplace for Michigan Realtors® staff, with conference and video production facilities.
- The Project includes streetscape improvements with expanded tree lawns and corner bump-outs with decorative paving at the southeast and southwest corners of Washington Avenue and Saginaw Street.

Proposed Brownfield Plan

Brownfield Plan – 9 Year Plan

- Improved landscaping, sidewalks, and parking will create a more inviting, clean appearance allowing for easier access to the site and to Durant Park.
- In cooperation with the Public Service Department, streetscape improvements on both sides of Washington Avenue will be extended north to Madison Street when sanitary sewers are replaced.
- The development is on a highly visible gateway property, on the newly established corridor improvement authority.

Total New Taxes

Total New Taxes Generated by Development: $1,092,984		% of New Taxes
Uses		
Portion Passed Through to Saginaw Street Corridor Improvement Authority	$55,115	5%
Passed Through to: (CADL, School, Debt)	$442,007	40%
Portion Captured by LBRA to Reimburse Developer	$536,276	49%
Portion Captured for LBRA Plan Administration / Local Brownfield Revolving Fund (LBRF)	$59,586	6%
TOTAL NEW TAXES GENERATED	**$1,092,984**	**100%**

TRI TERRA

New Taxes – Captured for Eligible Activities

ELIGIBLE ACTIVITIES

NON-ENVIRONMENTAL

Asbestos and Lead Activities	$61,252.00
Demolition	$77,126.00
Site Preparation	$97,357.00
Infrastructure Improvements	$222,257.00
(Estimated cost for public way improvements is $163,000)	
Total Non-Environmental Costs	**$457,992.00**
Contingency (15%) *	$68,284.00
Brownfield Plan Preparation	$10,000.00
Interest (0%, simple)	$0.00
Total Anticipated TIR Available for Reimbursement	**$536,276.00**
State Brownfield Redevelopment Fund	$0.00
LBRA Plan Administration / LBRF	$59,586.00
Total Local TIR Capture	**$595,862.00**

W.D. GUERRE
ASSOCIATES

DURANT PARK
STOP
THIS IS NOT A WALKWAY. PLEASE USE SIDEWALK.

MICHIGAN REALTORS

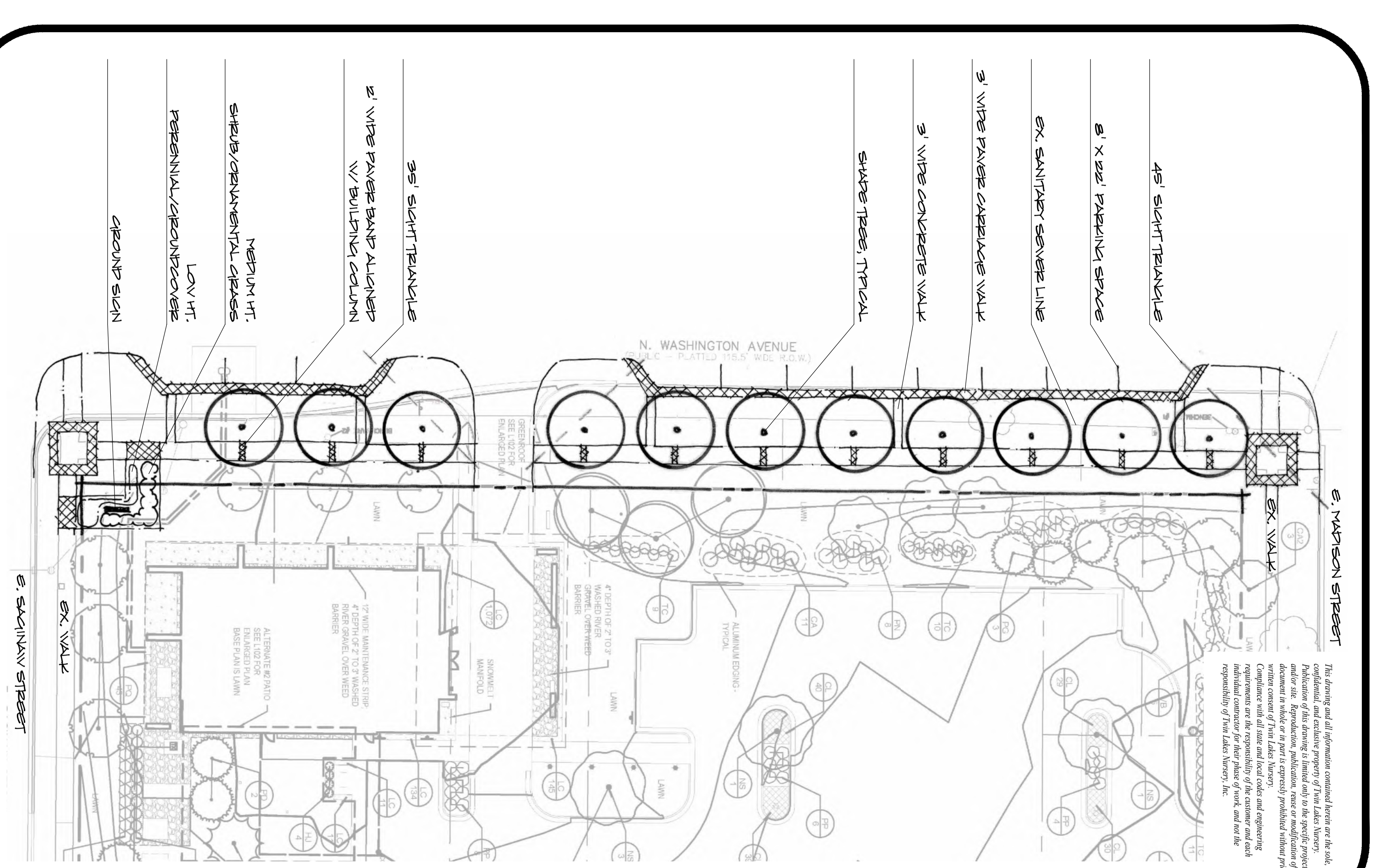
CONCEPT STREETSCAPE PLAN FOR:

SCALE: 1"=30' 0' 15' 30'

1 OF 1

Designer: J. Faasse

Date: 11/13/19



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Twin Lakes Nursery, Inc.
LANDSCAPE DESIGN AND CONSTRUCTION

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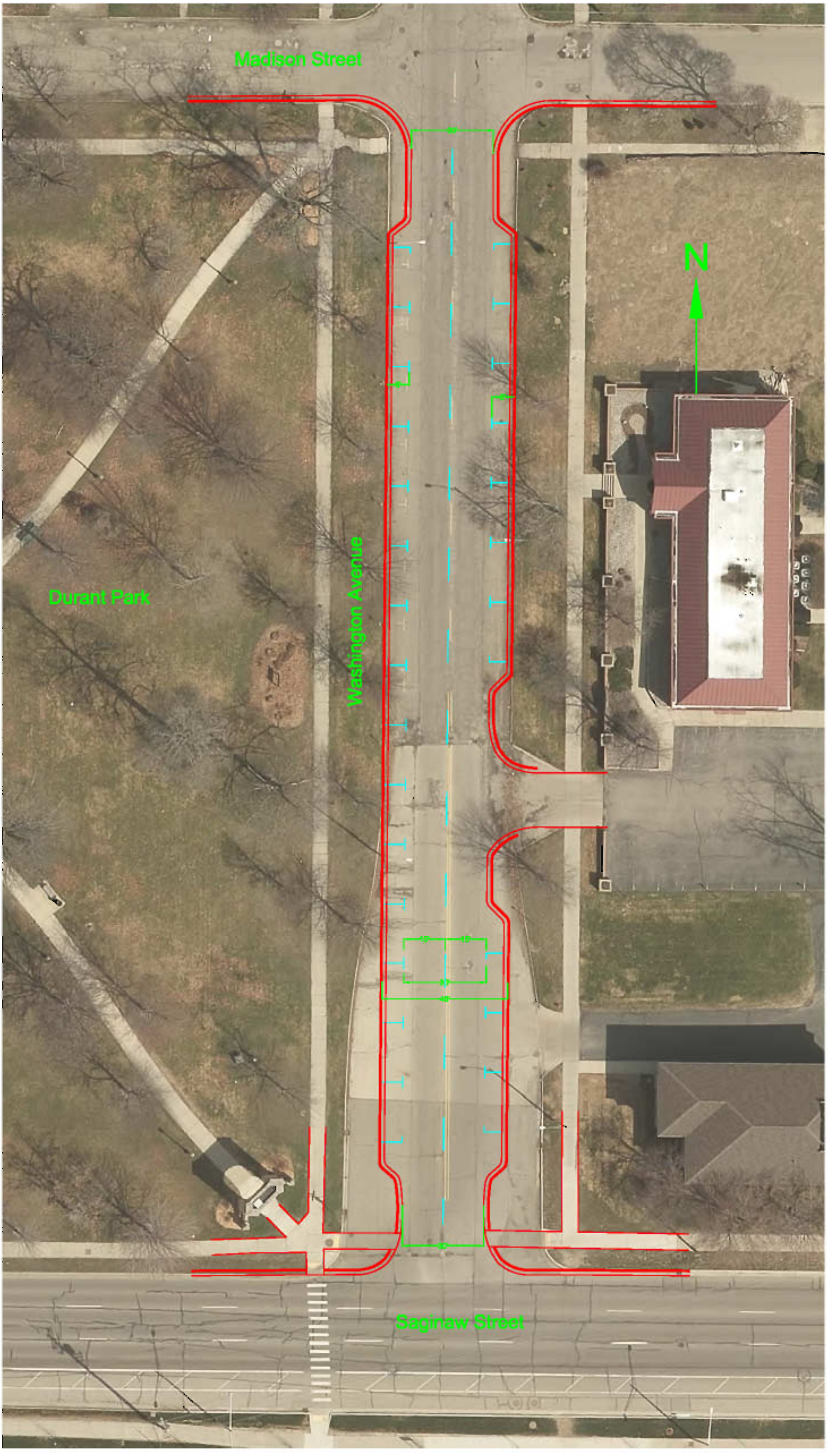

Madison Street
N
Durant Park
Washington Avenue
Saginaw Street

View from Southwest Corner

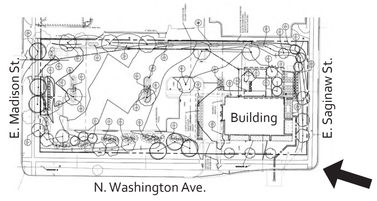
Michigan Realtors

700 N. Washington Ave.
Lansing, Michigan

Date: February 7, 2020

Design of building, private parcel landscape and 3D building model developed by Progressive AE.

View Location Map
(North points left)



Prepared for:
Michigan Realtors

Prepared by:
ELEMENTS STUDIO inc
LANDSCAPE ARCHITECTURE

View from Southeast Corner

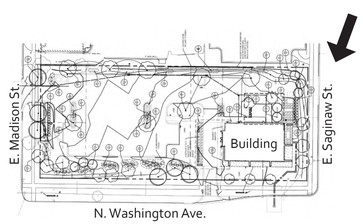
Michigan Realtors

700 N. Washington Ave.
Lansing, Michigan

Date: February 7, 2020

Design of building, private parcel landscape and 3D building model developed by Progressive AE.

View Location Map
(North points left)



Prepared for:
Michigan Realtors

Prepared by:
ELEMENTS | STUDIO inc
LANDSCAPE ARCHITECTURE

GENERAL INFORMATION

APPLICANT:	Metro Fibernet, LLC 3701 Communications Way Evansville, IN 47715
OWNER:	Lansing Board of Water & Light P. O. Box 13007 Lansing, MI 48901
STATUS OF APPLICANT:	The applicant has a license agreement with the owner
REQUESTED ACTION:	Special Land Use permit for a telecommunications tower in the "A" Residential zoning district
EXISTING LAND USE:	Board of Water & Light pump house
EXISTING ZONING:	"A" Residential District
PROPERTY SIZE & SHAPE:	Entire site: 300' x 267.9' = 80,370 square feet Licensed are: 75.3' x 80' = 6,024 square feet
SURROUNDING LAND USE:	N: Single Family Residential S: Duplex E: Freeway W: Single Family Residential
SURROUNDING ZONING:	N: "A" Residential District S: "DM-3" Residential District E: "A" Residential District W: "A" Residential District
MASTER PLAN DESIGNATION:	The Design Lansing Comprehensive Plan designates the subject property for low density residential use. N. Homer Street is designated as a local road.

APPLICANT'S PROPOSAL:

This is a request Metro Fibernet, LLC for a Special Land Use Permit to construct a telecommunications tower and equipment shelters at the southeast corner of the Board of Water & Light property (Parcel No. 33-01-01-11-251-281) located between 1220 and 1306 N. Homer Street. The purpose of the tower/shelters is to provide fiber optic internet and streaming television services to business and residential customers in the City of Lansing and surrounding communities. Telecommunication towers with related structures/equipment are permitted in the "A" Residential district, which is the zoning designation of the subject property, if a Special Land Use permit is approved by the Lansing City Council.

AGENCY RESPONSES:

Assessing:	No comments.
BWL:	
Building Safety:	The BSO has no objections. Project will be subject to the requirements of the site plan and building plan reviews.
Parks & Recreation:	No comments.
Public Service/Transportation:	No issue from a Public Service or Transportation perspective. The City's non-motorized plan shows a future bridge over US-127 in this area, though an exact location has not been identified nor has funding. Any project is a minimum of 3-5 years out and any structure proposed on this parcel would not adversely affect a future non-motorized bridge, even if it connected to this parcel.

ANALYSIS

Section 1282.03(f)(1)-(9) sets forth the criteria which must be used to evaluate a Special Land Use permit request. The criteria and evaluation are as follows.

1. **Is the proposed special land use designed, constructed, operated and maintained in a manner harmonious with the character of adjacent property and the surrounding area?**

   The proposed tower/shelter will not generate noise, odors, vibrations, light glare, etc. that would negatively impact the surrounding residential area. Furthermore, traffic to the site will be limited to 1 or 2 vehicles trips per day and the gravel access drive will have to be maintained in a dust-free condition. The issue with regard to this request is the appearance of the tower/compound area since it will be located directly adjacent to a residential property to its south. In order for the tower/compound area to be compatible with the adjoining residential uses, it will have to be effectively screened with dense evergreen plant materials and, if necessary, a screen fence as well.

2. **Will the proposed special land use change the essential character of the surrounding area?**

   The proposed tower/compound area will not change the essential character of the surrounding area in general as it adjoins the freeway to the east and will be located more than 200 feet from the residential properties to the north and west. The mature trees on the site, which are to be preserved to the greatest extent possible, should be adequate to obscure the view of the tower and compound area from the north, east and west. A significant amount of

landscape, screening and buffering, however, will be necessary to screen the tower and compound area from the adjoining residential property to the south. The applicant is proposing a row of evergreen trees along the entire length of the south property line that will have a starting size of 6 feet in height and will be planted 8-12 feet apart to allow room for growth. If the landscaping shown on the plan does not prove to be adequate, however, staff would like to be given the authority, as a condition of approval, to require additional landscaping and possibly even a screen fence along all or part of the south property line.

3. Will the proposed special land use interfere with the enjoyment of adjacent property?

The proposed tower/shelters are not anticipated to interfere with the "enjoyment" of adjacent properties. There will be no noise, odors, vibrations, traffic, etc. associated with the use that would have a detrimental effect on the adjoining residential properties. The applicant will be required to maintain the gravel access drive in a dust-free condition. The only effect that the project should have on the adjoining property, particularly the one to the south, is the appearance of the tower and the fenced compound area which can be mitigated through substantial landscape, screening and buffering.

4. Will the proposed special land use represent an improvement to the use or character of property under consideration and the surrounding area in general, and will the use be in keeping with the natural environment of the lot?

The applicant is proposing a crushed stone/gravel surface for both the driveway (with the exception of the approach at N. Homer Street) and the fenced compound area. The permeable surface will have to be approved by the City Engineer and if approved, will need to be maintained in a dust-free condition. The proposal includes two 322 square foot shelters and a couple of very small (approximately 30 square feet) concrete pads for a propane tank and an antenna lighting arrestor cabinet. Given the very small amount of impervious surface that would be added to the site, the proposal will have virtually no impact its natural environment.

The applicant's proposal cannot necessarily be considered an "improvement" to the use or character of the site since, with the exception of a very small BWL pump station building, it is completely vacant (green space). This particular criterion is far more applicable to a site that is currently developed where an "improvement" would, for example, involve storm-water management improvements or conversion of the use to one which is less intensive, thus making it more compatible with adjoining/surrounding land uses.

5. Will the proposed special land use be hazardous to adjacent property or involve uses, activities, materials or equipment which are detrimental to the health, safety or welfare of persons or property through the excessive production of traffic, noise, smoke, odor, fumes or glare?

The proposed telecommunications facility will not generate any smoke, fumes, noise, odors or glare. With regard to traffic, one technician will be stationed in the shelter for a few hours daily to install new customer service and to perform testing and repairs. There will be no other traffic associated with this proposal.

6. Will the proposed special land use be adequately served by essential public facilities and services, or is it demonstrated that the person responsible for the proposed special land use is able to continually provide adequately for the services and facilities deemed essential to the special land use under consideration?

No negative comments have been received from any of the reviewing departments or agencies regarding the ability to provide the public services and facilities necessary to accommodate the proposed tower/shelters. The project will have to be approved through the City's administrative site plan review process prior to issuance of any permits for the project.

7. Will the proposed special land use place demand on public services and facilities in excess of current capacity?

The proposed tower/shelters will not place and demands on public services or facilities in excess of current capacity.

8. Is the proposed special land use consistent with the intent and purpose of this Zoning Code and the objectives of any currently adopted Comprehensive Plan?

The subject property is zoned "A" Single Family Residential and is designated for low density residential use in the Design Lansing Comprehensive Plan. The City's wireless communication tower ordinance allows telecommunication towers in the "A" Residential zoning district, if a special land use permit is approved by the City Council. The purpose of requiring a special land use permit is so that it can be determined, through an analysis of the criteria listed in Section 1282.03(f)(1)-(9) of the Zoning Ordinance, if the proposed location is appropriate for the requested use. The special land use permit process also allows the City to place conditions on the approval to ensure that the proposed project will not negatively impact other properties in the area. The intent of zoning and master planning in large part is to ensure compatibility of land uses in order to protect property values and preserve a quality residential living environment. In this case, the only property that is directly impacted by the proposed project is the residential duplex to the south. Through proper screening with the use of a dense row of evergreens along the south property line and by controlling the dust from the gravel access drive, the proposed project could be consistent the intent and purpose of the zoning and master plan. To further ensure that the property to the south is not negatively impacted by the proposal, as a condition of approval it is recommended that the Zoning Administrator be given the authority to require additional landscaping and/or an opaque fence along the south property line, if the landscaping shown on the site plan proves to be insufficient to create an effective buffer between the two uses.

9. Will the proposed special land use meet the dimensional requirements of the district in which the property is located?

The property is zoned "A" Residential which has a 35 foot height limitation. The proposed tower is approximately 85 feet in height from ground level to the top of the "spline ball

lighting terminals) as shown on the attachment labeled "Galv. Steel Utility Pole". The applicant will need to request a variance from the Board of Zoning Appeals of approximately 50 feet to the height limitation.

In addition, the proposed project does not comply with the following provisions of the City's Wireless Communications Tower Ordinance:

Section 1298.07 (B) (4) (I) requires that towers must be setback a distance equal to at least 75% of the height of the tower from any adjoining lot line. Based on the 85 foot tower height, the required setback is 63.75 feet. The site plan shows a setback of 3.3 feet from the tower to the east property line and approximately 40 feet to the south property line.

Section 1298.07 (B) (5) (I) (B) requires a separation distance of 122 feet (150% of the height of the tower) from the tower to the residential property to the south. The proposed setback is approximately 40 feet.

Sections 1298.07 (B) (4) & (5) authorizes the City Council, through the Special Land Use permit process, to reduce the setback and separation distance requirements "if the goals of this Chapter would be better served thereby.".

Staff is recommending approval of the height variance and reducing the setback/separation distance requirements, only if there is a condition of approval that staff is authorized to require additional landscaping and/or screen fencing between the tower and the adjoining residential property to the south if the proposed row of evergreen trees is not sufficient to provide an effective screen.

SUMMARY

This is a request Metro Fibernet, LLC for a Special Land Use Permit to construct a telecommunications tower and equipment shelters at the southeast corner of the Board of Water & Light property (Parcel No. 33-01-01-11-251-281) located between 1220 and 1306 N. Homer Street. The purpose of the tower/shelters is to provide fiber optic internet and streaming television services to business and residential customers in the City of Lansing and surrounding communities. Telecommunication towers with related structures/equipment are permitted in the "A" Residential district, which is the zoning designation of the subject property, if a Special Land Use permit is approved by the Lansing City Council.

Based on the findings contained in this staff report, the proposal complies with or could be granted the required height variance and reductions to the setback and separation distance requirements in order to comply with the criteria of Section 1282.03(f)(1)-(9) of the *Zoning Code* for evaluating Special Land Use permits.

1. The proposed Special Land Use will be harmonious with the character of adjacent properties and surrounding uses.
2. The proposed Special Land Use will not change the essential character of the surrounding properties.
3. The proposed Special Land Use will not interfere with the general enjoyment of adjacent properties.
4. The proposed Special Land Use does represent an improvement to the lot as it currently exists.
5. The proposed Special Land Use will not be hazardous to adjacent properties.
6. The proposed Special Land Use can be adequately served by public services and utilities.
7. The proposed Special Land Use will not place any demand on public services and facilities in excess of current capacities.
8. The proposed Special Land Use is consistent with the designations of the Zoning Code and the Design Lansing Comprehensive Plans.
9. The proposed Special Land Use will need to be granted a height variance by the Board of Zoning Appeals and setback/separation distance waivers by the City Council. The site plan demonstrates compliance with all other requirements of the Zoning Ordinance and the Wireless Communication Tower Ordinance which is a component thereof. .

RECOMMENDATION

Staff recommends approval of SLU-1-2020, a request Metro Fibernet, LLC for a Special Land Use Permit to construct a telecommunications tower and equipment shelters at the southeast corner of the Board of Water & Light property (Parcel No. 33-01-01-11-251-281) located between 1220 and 1306 N. Homer Street as depicted on the site plan dated 12/13/2019 with the condition that the access drive/compound area is maintained in a dust-free condition and with the condition that the City Zoning Administrator is given the authority to require additional landscaping and/or an opaque fence along the south property line, prior to issuance of a certificate of occupancy for the shelter(s), if the landscaping shown on the site plan proves to be insufficient to effectively screen the project from the adjoining residential property to the south, based upon the findings of fact as outlined in this staff report.

Respectfully Submitted,

Susan Stachowiak
Zoning Administrator

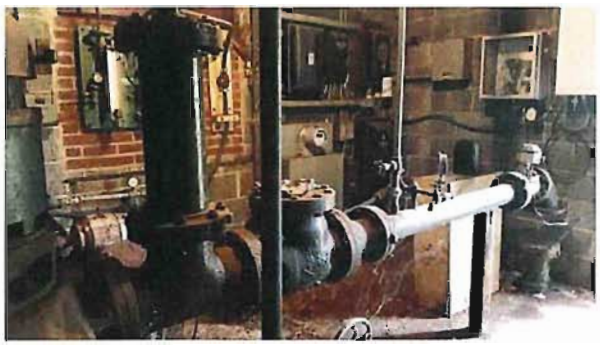
PID: 33-01-01-11-251-281 North Homer Street, Lansing, Ingham County, Michigan
Photographs taken by: Jessica Trainer November 26, 2019

View of Site facing southeast.

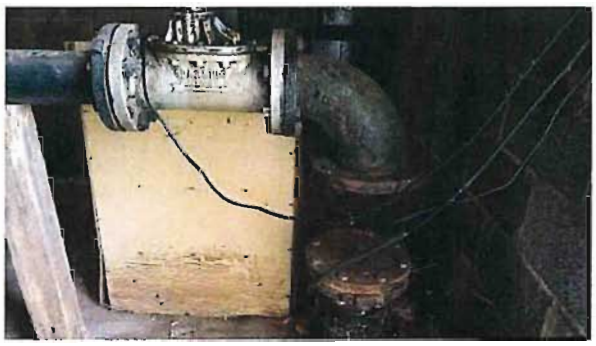
View of Site facing northwest.

View of on Site municipal well pump house facing northeast.

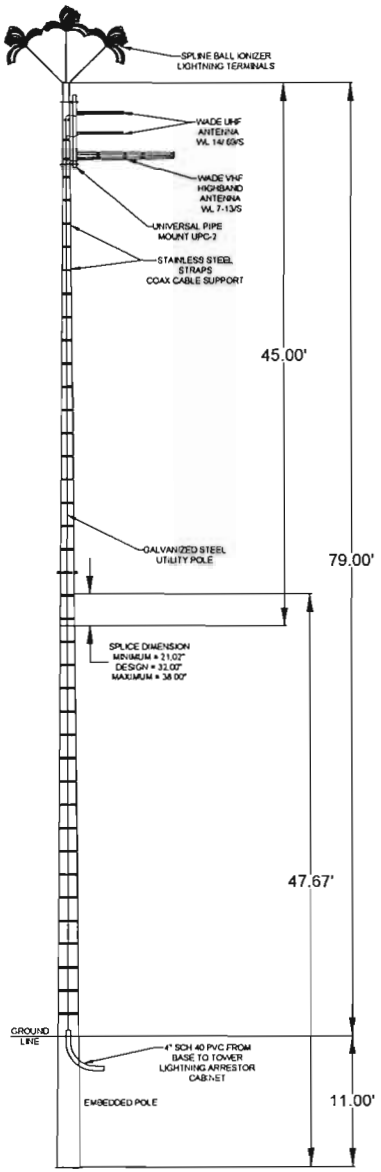
View of interior of pump house.



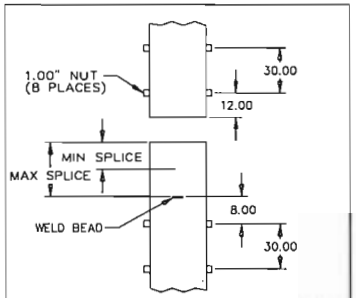
View of interior of pump house.



View of interior of pump house, note the pump is not in operation or currently connected.

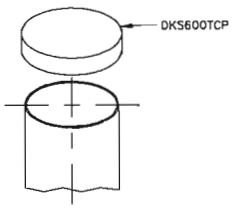


ELEVATION VIEW



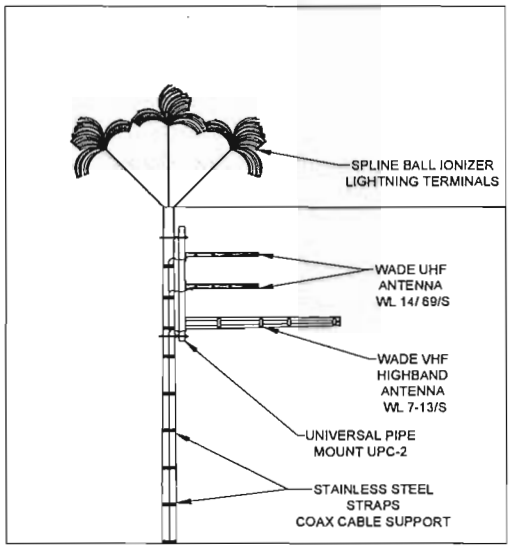
REFER TO ELEVATION VIEW FOR MINIMUM AND MAXIMUM SPLICE VALUES

SPLICE DETAIL



NOTE: INSTALL CAP BEFORE SHIPPING

POLE CAP



NOTES:

1. POLE SHAFT-GOVERNING REACTIONS.
   MOMENT = 173FT-KIPS
2. COMPONENT IDENTIFICATION: TAG LOCATIONS INDICATED BY CALLOUTS ON DRAWING. SUBSEQUENT DIGITS WILL INDICATE SEQUENCE OF MANUFACTURE.
3. ASSEMBLY AND ERECTION GUIDELINES: SEE VALMONT TRANSMISSION INSTALLATION GUIDELINE 1002.
4. SLIP JOINT JACKING FORCE:
   MINIMUM - 25000#
   MAXIMUM-90000#
5. STRUCTURES WHICH UTILIZE EMBEDDED BASE INSTALLATION. TYPICALLY THE BOTTOM (EMBEDDED) SECTION OF THE POLE IS INSTALLED IN THE GROUND FIRST. THE SPECIFIED EMBEDMENT DEPTH IS SHOWN ON THE VALMONT NEWMARK ERECTION DRAWING.

BILL OF MATERIAL
(SHIPPING SEQ.=1 FOR ALL)

VALMONT PART NUMBER	DESCRIPTION	UNIT WEIGHT (LBS)	QTY PER STR
AGG706A	SECTION ASSEMBLY	968	1
AGF806B	SECTION ASSEMBLY	686	1

ITEM NO.	VALMONT PART NUMBER	DESCRIPTION							QTY PER STR
		HARDWARE SIZE (IN)				GENERAL	FINISH	ASTM SPEC	
		BOLT		NUT	WSHR				
		DIA	LONG						
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

SW CATALOG NUMBER:
R090-0173

ORDER	PROJECT	FILE ID	SCALE	DATE	E
		001_90C2	NONE	11/25/19	BY

DESCRIPTION
90' C2 Round, Slip Joint, SWR

SECTION INFORMATION

ITEM ID	LENGTH	BASE OD	TOP OD	THK	MATL
1	47'- 8.00"	22.30"	13.53"	0.133"	A5 2 65 KSI
2	45'- 0.00"	14.28"	6.00"	0.133"	A5 2 65 KSI

DUPLICATE DRAWING DISTRIBUTION: TULSA

PED395554 90' GAL STEEL POLE T2R

DWG SIZE B | CLASS CODE (1) J | CLASS NO. (3)450

REV ID	DATE	REV BY	CHK BY	REVISION DESCRIPTION

DRAWN KDW2 | ENGR | DATE 07-11-19 | SCALE NONE
P.A. CHK 7/11/19 ERJ9 | SHOP CHK 7/11/19 KAW8
OTHER SPECIFICATIONS

MATERIAL	THICKNESS	WEIGHT
		1654

ORDER NO. 395554
CUSTOMER METRONET
DESCRIPTION 90' T2
DWG NO. AGG706Z

valmont UTILITY

METRONET TECHNOLOGIES
3151 COMMUNICATIONS WAY
O'FALLON, IL 62271

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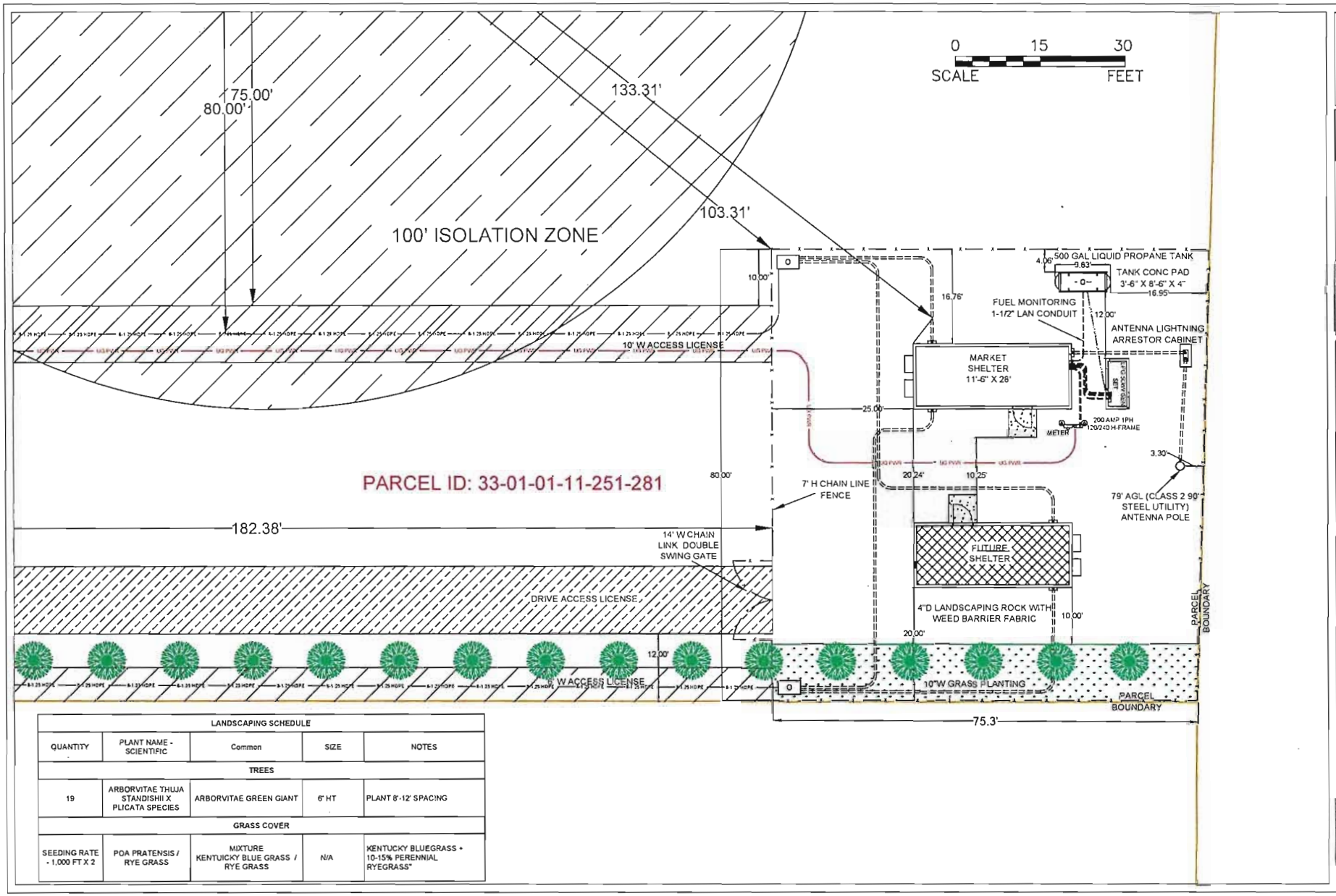
REV	DATE	DESCRIPTION	ENG	DRAFTER

GALV. STEEL UTILITY POLE
AREA: LANSING MI
PROJECT: METRONET NETWORK SHELTER
LOCATION: 3424 W ST JOSEPH ST

DESIGNED NO
DRAWN NO
SCALE NTS
DATE DRAWN 11/25/2019
FILE NAME 001_90C2
PROJECT NUMBER -
SHEET NO 1 OF 1



LANDSCAPING SCHEDULE				
QUANTITY	PLANT NAME - SCIENTIFIC	Common	SIZE	NOTES
TREES				
19	ARBORVITAE THUJA STANDISHII X PLICATA SPECIES	ARBORVITAE GREEN GIANT	6' HT	PLANT 8'-12' SPACING
GRASS COVER				
SEEDING RATE - 1,000 FT X 2	POA PRATENSIS / RYE GRASS	MIXTURE KENTUCKY BLUE GRASS / RYE GRASS	N/A	KENTUCKY BLUEGRASS + 10-15% PERENNIAL RYEGRASS"

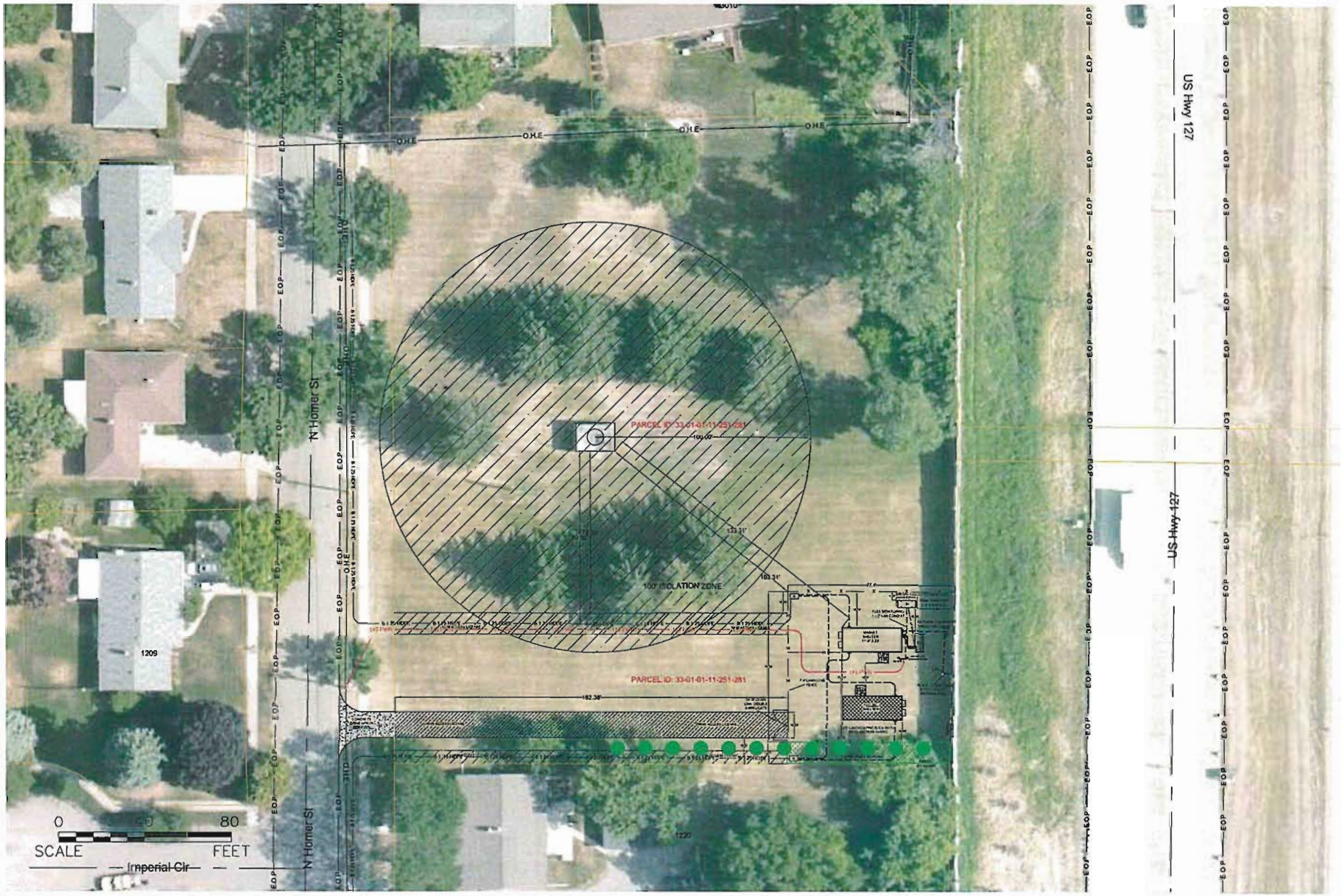
METRONET TECHNOLOGIES

SHELTER SITE PLAN

AREA: LANSING MI
PROJECT: LNNGMI.00984.HT
LOCATION: PARCEL ID: 33-01-01-11-251-281
N HOMER ST LANSING MI 48912

LNNGMI.00984.HT

1 OF 3



METRONET TECHNOLOGIES

3701 COMMUNICATIONS WAY
EVANSVILLE, IN 47715

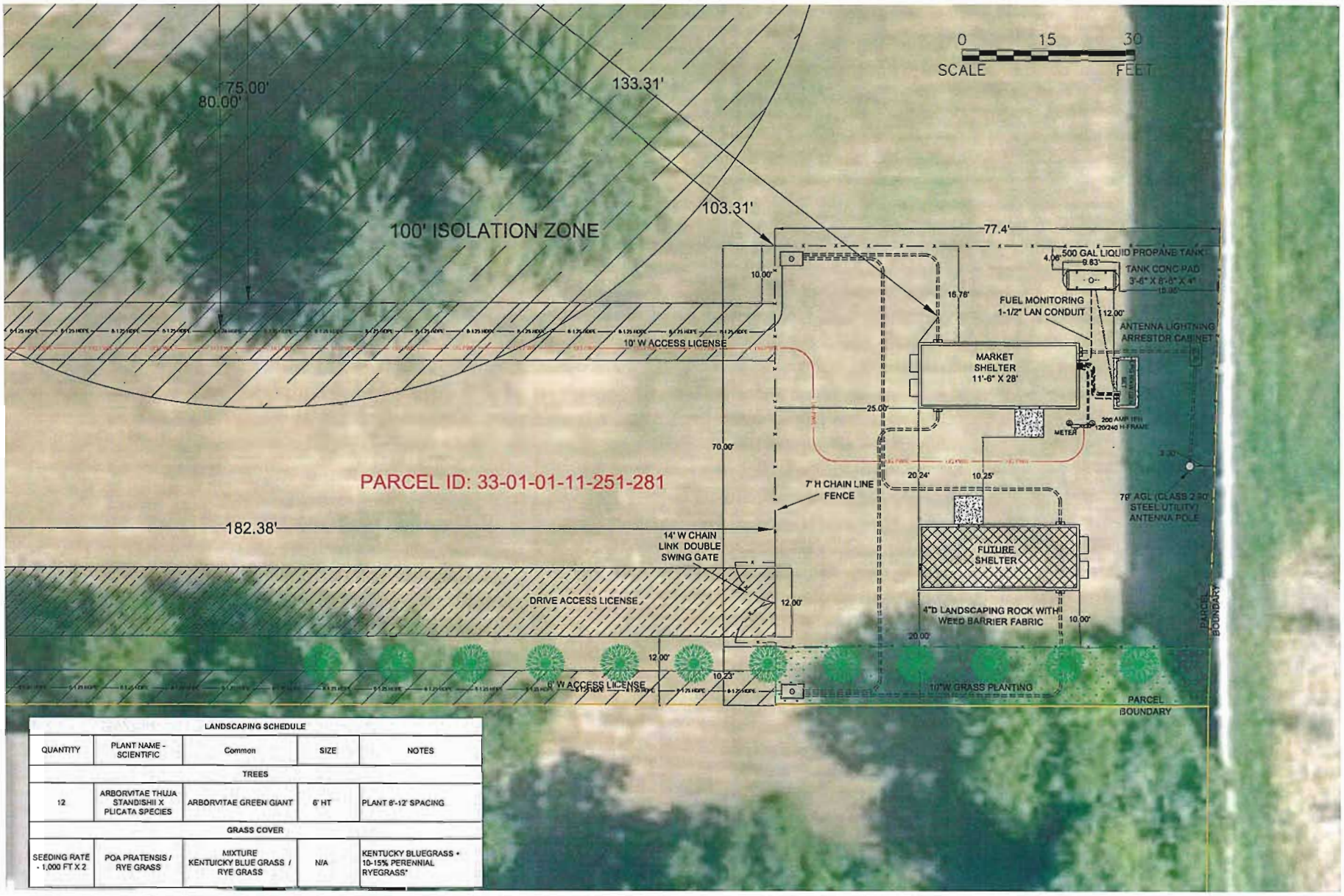
REV	DATE	DESCRIPTION	DWG	DRAFTER

SHELTER SITE PLAN

AREA: LANSING MI
PROJECT: LNNGMI.00984.HT
LOCATION: PARCEL ID: 33-01-01-11-251-281
N HOMER ST LANSING MI 48912

LNNGMI.00984.HT

3 OF 3



LANDSCAPING SCHEDULE				
QUANTITY	PLANT NAME - SCIENTIFIC	Common	SIZE	NOTES
TREES				
12	ARBORVITAE THUJA STANDISHII X PLICATA SPECIES	ARBORVITAE GREEN GIANT	6' HT	PLANT 8'-12' SPACING
GRASS COVER				
SEEDING RATE - 1,000 FT X 2	POA PRATENSIS / RYE GRASS	MIXTURE KENTUICKY BLUE GRASS / RYE GRASS	N/A	KENTUCKY BLUEGRASS + 10-15% PERENNIAL RYEGRASS*

METRONET TECHNOLOGIES

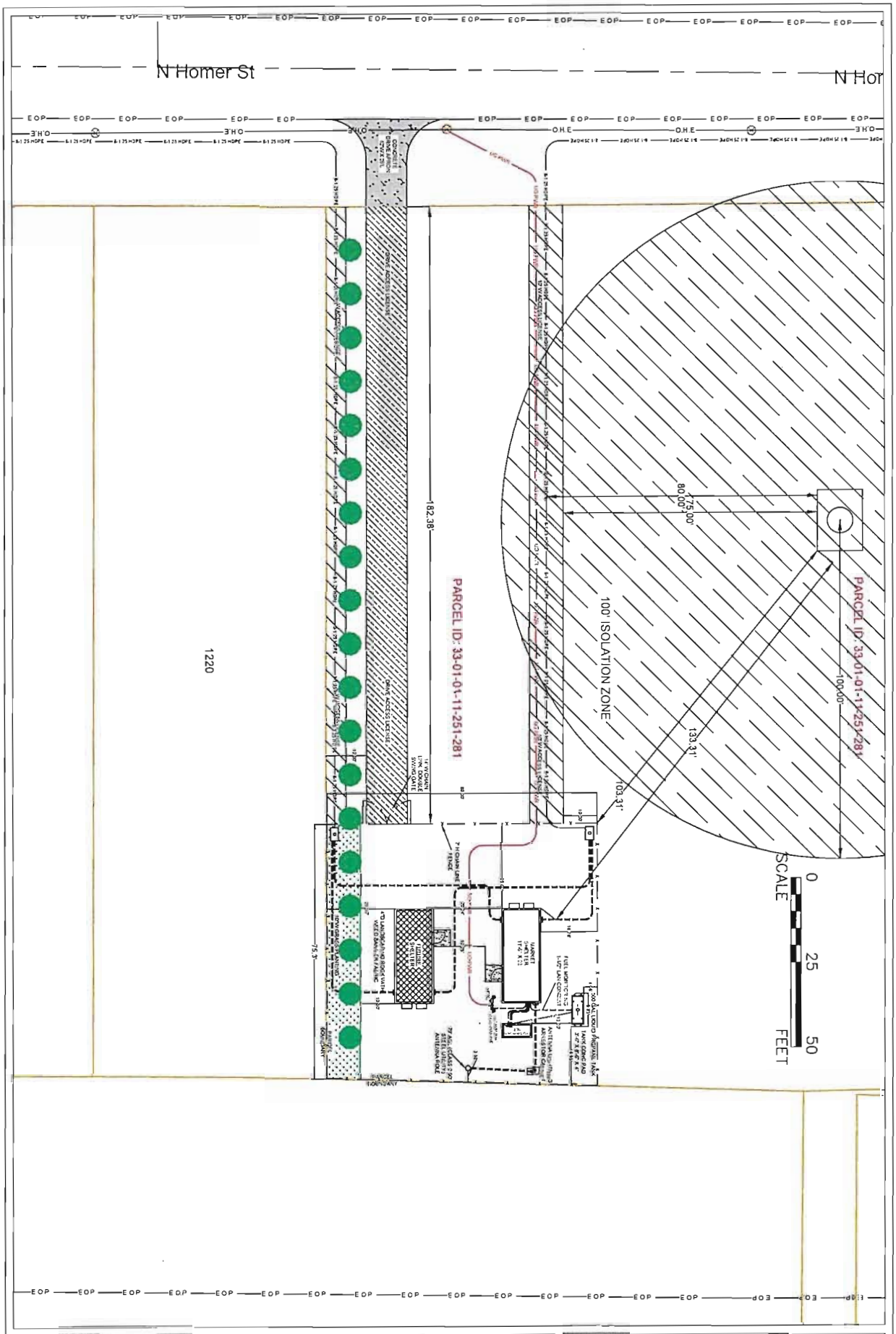
REV	DATE	DESCRIPTION	DRN	APVD

SHELTER SITE PLAN

AREA: LANSING MI
PROJECT: LNNGMI.00984.HT
LOCATION: PARCEL ID: 33-01-01-11-251-281
N HOMER ST LANSING MI 48912

LNNGMI.00984.HT

1 OF 3

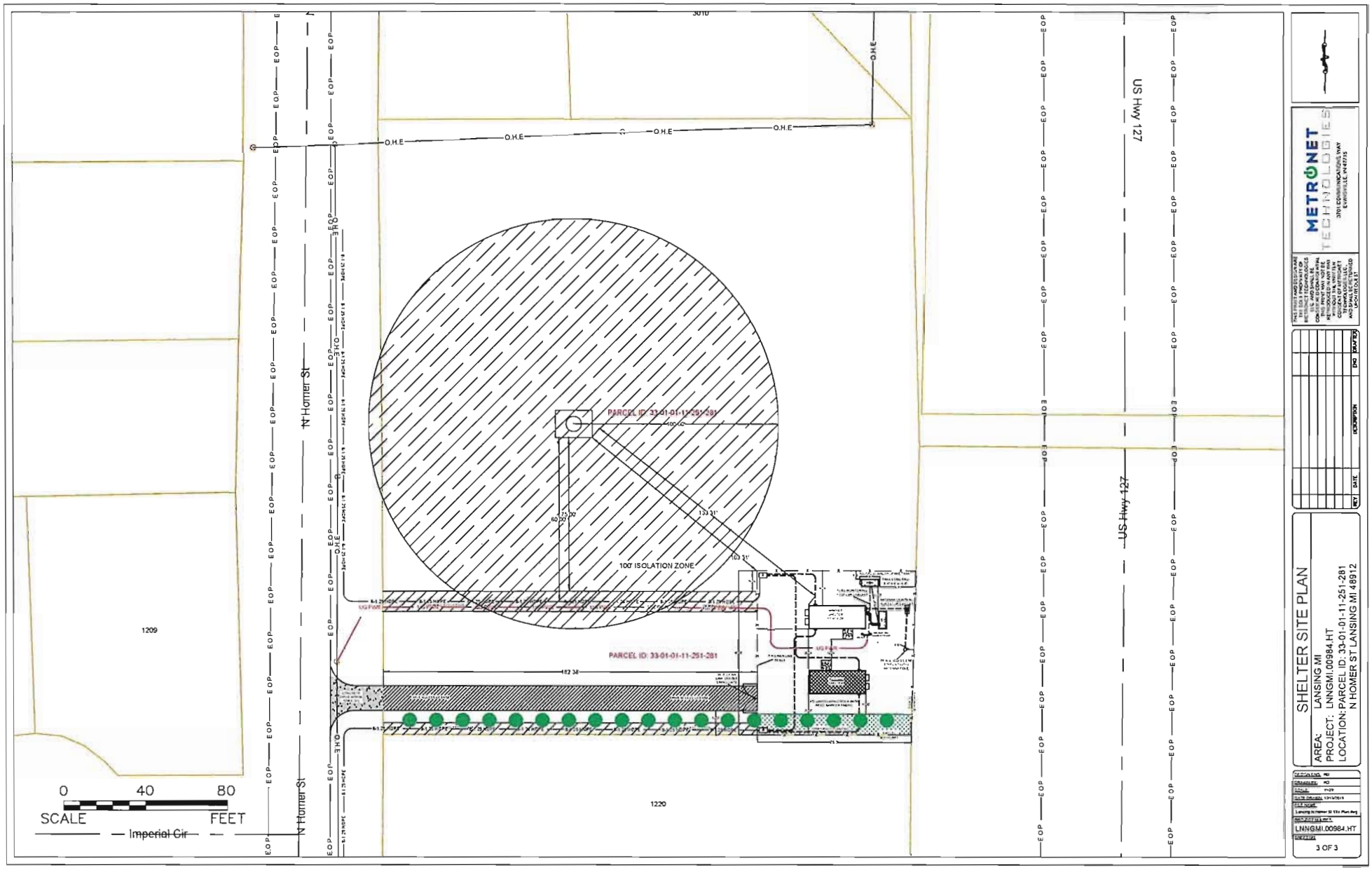


SHELTER SITE PLAN

AREA: LANSING MI
PROJECT: LNNGMI.00984.HT
LOCATION: PARCEL ID: 33-01-01-11-251-281
N HOMER ST LANSING MI 48912

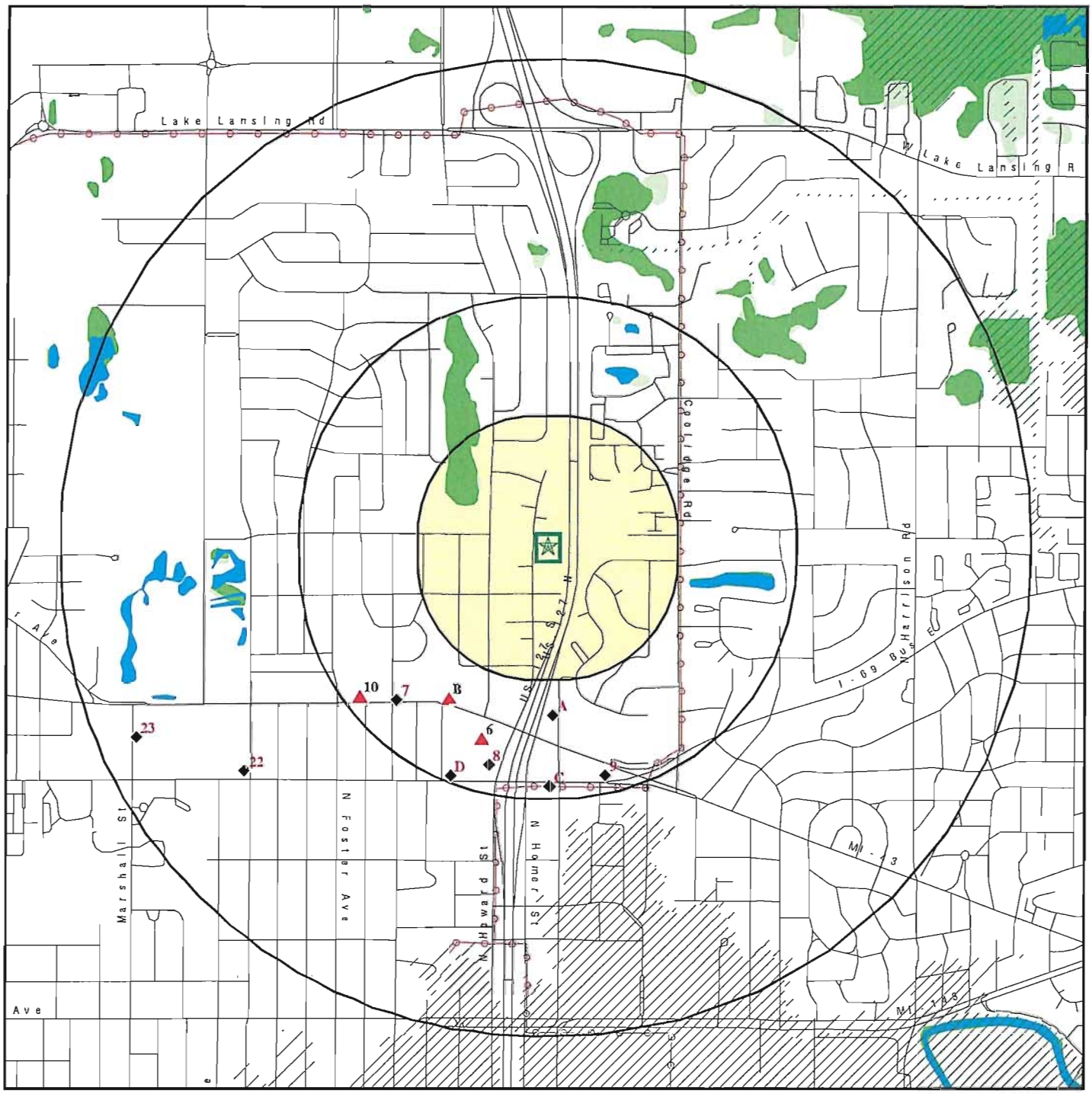
METRONET TECHNOLOGIES

2 OF 3



US Hwy 127
N Homer St
PARCEL ID: 33-01-01-11-251-281
100' ISOLATION ZONE
1209
1220
0 40 80
SCALE FEET
Imperial Cir
METRONET TECHNOLOGIES
SHELTER SITE PLAN
AREA: LANSING MI
PROJECT: LNNGMI.00984.HT
LOCATION: PARCEL ID: 33-01-01-11-251-281
N HOMER ST LANSING MI 48912
LNNGMI.00984.HT
3 OF 3

OVERVIEW MAP - 5871264.2S



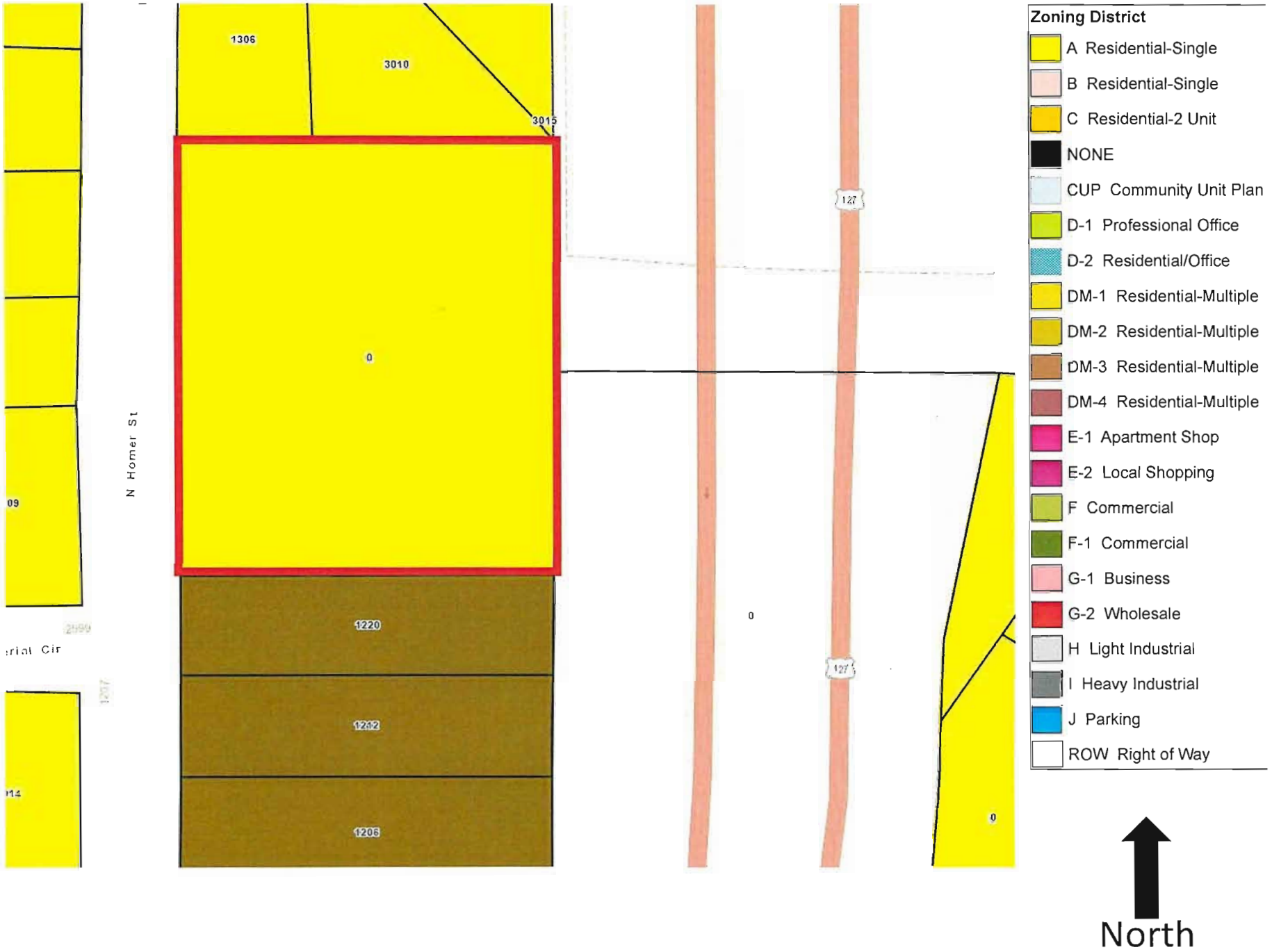
0 1/4 1/2 1 Miles

- Target Property
- Sites at elevations higher than or equal to the target property
- Sites at elevations lower than the target property
- Manufactured Gas Plants
- National Priority List Sites
- Dept. Defense Sites
- Indian Reservations BIA
- Power transmission lines
- Special Flood Hazard Area (1%)
- 0.2% Annual Chance Flood Hazard
- National Wetland Inventory
- State Wetlands

This report includes Interactive Map Layers to display and/or hide map information. The legend includes only those icons for the default map view.

SITE NAME: N HOMER ST	CLIENT: The Mannik & Smith Group
ADDRESS: N HOMER ST LANSING MI 48912	CONTACT: Jessica
LAT/LONG: 42.748003 / 84.508843	INQUIRY #: 5871264.2s DATE: November 15, 2019 11:01 am

1306
3010
3015
0
1209
1220
1212
2914


1306
3010
3015
0
1220
1242
1206
N Homer St
127
Zoning District
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
North

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, March 16, 2020, 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 Resolution for Special Land Use Permit:

SLU-1-2020: N. Homer Street (Parcel #: 33-01-01-11-251-281), Special Land Use Permit, Telecommunications Tower in the “A” Residential Zoning District

INTRODUCTION OF ORDINANCES

The following ordinance of the City of Lansing, Michigan, providing that the Code of Ordinances be amended by providing for a Payment in Lieu of Taxes (PILOT) for PORTER SENIOR APPARTMENTS, was introduced by the Committee on Development & Planning, read a first 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, _____, 2020, at 7 p.m. in City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of supporting and/or opposing the Ordinance amending the Payment in Lieu of Taxes (PILOT) for PORTER SENIOR APPARTMENTS.

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 884.___ FOR THE PURPOSES OF PROVIDING FOR AN EXTENSION OF A SERVICE CHARGE IN LIEU OF TAXES FOR NINETY-EIGHT (98) LOW INCOME ELDERLY DWELLING UNITS IN A PROJECT KNOWN AS THE PORTER SENIOR APARTMENTS, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

SECTION 1. THAT CHAPTER 884 OF THE CODE OF ORDINANCES OF THE CITY OF LANSING, MICHIGAN BE AMENDED TO ADD A NEW SECTION 884.___ TO READ AS FOLLOWS:

884.___ THE PORTER SENIOR APARTMENTS

(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 ELDERLY 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 ELDERLY 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) "*ELDERLY PERSON(S)*" MEANS (i) A SINGLE PERSON WHO IS 55 YEARS OF AGE OR OLDER OR A HOUSEHOLD IN WHICH AT LEAST ONE MEMBER IS 55 YEARS OF AGE OR OLDER OR (ii) A PERSON WITH DISABILITIES, A DISABLED FAMILY, OR DISPLACED FAMILY ALL AS DEFINED IN 24 CFR 5.403.

(5) "*HOUSING DEVELOPMENT " OR " DEVELOPMENT*" MEANS A DEVELOPMENT WHICH CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR ELDERLY 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 ELDERLY PERSONS OF LOW AND MODERATE INCOME. FOR THE PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS THE PORTER SENIOR APARTMENTS, AND CONSISTS OF NINETY-EIGHT (98) UNITS OF RENTAL HOUSING LOCATED WITHIN LANSING AT PART OF LOTS 8, 9, 10, 11 & 12 COM NW COR BLOCK 148, E 122 FT, S 90 FT, SW 7.1 FT, S 72 FT, E 4 FT, S 163 FT, W 121 FT, N 330 FT TO BEG, ALSO E 36 FT OF W 99 FT LOT 7 BLOCK 148 ORIG PLAT, COMMONLY KNOWN AS 505 TOWNSEND STREET, LANSING (PARCEL ID: 33-01-01-16-380-073).

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

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

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

(9) "*MORTGAGE LOAN*" MEANS A LOAN TO BE MADE BY A PRIVATE ENTITY OR A LOAN INSURED BY HUD, OR A LOAN FROM THE AUTHORITY FOR THE

FINANCING OF THE PURCHASE OR REHABILITATION OF THE HOUSING DEVELOPMENT.

(9) "PREVAILING WAGE" MEANS THE WAGES AND FRINGE BENEFITS RECEIVED BY MECHANICS AND LABORERS THAT ARE AT LEAST THE PREVAILING WAGES AND FRINGE BENEFITS FOR CORRESPONDING CLASSES OF MECHANICS AND LABORERS, AS DETERMINED BY STATISTICS COMPILED BY THE UNITED STATES DEPARTMENT OF LABOR AND RELATED TO THE GREATER LANSING AREA, AND THAT ARE TO BE DESCRIBED AND POSTED UNDER SECTIONS 206.18 AND 206.19 OF THESE CODIFIED ORDINANCES FOR CITY CONTRACTS.

(10) "*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 THE PORTER SENIOR APARTMENTS IS GL HOLDINGS, LLC, OR ITS SUCCESSORS OR ASSIGNS.

(11) "*UTILITIES*" MEANS FUEL, WATER, HEAT, SANITARY SEWER AND/OR ELECTRICAL SERVICE, WHICH IS PAID FOR BY THE HOUSING DEVELOPMENT, AS DEFINED IN THE ACT.

(12) OTHER TERMS. ALL TERMS REFERENCING THE ACT BUT NOT DEFINED IN THIS SECTION SHALL HAVE THE SAME MEANING GIVEN IN THE ACT.

(C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

(1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF THE PORTER SENIOR

APARTMENTS IN RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION AND UPON THE QUALIFICATION OF THE NINETY-EIGHT (98) UNITS OF ELDERLY HOUSING IN THE HOUSING DEVELOPMENT FOR EXEMPTION FROM ALL PROPERTY TAXES AS ESTABLISHED IN THIS SECTION, AND PROVIDED THAT PREVAILING WAGE IS PAID FOR ALL WORK PERFORMED AT THE HOUSING DEVELOPMENT AFTER THE ENACTMENT OF THIS SECTION.

(2) SUBJECT TO THE CONDITIONS AND REQUIREMENTS OF THIS SECTION AND THE ACT, THE NINETY-EIGHT (98) UNITS IN THE ELDERLY HOUSING DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS THE PORTER SENIOR APARTMENTS AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL BE EXEMPT FROM ALL PROPERTY TAXES FOR FORTY (40) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2021.

(3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE NINETY-EIGHT (98) UNITS IN THE ELDERLY HOUSING DEVELOPMENT, THE SPONSOR SHALL PAY, AND THE CITY WILL ACCEPT, AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES, IN THE SUM EQUAL TO, FIVE PERCENT (5%) OF THE DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED AND THE ANNUAL AMOUNT OF UTILITIES PAID DURING THE SAME PERIOD.

(4) THE EXEMPTION PROVIDED UNDER THIS SECTION SHALL RESCIND AND REPLACE ANY PRIOR EXEMPTIONS AND SHALL COMMENCE EFFECTIVE AS OF JANUARY 1, 2021 WHEN THE SPONSOR COMPLIES WITH SECTION 15A(1)

OF 1966 PA 346, AS AMENDED, CODIFIED AS MCL 125.1415(a)(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, OR CAUSE TO BE FILED, 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 ELDERLY 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 MATERIAL FORM, WITH THE EXCEPTION OF LIKE

KIND REPLACEMENTS OR REPAIRS NEEDED IN THE ORDINARY COURSE OF BUSINESS, UNLESS THE CITY HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION; AND

D. IF REQUESTED BY THE CITY, PROOF, IN THE MANNER CONSISTENT WITH SECTION 206.18(A) OF THESE CODIFIED ORDINANCES, THAT ALL WORK IS CONTRACTED, AGREED OR ARRANGED TO BE PERFORMED OR IS DONE AT THE HOUSING DEVELOPMENT AT PREVAILING WAGE.

(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 RENTAL HOUSING UNITS OF THE HOUSING DEVELOPMENT PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY RESIDENTS OTHER THAN LOW OR MODERATE INCOME ELDERLY 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, AND DISTRIBUTED TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE PREVIOUS YEAR, 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. COLLECTION

PROCEDURE SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT (1893 PA 206, AS AMENDED; MCL 211.1, ET SEQ.).

(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) *COMMENCEMENT AND DURATION.* THE PROPERTY TAX EXEMPT STATUS OF THE HOUSING DEVELOPMENT PROJECT ACKNOWLEDGED BY THIS AGREEMENT SHALL REMAIN IN EFFECT AND SHALL NOT TERMINATE SO LONG AS THE MORTGAGE LOAN FOR THE HOUSING DEVELOPMENT PROJECT REMAINS OUTSTANDING AND UNPAID, BUT NOT TO EXCEED FORTY (40) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2021, 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 ELDERLY PERSONS AT RENTS DETERMINED UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM OR AS DETERMINED BY THE HAP CONTRACT, 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. IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE OF THE

NINETY-EIGHT (98) UNITS OF HOUSING WITHIN THE DEVELOPMENT TO SOMETHING OTHER THAN PROVIDING HOUSING FOR ELDERLY RESIDENTS OF LOW OR MODERATE INCOME 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. IF THE PREVAILING WAGE IS NOT PAID FOR ALL WORK PERFORMED AT CONSTRUCTION OF THE HOUSING DEVELOPMENT AFTER ENACTMENT OF THIS SECTION AND THE SPONSOR OR OTHER RESPONSIBLE PARTY DOES NOT CURE THE VIOLATION AFTER NOTICE IS GIVEN AS PROVIDED IN THE MANNER CONSISTENT WITH THE METHOD CONTAINED IN THESE CODIFIED ORDINANCES, THEN, THIS SECTION SHALL AUTOMATICALLY EXPIRE AND BE OF NO EFFECT. IF THE CONSTRUCTION OF THE HOUSING DEVELOPMENT DOES NOT COMMENCE WITHIN 2 YEARS FROM THE EFFECTIVE DATE OF THIS SECTION, 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 the Porter Senior Apartments, as contemplated herein.

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: _____

The following is for informational purposes and can include historical information on the application/site

RESOLUTION #2018-027

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, February 26, 2018 at 7 p.m. in City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of supporting and/or opposing the Ordinance amending the Payment in Lieu of Taxes (PILOT) for PORTER SENIOR APARTMENTS.

OFFICIAL PROCEEDINGS OF THE CITY COUNCIL CITY OF LANSING FEBRUARY 12, 2018

City Council Chambers
Lansing, Michigan

The City Council of the City of Lansing met in regular session and was called to order at 7:00 p.m. by President Wood

PRESENT: Council Members Dunbar, Garza, Jackson, Hussain, Spadafore, Spitzley, Wood

ABSENT: Council Member Washington

Council President Wood asked people to remember retired Lansing Fire Battalion Chief Rob Hecksel, who recently passed away, during the moment of Meditation. The Council observed a moment of Meditation followed by the Pledge of Allegiance led by President Wood

APPROVAL OF PRINTED COUNCIL PROCEEDINGS

By Council Member Sptizley

To approve the printed Council Proceedings of January 22, 2018

Motion Carried

CONSIDERATION OF LATE ITEMS

By Council Member Spitzley

To suspend City Council Rule #9 to allow for Consideration of Late Items

Motion Carried

The following item was added to the agenda:

Emergency Ordinance Re-adopting the Codified Ordinances of the City of Lansing.

COMMENTS BY COUNCIL MEMBERS AND THE CITY CLERK

Council Member Jackson shared details about his monthly constituent meeting.

Council Member Hussain shared details about the Lewton-Rich Neighborhood Meeting, thanked the Mayor's Office for their transparency effort and the Public Service workers for clearing streets in Lansing. He also expressed interest in a future presentation to Council or the Public Service Committee about the City's response to snow events.

Council Member Spadafore expressed interest in a future presentation to Council or the Public Service Committee about the City's response to snow events.

Council Member Garza shared details about his upcoming monthly community meeting on the second Saturday of the month, Old Everett Neighborhood Association, and the Bluebell Neighborhood Association.

Council President Wood shared details about the Eastside Neighborhood Organization's Spring Souper.

City Chief Deputy Clerk Brian P. Jackson talked about voter registration drives and how the Clerk's Office can assist with them.

SPEAKER REGISTRATION FOR PUBLIC COMMENT ON LEGISLATIVE MATTERS

City Chief Deputy Clerk Brian P. Jackson announced that the public comment registration form(s) for those intending to address Council on legislative matters will be collected and that only those persons who have fully completed the form(s) will be permitted to speak.

MAYOR'S COMMENTS

Mayor Schor spoke about his experiences, during a ride-along with snow plows during the two snow storms over the weekend. Mayor Shor also gave big thanks for the city workers for their 16-hour work days to clear the snow.

LEGISLATIVE MATTERS

Ricky Figueroa spoke in support to the PILOT for Porter Senior Apartments.

Elaine Womboldt spoke in opposition to the PILOT for Porter Senior Apartments.

CONSENT AGENDA

By Council Member Spitzley

To approve items 1b, 1c, 1d on the Consent Agenda.

Motion Carried

RESOLUTION #2018-013

BY COUNCIL MEMBERS DUNBAR, GARZA, HUSSAIN, JACKSON, SPADAFORE, SPITZLEY, WASHINGTON AND WOOD
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, Delta Sigma Theta Sorority, Inc. is a private, non-profit organization whose purpose is to provide assistance and support through established programs in local communities throughout the world; and

WHEREAS, the members of the Lansing Alumnae Chapter of Delta Sigma Theta Sorority have been actively involved in a wide variety of public service projects for the Lansing community, and the program has provided over $100,000 in scholarships to individuals graduating from the Lansing area high schools within the past several years; and

WHEREAS, the Lansing Alumnae Chapter of Delta Sigma Theta Sorority annual "Red & White Affair" will be held on February 10, 2018; and

WHEREAS, the "Red & White Affair" event serves as an annual

RESOLUTION 2018-035

BY THE COMMITTEE OF THE WHOLE

RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, a second hearing date is needed due to the verification by the City Clerk's office that the required notification was not published in required time for the hearing.

THEREFORE BE IT RESOLVED that a second public hearing be set for Monday, March 12, 2018 at 7 p.m. in City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of supporting and/or opposing the Ordinance amending the Payment in Lieu of Taxes (PILOT) for PORTER SENIOR APARTMENTS.

OFFICIAL PROCEEDINGS OF THE CITY COUNCIL CITY OF LANSING MARCH 12, 2018

City Council Chambers
Lansing, Michigan

The City Council of the City of Lansing met in regular session and was called to order at 7:02 p.m. by President Wood

PRESENT: Council Members Dunbar, Garza, Jackson, Hussain, Spadafore, Washington, Wood

ABSENT: Council Member Spitzley

President Wood asked people to remember Leon Hilton, who recently passed away, during the moment of Meditation. The Council observed a moment of Meditation followed by the Pledge of Allegiance led by President Wood

CONSIDERATION OF LATE ITEMS

By Vice President Washington

To suspend City Council Rule #9 to allow for Consideration of Late Items

Motion Carried

The following item was added to the agenda:

Fireworks Display by Melrose Pyrotechnics Inc for Lansing Lugnuts games at Thomas M. Cooley Law School Stadium, 505 E. Michigan Avenue on various dates

SPECIAL CEREMONIES

1. Recognition of City of Lansing Retirees

President Wood recognized the City of Lansing Retirees who retired from July 1, 2017 to December 31, 2018 who were in attendance and thanked them for their service.

Michelle Bryant and Guy Pace thanked the Council for the recognition.

2. Recognition of the Michigan Recreation and Parks Association Award Winners Emily Stevens, Jodi Ackerman, and Marcus Wells

Brett Kaschinske, Director of the City of Lansing Parks and Recreation Department, recognized Michigan Recreation and Parks Association Award Winners Emily Stevens, Jodi Ackerman, and Marcus Wells.

COMMENTS BY COUNCIL MEMBERS AND THE CITY CLERK

Council Member Washington shared her concern with the recently renamed Cesar E. Chavez street signs and the Grand River street signs both being up for a year.

Council Member Hussain and Council Member Garza will host joint constituent contact meetings.

Mayor Schor responded to Council Member Washington's concern, stating he understood that it was following past procedures and legal requirements, but that he would follow up to confirm.

City Clerk Swope shared that Google Maps has incorrect information listed for East and West Cesar E. Chavez Street, and that he encourages the public to report it to Google like he has done.

COMMUNITY EVENT ANNOUNCEMENTS

Samantha Wilbur announced the Lansing Cannabis Caucus fundraising event for Attorney General Candidate Dana Nessel and that the Lansing for Revolution is hosting the "Neighbors Helping Neighbors: Health Fair Day".

MAYOR'S COMMENTS

Mayor Schor spoke about Neighborhoods in Bloom Grants, the Mobile Food Pantry, the Mayor's Infrastructure Summit, Bond Construction Updates, changes within the Mayor's staff, the creation of the Diversity Advisory Committee, and the upcoming Financial Health Team meeting.

SPEAKER REGISTRATION FOR PUBLIC COMMENT ON LEGISLATIVE MATTERS

City Clerk Swope announced that the public comment registration form(s) for those intending to address Council on legislative matters will be collected and that only those persons who have fully completed the form(s) will be permitted to speak.

PUBLIC COMMENT ON LEGISLATIVE MATTERS

Legislative Matters included the following public hearings:

1. In consideration of the Ordinance to Amend Chapter 656.05; Park Hours

Council Member Spadafore gave an overview of the public hearing.

- Public Comment on Legislative Matters:

James Gromer spoke in support of the PILOT for Camelot Hills.

Elaine Womboldt spoke about various city matters.

Loretta Stanaway spoke about various city matters.

LEGISLATIVE MATTERS

REFERRAL OF PUBLIC HEARINGS

1. In consideration of the Ordinance to Amend Chapter 656.05; Park Hours

REFERRED TO THE COMMITTEE ON PUBLIC SERVICES

RESOLUTIONS

Re: Porter (page 2)

MINUTES
Committee on Development and Planning
Monday, February 5, 2018 @ 4:00 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Called to order at 4:01 p.m.

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

OTHERS PRESENT
Sherrie Boak, Council Staff
Don Kulhanek, Planning & Neighborhood Development
Brian McGrain, Planning & Neighborhood Development
Susan Stachowiak, Planning & Neighborhood Development
Greg Venker, Assistant City Attorney – arrived at 4:07 pm.
Kevin McKinney
Thadd Goimes
Jeff Deehan
Elaine Womboldt

PUBLIC COMMENT
No public comment at this time.

Council Member Hussain passed the gavel to Council Member Spitzley.

MINUTES
MOTION BY COUNCIL MEMBER HUSSAIN TO PLACE THE MINUTES FROM NOVEMBER 27, 2017 ON FILE. MOTION CARRIED 2-0.

Council Member Spitzley passed the gavel to Council Member Hussain.

DISCUSSION/ACTION
RESOLUTION – SLU-4-2017; 735 E. Hazel Street; Residential Use in Heavy Industrial
Ms. Stachowiak recapped the development as a renovation of a vacant industrial parcel, with mixed use first floor office, and a maximum of 160 residential units on the second floor. Because it is zoned industrial they need the special land use approval. During the public

hearings, Ms. Stachowiak noted there were no negative comments, and the department recommends approval.

Mr. Deehan was present to answer any questions on the proposed development, which will incorporate shipping containers into the construction. Council Member Hussain asked if there would be onsite parking. Mr. Deehan noted there is 2 acres of surface parking across Hosmer that they are renting. The parking ratio is only parking .5 per unit, and Ms. Stachowiak confirmed parking does not need to be on site as long as it is within 300 ft.

MOTION BY COUNCIL MEMBER SPTIZLEY TO APPROVE THE SLU -4-2017 FOR 735 HOSMER. MOTION CARRIED 2-0.

RESOLUTION – Introduction and Setting of Public Hearing; PILOT; Porter Senior Apartments; 505 Townsend Street

Council Member Hussain informed the Committee and confirmed with the staff that the applicant will be present at the February 12, 2018 Council meeting to speak and answer any questions.

Mr. Kulhanek reviewed the project which is senior housing and Section 8 subsidized, with 100 units, and built in 1920. The site currently already has a 4% PILOT, which they received in 1982 and will expire in 2022. Mr. Kulhanek explained that the owners need this new PILOT to be on the same term as their funding from MSDHA, so this is to extend the PILOT to 2033. The applicant will be present at the February 12, 2018 meeting and will go into further details on the improvements, but they will include elevators, windows, a generator, roofing, and general maintenance. Some apartments will also get new appliances and cabinets. It was noted that they are expected to spend a total of $30,000 per unit with an overall investment of approximately $3 million. This is a project to enhance moderate-income housing for the elderly.

Council Member Hussain spoke on his concerns and admitted he struggled with the fact that they have had a 4% PILOT since 1982, and the list of repairs appears to be large and the buildings are faulty. He asked Law if there was something Council could do if they do not make good on the repairs, specifically inquiring whether the PILOT could be terminated if the repairs are not made. Mr. Kulhanek answered that termination has never been considered as an option, and there would be problems if it was terminated. He assured them that MSHDA is responsible for the inspections and he is not sure if a PILOT can be revoked. The way PILOTS are written is that they have a contractual effect and a "promise" is given with the PILOT approval and they "promise" to do the work.

Council Member Hussain continued his opposition to the PILOTS, stating with MSHDA it appears they receive more points with a PILOT however the PILOTS never come back on the tax rolls and it's not clear whether they receive more points for having a lower percentage PILOT. Council Member Spitzley stated that the applicants do get more points on their LIHTC application for securing a lower percentage, but asked that if this was a contractual agreement, why can't the City look at the PILOT contract and add consequences if they are not living up to the expectations. Mr. Kulhanek referred to the ordinance in front of the Committee, noting it has to be written to meet MSHDA approval. Council Member Spitzley asked if then Council can do a side contract similar to a development agreement. Mr. Venker agreed with Mr. Kulhanek that the Ordinance has to meet MSDHA and it is also statutory and if the City contracts a right they have under the statute, the City would be in trouble. Council Member Spitzley referred to Brownfield agreements and their conditions. Mr. Venker stated in development agreements the City usually owns a portion so they can set guidelines, and in a Brownfield there are things for payment timelines and necessary actions. Council Member Hussain asked Mr. Venker to look

into what restrictions and protections can be established, and Council Member Spitzley added she did not want something taken out of the ordinance as required to be written by MSHDA, but would be interested in something similar to a developers agreement where the City can say they have to do what they are proposing to do.

Mr. McGrain stated they can verify whether applicants receive more points for lower percentage PILOTS, but assured the Committee that there will be a huge element of compliance at the State level if the funds don't go in to what they state, and then they won't get the State tax credit. He too suggested speaking to the developer on February 12th on what their goals are to complete.

Council Member Hussain noted a concern that when it is noted as "senior living" it is general and not always 55 and over. Mr. McGrain assured them that this development (Porter) is 55 and over and they have not had any complaints. He would review the HUD definition for "senior living" also. Mr. Kulhanek referred back to the ordinance, and noted that the ordinance does say specifically "age 55", and they do have to submit every year to the Assessor's office that verifies the project.

Ms. Womboldt asked for accountability for developers that obtain advantages from the City.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR FEBRUARY 26, 2018 FOR THE PILOT FOR PORTER SENIOR APARTMENTS AT 505 TOWNSEND STREET. MOTION CARRIED 2-0.

Other
No other comments.

Adjourn
Adjourn at 4:26 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on February 19, 2018

Re: PILOT Discussion (page 4)

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 April 16, 2018

Never came out of Committee

DRAFT #2
November 27, 2017

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 884.___ FOR THE PURPOSES OF PROVIDING FOR AN EXTENSION OF A SERVICE CHARGE IN LIEU OF TAXES FOR NINETY-EIGHT (98) LOW INCOME ELDERLY DWELLING UNITS IN A PROJECT KNOWN AS THE PORTER SENIOR APARTMENTS, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

SECTION 1. THAT CHAPTER 884 OF THE CODE OF ORDINANCES OF THE CITY OF LANSING, MICHIGAN BE AMENDED TO ADD A NEW SECTION 884.___ TO READ AS FOLLOWS:

884.___ THE PORTER SENIOR APARTMENTS

(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 ELDERLY 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 ELDERLY 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) "*ELDERLY PERSON(S)*" MEANS (i) A SINGLE PERSON WHO IS 55 YEARS OF AGE OR OLDER OR A HOUSEHOLD IN WHICH AT LEAST ONE MEMBER IS 55 YEARS OF AGE OR OLDER OR (ii) A PERSON WITH DISABILITIES, A DISABLED FAMILY, OR DISPLACED FAMILY ALL AS DEFINED IN 24 CFR 5.403.

(5) "*HOUSING DEVELOPMENT " OR " DEVELOPMENT*" MEANS A DEVELOPMENT WHICH CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR ELDERLY 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 ELDERLY PERSONS OF LOW AND MODERATE INCOME. FOR THE PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS THE PORTER SENIOR APARTMENTS, AND CONSISTS OF NINETY-EIGHT (98) UNITS OF RENTAL HOUSING LOCATED WITHIN LANSING AT PART OF LOTS 8, 9, 10, 11 & 12 COM NW COR BLOCK 148, E 122 FT, S 90 FT, SW 7.1 FT, S 72 FT, E 4 FT, S 163 FT, W 121 FT, N 330 FT TO BEG, ALSO E 36 FT OF W 99 FT LOT 7 BLOCK 148 ORIG PLAT, COMMONLY KNOWN AS 505 TOWNSEND STREET, LANSING (PARCEL ID: 33-01-01-16-380-073).

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

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

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

(9) "*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.

(10) "*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 THE PORTER SENIOR APARTMENTS IS GLTC PARTNERS, LLC, OR ITS SUCCESSORS OR ASSIGNS.

(11) "*UTILITIES*" MEANS FUEL, WATER, HEAT, SANITARY SEWER AND/OR ELECTRICAL SERVICE, WHICH IS PAID FOR BY THE HOUSING DEVELOPMENT, AS DEFINED IN THE ACT.

(12) OTHER TERMS. ALL TERMS REFERENCING THE ACT BUT NOT DEFINED IN THIS SECTION SHALL HAVE THE SAME MEANING GIVEN IN THE ACT.

(C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

(1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF THE PORTER SENIOR APARTMENTS IN RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION AND UPON THE QUALIFICATION OF THE NINETY-EIGHT (98) UNITS OF ELDERLY 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 NINETY-EIGHT (98) UNITS IN THE ELDERLY HOUSING DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS THE PORTER SENIOR APARTMENTS AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL BE EXEMPT FROM ALL PROPERTY TAXES FOR NOT MORE THAN FIFTEEN (15) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2019.

(3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE NINETY-EIGHT (98) UNITS IN THE ELDERLY 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 125.1415(a)(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, OR CAUSE TO BE FILED,

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 ELDERLY 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 ELDERLY 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, AND DISTRIBUTED TO THE SEVERAL UNITS LEVYING THE GENERAL PROPERTY TAX IN THE SAME PROPORTION AS PREVAILED WITH THE GENERAL PROPERTY TAX IN THE PREVIOUS YEAR, 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. COLLECTION PROCEDURE SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT (1893 PA 206, AS AMENDED; MCL 211.1, ET SEQ.).

(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 FIFTEEN (15) 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 ELDERLY 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, 2018. IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE OF THE NINETY-EIGHT (98) 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 the Porter Senior Apartments.

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: _____

file:///S:\Attorney_Staff\ORDINANCES\PILOT Ordinances\Porter Senior Apartments\Porter Senior Apartments PILOT draft

9/14/2017

Donald J. Kulhanek
Development Manager, Development Office
Department of Planning and Neighborhood Development
316 N. Capitol Ave., Suite D-2
Lansing, MI 48933

RE: Porter Senior Apartments
PILOT Extension Request
Executive Summary

Dear Mr. Kulhanek,

Per our conversations, please find below a detailed description of the proposed Porter Senior Apartments rehab project at 505 Townsend St. Lansing, MI 48933 as it relates to our request for a maximum-allowed PILOT agreement extension.

I. TYPE OF PROJECT:

Porter Senior Apartments is a proposed acquisition/rehab of a 6 story mid-rise building located 505 Townsend St. Lansing, Michigan 48933. The building was built 1920 on .97 acres or 42,100sqft. in the heart of Lansing. The project seeks to bring the building up to modern standards of affordable living by expending approximately $30,000/unit on new windows, flooring, roof, pull cord system, generator, appliances and fixtures, elevator upgrades, a conversion of the current steam energy system to a water radiant system and more. For a full description and pricing, please see the enclosed preliminary proposed scope of work.

II. TENANTS SERVED:

Porter Senior Apartments provides affordable housing to the elderly and disabled communities of Lansing and the surrounding areas. Porter Senior Apartments is the beneficiary of a Section 8 HAP Contract that provides rental subsidy to all of its 98 units. The contract is currently in process of being renewed for 20 years. A recent Rent Schedule is provided for your review.

III. PORTER'S CURRENT CONDITION:

The current condition at Porter Senior Apartments is the result of an old building with few opportunities for rehab. The last investment made into Porter was in 2005 by the previous owner who, in contemplation of a sale to the current owner, Porter Partners LDHA, LLC, spent

approximately $294,000 on repairs. Prior to the 2005 sale, the previous owner installed and transitioned utilities to a steam-power system that has, over time, proven to be a very costly utility due to the high cost of steam generation and the few vendors available to maintain the unit. For these reasons and more, Porter Senior Apartments has fallen behind in maintenance and fears slipping further below the standard for affordable housing conditions. Currently, many units can be found with damaged, unsecure, or missing windows, window screens, and window seals, faulty electrical systems (GFIs), holes in or deteriorated walls, paint peeling, damaged toilets and tubs, damaged doors, damaged or inoperable appliances, and more.

IV. REASON FOR REQUEST:

For the reasons stated above, Porter Senior Apartments is in need of a major rehabilitation. The proposed method to rehabilitate the building is to undergo a low income housing tax credit (LIHTC) acquisition and rehabilitation of the property through Michigan State Housing Development Authority (MSHDA). This transaction only works through a competitive process to obtain 9% LIHTCs and in order to obtain the maximum amount of points possible, MSHDA requests that buildings obtain a Payment in Lieu of Taxes agreement that extends beyond 15 years of their compliance period, which if we are successful in our application would begin in 2018. For this reason, we request an extension of our current rents which began which began in 1982 and ends in 2022, pursuant to Lansing City Ordinance 884.01. In order to comply with the MSHDA requirement, the PILOT would need to be extended, at a minimum, to 2033. However, for conservative purposes (in the chance that we are not awarded this year) we would like to request an extension for the longest period of time the committee would allow.

Finally, as requested, attached is a list of our proposed Development Team.

Thank you very much for your time and your consideration towards this matter. We look forward to continually serving the low-income community of Lansing and the greater Lansing area. If you have any questions or concerns, please do not hesitate to contact me at ricky@ccinvest.com or (805) 495-8400 ext. 627.

Best Regards,

Ricky Figueroa, JD
Acquisitions Project Manager
California Commercial Investment Group, Inc.

DEVELOPMENT TEAM INFORMATION:

Proposed Owner:
Porter TC Senior Apartments, LP
Ricky Figueroa
4530 Thousand Oaks Blvd.,
Suite 100
Westlake Village, CA 91362
805.495.8400 x 627
ricky@ccinvest.com

Proposed Owner GP:
Porter TC GP, LLC
Ricky Figueroa
4530 Thousand Oaks Blvd.,
Suite 100
Westlake Village, CA 91362
805.495.8400 x 627
ricky@ccinvest.com

Sponsor/Developer:
GLTC Partners, LLC
Ricky Figueroa
4530 Thousand Oaks Blvd.,
Suite 100
Westlake Village, CA 91362
805.495.8400 x 627
ricky@ccinvest.com

Management Entity:
California Commercial Investment
Group, Inc.
Scott Heaton
4530 Thousand Oaks Blvd.,
Suite 100
Westlake Village, CA 91362
805.495.8400
scott@ccinvest.com

Project Attorney:
Cox, Castle, & Nicholson, LLC
Steven Ryan
555 California Street, 10th Floor
San Francisco, CA 94104
(415) 262-5150
Sryan@coxcastle.com

Project Accountant:
Tidwell Group
Garrick Gibson
3102 Bee Caves Road, Suite 102
Austin, TX 78746
(512) 693-2183
garrick.gibson@thefctgroup.com

General Contractor:
Wolverine Group
Aaron Jonker
4045 Barden SE
Grand Rapids, MI 49512
616-949-3360
ajonker@wolvgroup.com

Architect:
Progressive AE
Paul Weber
1811 4 Mile Rd. NE
Grand Rapids, MI 49525
616.447.3404
weberp@progressiveae.com

(98) 1 BR UNITS

PORTER TAX CREDIT WISHLIST ver.3

Revised 01.27.2016

ITEM	*QUANTITY*	*CCIG COST ESTIMATE*		*MSHDA*	*NOTES*
Site, Exterior, Common Areas & Bldg Systems:					
2. Full elevator modernizations	2	$275,000	($137,500/each)		original traction elevators
4. Replace all windows	686	$463,050	($675/each) ***Added back to cost estimate**		Replace all fixed and operation: Vinyl double-hung - fixed & operational
5. Replace exterior doors & intercoms	2	$66,300	($33,150/each)		Replace storefront doors w/key fob access control systems/intercoms
6. Replace exterior fire doors/panic bars	4	$19,080	($4,770/each)		Exterior fire doors/frames/audible alarmed panic bars
7. Replace original generator	1	$34,640			50 Kw diesel fuel generator with transfer switch
8. Replace entire roof	1 LS	$86,308.50	(4.89/ Sq Ft - 50 mil systyem)		17,650 Sq Ft (176.5 roofing squares) - DuroLast Roofing System
9. Replace pull cord system	1 LS	$48,500			Install wirerless pullcord system (Systems Technologies)
10. Replace fire pump/kitchen suppression system	1 LS	$27,500			Replace existing fire pump & C/A kitchen suppression system (auto club)
Site, Exterior, Common Areas & Bldg Systems:					
11. Replace all C/A flooring	1 LS	$111,000	$18,500/floor)	X	Replace all C/A flooring with LVT plank flooring - Will be Low/No Volatile Organic Compound
12.Replace parking lot & H/C ramp	1 LS	$60,177	($2.60/SqFt @ 4" depth)		Replace parking lot @ 23,145 SqFt
15. Common area paint	1 LS	$21,550		X	Re-paint all common areas with Low/No VOC primer/paint
16. New laundry equipment	1 LS	$9,000		X	3 washers (1 front-load) & 3 dryers (1 stackable) All Energy Star rated
17. New water beater/storage tank	1	$48,000		X	Replace existing witb high efficiency water heater/storage tank * Cost estimate from Steam Heating Study
18. Replacement of steam system	1 LS	$850,000		X X	Replace entire steam heating system with hot water radiant system * Cost estimate from Steam Heating Study Energy Star rated 94 AFUE or greater Current system is 1,329 MBH (1,329,740 BTU's/Hour)
21. Indoor lighting efficiency upgrades *(Common areas & units)*	1 LS	$39,400		X	New LED light fixtures and ceiling fans - will meet or exceed Energy Star efficiency levels in all high-use rooms (kitchen, bedrooms, dining/living rooms, bathrooms and hallways
22. Outdoor lighting efficiency upgrades	1 LS	$12,500		X	Install Energy Star rated LED light fixtures and install daylight sensors, motion sensors or timers on all outdoor lighting
Dwelling Units:					
2. Replace electric ranges	98	$60,858	($621/each)	X	Replace 24" electric ranges with Energy Star units *All units to have forward controls*
3. Replace refrigerators	98	$56,448	($576/each)	X	Replace refrigerators with Energy Star units
4. Replace kitchen & bathroom plumbing fixtures	294	$37,436	($382/unit)	X	Kitchen/Bath faucets & shower valves All 2.0 GPM or less
5. Replace kitchen cabinets/countertops and bathroom vanities	98	$184,240	($1,880/unit)		Replace all kitchen eabinets/tops/vanities/medicine cabinets (5 ADA units)
6. Replace flooring in units	98	$120,050	($1,225/unit)	X	Replace all flooring in units w/ LVT plank (extra $$ for floor prep) Will be Low/No VOC flooring throughout
7. Replace entry & interior doors	98	$45,178	($461/unit)		Replace entry & interior doors - all solid core/raised panel *Need door count
8. Replace toilets	98	$43,414	($443/unit)	X	Existing are rear flush - include pressure assist flush valves 1.3 GPF or less
10. Visitable units requirements	1 LS	$57,500		X	Complete Visitable Units requirements/steps a - f *See Sheet 2
11. Barrier –Frec unit requirements	10	$155,000	($15,500/unit)	X	Complete 10 units (10% required) Barrier Free unit requirements

Miscellaneous				
1. Lead-safe work practices			X	Use lead-safe work practices, consistant with the EPA's Renovation, Repair and Painting Regulation and applicable HUD requirements
2. Recycling			X	Provide one or more easily accessible, permanently dedicated area for collection of recycled materials for the entire project
3. Resident and staff manual			X	Provide a guide for tenants and staff that explains the intent, benefits, use and maintenance of green building features
Total		**2,932,129.50**	**$ 29,919.69**	

**Cost estimates from BNI 2016 Facilities Manager's Costbook, 2016 Architect's Square Footage Costbook, HD Supply and previous CCIG property projects.*

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Development Porter Senior Apartments
Financing Tax Exempt
MSHDA No.
Step Preliminary Assessment
Date 9.14.17
Type Acquisition/Rehab

Use Revenue Page: Section 8

Mortgage Assumptions:

Debt Coverage Ratio	1.2
Mortgage Interest Rate	5.000%
Pay Rate	5.000%
Mortgage Term	30 years
Delayed Amortization	Yes

Instructions

Total Development Income Potential			Per Unit	Total	Initial Inflation Factor	Beginning in Year	Future Inflation Factor
Annual Rental Income			7,740	758,520	2.0%	1	2.0%
Annual Excess Section 8			0	0			
Annual IRP Income			0				
Annual Non-Rental Income			95	9,300	2.0%	1	2.0%
Total Project Revenue			7,835	767,820			
Total Development Expenses							
						Future Vacancy	
Vacancy Loss	6.00%	of annual rent potential	464	45,511		1	5.0%
Management Fee	504	per unit per year	504	49,392	3.0%	1	3.0%
Administration			635	62,264	3.0%	1	3.0%
Project-paid Fuel			472	46,300	3.0%	1	3.0%
Common Electricity			306	30,000	3.0%	6	3.0%
Water and Sewer			629	61,650	3.0%	1	3.0%
Operating and Maintenance			1,510	148,000	3.0%	1	3.0%
Real Estate Taxes			0	0	5.0%	1	5.0%
Payment in Lieu of Taxes (PILOT)	3.75%		220	21,565			
Insurance			338	33,130	3.0%	1	3.0%
Replacement Reserve	300	per unit per year	300	29,400	3.0%	1	3.0%
Other: Payroll Taxes			150	14,700	3.0%	1	3.0%
Other:			0		3.0%	1	3.0%

	% of Revenue			
Total Expenses	70.58%	**5,530**	**541,912**	
Base Net Operating Income (excludes Excess Section 8 and IRP Income)		2,305	225,908	Override
Part A Mortgage Payment	24.52%	1,921	188,257	
Part A Mortgage		**29,820**	**2,922,398**	
Non MSHDA Financing Mortgage Payment		0		
Non MSHDA Financing Type:		**0**		
Base Project Cash Flow (excludes ODR and Part B)	4.90%	384	37,651	

Level Debt Service and Part B Loan Analysis				
				Override
Part B Term In Months			0	0
Part B Debt Coverage Ratio			1.00	
Level Debt Service Requirement		0	0	
Excess Section 8 Income	0.00%	0	0	
IRP Income	0.00%	0	0	Override
Part B Mortgage Payment		0	0	
Part B Mortgage		**0**	**0**	

Summary	Annual Payment		Total Loan Amount	
	Per Unit	Total	Per Unit	Total
Part A Mortgage	1,921	188,257	29,820	2,922,398
Part B Mortgage	0	0	0	0
Total Mortgage	**1,921**	**188,257**	**29,820**	**2,922,398**

Development Porter Senior Apartments
Financing Tax Exempt
MSHDA No. 0
Step Preliminary Assessment
Date 9.14.17
Type Acquisition/Rehab

Instructions

TOTAL DEVELOPMENT COSTS				Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis
Acquisition								
Land				6,735	660,000	0%	0	0
Existing Buildings				38,163	3,740,000	100%	3,740,000	0
Other:				0	0	0%	0	0
			Subtotal	44,898	4,400,000			
Construction/Rehabilitation								
Off Site Improvements				0		100%	0	0
On-site Improvements				30,102	2,950,000	100%	2,950,000	0
Landscaping and Irrigation				0		100%	0	0
Structures				0		100%	0	0
Community Building and/or Maintenance Facility				0		100%	0	0
Construction not in Tax Credit basis (i.e.Carports and Commercial Space				0		0%	0	0
General Requirements	% of Contract	5.07%	Within Range	1,531	150,000	100%	150,000	150,000
Builder Overhead	% of Contract	1.61%	Within Range	510	50,000	100%	50,000	50,000
Builder Profit	% of Contract	4.75%	Within Range	1,531	150,000	100%	150,000	150,000
Permits, Bond Premium, Tap Fees, Cost Cert.				102	10,000	100%	10,000	10,000
Other:				0		100%	0	0
			Subtotal	33,776	3,310,000			
			15% of acquisition and $15,000/unit test:		met			
Professional Fees								
Architectural Fees				1,327	130,000	100%	130,000	130,000
Engineering/Survey				459	45,000	100%	45,000	45,000
Lender Legal				1,020	100,000	75%	75,000	75,000
			Subtotal	2,806	275,000			
Interim Construction Costs								
Construction Insurance				543	53,200	10%	5,320	5,320
Construction Period Interest		18 months		3,090	302,858	10%	30,286	30,286
Title Work				306	30,000	100%	30,000	0
Legal Fees (in Tax Credit Basis)				1,276	125,000	60%	75,000	0
Construction Taxes				329	32,250	10%	3,225	3,225
Other:	Construction origination and cost (2%)			1,116	109,368	100%	109,368	109,368
			Subtotal	6,660	652,676			
Permanent Financing								
Loan Commitment Fee to MSHDA		2%		752	73,715	0%	0	0
Other:				0		0%	0	0
			Subtotal	752	73,715			
Other Costs (In Basis)								
Application Fee				255	25,000	0%	0	0
Market Study				51	5,000	100%	5,000	5,000
Environmental Studies				138	13,500	100%	13,500	13,500
Cost Certification				153	15,000	0%	0	0
Equipment and Furnishings				0		100%	0	0
Temporary Tenant Relocation				510	50,000	100%	50,000	50,000
Construction Contingency				3,904	382,578	100%	382,578	382,578
Other: Appraisal and PCNA				122	12,000	100%	12,000	12,000
			Subtotal	5,133	503,078			
Other Costs (NOT In Basis)								
Syndication Costs				459	45,000	0%	0	0
Tax Credit Fees (based on 2015 QAP)		46,678	Out of Range	217	21,306	0%	0	0
Compliance Monitoring Fee (based on 2013 QAP)				475	46,550	0%	0	0
Marketing Expense				102	10,000	0%	0	0
Other: Sydication Legal Fees				153	15,000	0%	0	0
			Subtotal	1,407	137,856			

Summary of Acquisition Price			As of January 19, 2016	
Attributed to Land	660,000	1st Mortgage Balance		1,206,122
Attributed to Existing Structure:	3,740,000	Subordinate Mortgage(s)		
Other:	0			
Fixed Price to Seller	4,400,000	Premium/(Deficit) vs Existing Debt		3,193,878

Appraised Value	Value As of:	TBD	
"Encumbered As-Is" value as determined by appraisal:		4,400,000	Override
Plus 5% of Appraised Value:		0	
LESS Fixed Price to the Seller:		4,400,000	
Surplus/(Gap)	Within Range	0	

			Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis
Project Reserves							
Rent up Allowance	months		0	0	0%	0	0
Operating Assurance Reserve	months		453	44,394	0%	0	0
Replacement Reserve		Required	700	68,600	0%	0	0
Operating Deficit Reserve		Less than GRF	0	0	0%	0	0
One Month Gross Rent Potential		Required	645	63,210	0%	0	0
Remarketing Reserve		Not Required	0	0	0%	0	0
Rent Lag Escrow		Not Required	0	0	0%	0	0
Tax and Insurance Escrows			0		0%	0	0
			0		0%	0	0
Other:			0	0	0%	0	0
		Subtotal	1,798	176,204			
Miscellaneous							
Other (Not in Basis):			0	0	0%	0	0
Other (Not in Basis):			0	0	0%	0	0
Other (In Basis):			0	0	100%	0	0
Other (In Basis):			0	0	100%	0	0
		Subtotal	0	0			
Total Acquisition Costs			44,898	4,400,000			
Total Construction Hard Costs			33,776	3,310,000			
Total Non-Construction ("Soft") Costs			18,556	1,818,529			
Developer Overhead and Fee							
Maximum 1,086,064			11,082	1,086,064	100%	1,086,064	1,086,064
7.5% of Acquisition/Project Reserves		Override		5% Attribution Test			
15% of All Other Development Costs				Met			
Total Development Cost			108,312	10,614,593			

TOTAL DEVELOPMENT SOURCES	% of TDC		
MSHDA Permanent Mortgage	27.53%	29,820	2,922,396
Conventional/Other Mortgage	0.00%	0	0
Equity Contribution from Tax Credit Syndication	65.89%	71,368	6,994,092
MSHDA NSP Funds	0.00%	0	
MSHDA HOME	0.00%	0	
MSHDA Preservation Fund	0.00%	0	
Other MSHDA:	0.00%	0	
Local HOME	0.00%	0	
Other Equity	0.00%	0	
Other: Income from Operations	3.66%	3,962	388,308
Other:	0.00%	0	
Other:	0.00%	0	
Deferred Developer Fee	2.92%	3,161	309,795
Total Permanent Sources			10,614,593

Sources Equal Uses?	Balanced
Surplus/(Gap)	0

Construction Loan	0.00%	0	
Construction Loan Rate			
Repaid from equity prior to final closing			0

Eligible Basis for LIHTC/TCAP		Value of LIHTC/TCAP		
Acquisition	3,960,000	Acquisition	134,640	
Construction	6,685,043	Construction	601,654	Override
Acquisition Credit %	3.40%	Total Yr Credit	736,294	
Rehab/New Const Credit %	9.00%	Equity Price	$0.9500	
Qualified Percentage	100.00%	Equity Effective Price	$0.9500	Override
QCT/DDA Basis Boost	130%	Equity Contribution	6,994,092	
Historic?	No			

Existing Reserve Analysis			
DCE Interest:	0	Current Owner's Reserves:	411,995
Insurance:	0	Reserves Captured/Transferred into Project:	0
Taxes:	0	Reserves Transferred into Project	0
Rep. Reserve	0		

	LIHTC Basis	Historic Basis
	9,102,341	2,307,341

# of Units	
	0.00
	0.00
	0.00%
Deferred	
	28.52%

Initial Owner's Equity Calculation

Equity Contribution from Tax Credit Sy	
Brownfield Equity	
Historic Tax Credit Equity	
General Partner Capital Contributions	
Other Equity Sources	
New Owner's Equity	

Cash Flow Projections

Development Porter Senior Apartments
Financing Tax Exempt
MSHDA No. 0
Step Preliminary Assessment
Date 9.14.17
Type Acquisition/Rehab

	Initial Inflator	Starting in Yr	Future Inflator	2018 1	2019 2	2020 3	2021 4	2022 5	2023 6	2024 7	2025 8	2026 9	2027 10
Income													
Annual Rental Income	2.0%	1	###	758,520	773,690	789,164	804,947	821,046	837,467	854,217	871,301	888,727	906,502
Annual Excess Section 8				0	0	0	0	0	0	0	0	0	0
Annual IRP Income				0	0	0	0	0	0	0	0	0	0
Annual Non-Rental Income	2.0%	1	###	9,300	9,486	9,676	9,869	10,067	10,268	10,473	10,683	10,896	11,114
Total Project Revenue				767,820	783,176	798,840	814,817	831,113	847,735	864,690	881,984	899,624	917,616
Expenses													
Vacancy Loss	6.0%	1	###	37,926	38,685	39,458	40,247	41,052	41,873	42,711	43,565	44,436	45,325
Management Fee	3.0%	1	###	49,392	50,874	52,400	53,972	55,591	57,259	58,977	60,746	62,568	64,445
Administration	3.0%	1	###	62,264	64,132	66,056	68,038	70,079	72,181	74,346	76,577	78,874	81,240
Project-paid Fuel	3.0%	1	###	46,300	47,689	49,120	50,593	52,111	53,674	55,285	56,943	58,651	60,411
Common Electricity	3.0%	6	###	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143
Water and Sewer	3.0%	1	###	61,650	63,500	65,404	67,367	69,388	71,469	73,613	75,822	78,096	80,439
Operating and Maintenance	3.0%	1	###	148,000	152,440	157,013	161,724	166,575	171,573	176,720	182,021	187,482	193,106
Real Estate Taxes	5.0%	1	###	0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)				21,849	22,234	22,626	23,023	23,427	23,838	24,254	24,678	25,108	25,544
Insurance	3.0%	1	###	33,130	34,124	35,148	36,202	37,288	38,407	39,559	40,746	41,968	43,227
Replacement Reserve	3.0%	1	###	29,400	30,282	31,190	32,126	33,090	34,083	35,105	36,158	37,243	38,360
Other: Payroll Taxes	3.0%	1	###	14,700	15,141	15,595	16,063	16,545	17,041	17,553	18,079	18,622	19,180
Other:	3.0%	1	###	0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses				534,811	550,000	565,838	582,137	598,912	618,176	633,944	652,231	671,052	690,423
Debt Service													
Debt Service Part A				188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257
Debt Service Part B				0	0	0	0	0	0	0	0	0	0
Debt Service Conventional/Other Financing				0	0	0	0	0	0	0	0	0	0
Total Expenses				722,868	738,257	754,094	770,394	787,169	806,433	822,201	840,488	859,309	878,679
Cash Flow/(Deficit)				44,952	44,920	44,746	44,423	43,945	43,302	42,489	41,496	40,315	38,937
Cash Flow Per Unit				459	458	457	453	448	442	434	423	411	397
Debt Coverage Ratio on Part A Loan				1.24	1.24	1.24	1.24	1.23	1.23	1.23	1.22	1.21	1.21
Debt Coverage Ratio on Conventional/Other Financing				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Interest Rate on Reserves	0%

Average Cash Flow as % of Net Income

Operating Deficit Reserve (ODR) Analysis

Maintained Debt Coverage Ratio (Hard Debt)	1.15
Maintained Operating Reserve (No Hard Debt)	250

	Initial Deposit										
Initial Balance	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394
Total Annual Draw to achieve 1.0 DCR	Add to OAR	0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR		0	0	0	0	0	0	0	0	0	0
Total 1.0 DCR and Maintained DCR		0	0	0	0	0	0	0	0	0	0
Interest		0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR		44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394	44,394
Maintained Cash Flow Per Unit		459	458	457	453	448	442	434	423	411	397
Maintained Debt Coverage Ratio on Part A Loan		1.24	1.24	1.24	1.24	1.23	1.23	1.23	1.22	1.21	1.21
Maintained Debt Coverage Ratio on Conventional/Other		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR	0										
Non-standard ODR	44,394										

Operating Assurance Reserve Analysis

	0										
Required in Year: 1	Initial Deposit										
Initial Balance	0	0	0	0	0	0	0	0	0	0	0
Interest Income		0	0	0	0	0	0	0	0	0	0
Ending Balance		0	0	0	0	0	0	0	0	0	0

Deferred Developer Fee Analysis

Initial Balance	309,795	264,843	219,923	175,178	130,755	86,810	43,508	1,019	0	0
Dev Fee Paid	44,952	44,920	44,746	44,423	43,945	43,302	42,489	1,019	0	0
Ending Balance Repaid in yr 2025	264,843	219,923	175,178	130,755	86,810	43,508	1,019	0	0	0

Subordinate MSHDA Financing

Interest Rate on Subordinate Financing 3%	Initial Balance 0										
Principal Amount of all MSHDA Soft Funds		0	0	0	0	0	0	0	0	0	0
Current Yr Int		0	0	0	0	0	0	0	0	0	0
Accrued Int		0	0	0	0	0	0	0	0	0	0
Subtotal	% of Cash Flow	0	0	0	0	0	0	0	0	0	0
Annual Payment Due	50%	0	0	0	0	0	0	0	0	0	0
Year End Balance		0	0	0	0	0	0	0	0	0	0

Cash Flow Projections

D

	Initial Inflator	Starting in Yr	Future Inflator	2028 11	2029 12	2030 13	2031 14	2032 15	2033 16	2034 17	2035 18	2036 19	2037 20
Income													
Annual Rental Income	2.0%	1	###	924,632	943,124	961,987	981,227	1,000,851	1,020,868	1,041,285	1,062,111	1,083,353	1,105,020
Annual Excess Section 8				0	0	0	0	0	0	0	0	0	0
Annual IRP Income				0	0	0	0	0	0	0	0	0	0
Annual Non-Rental Income	2.0%	1	###	11,337	11,563	11,795	12,031	12,271	12,517	12,767	13,022	13,283	13,548
Total Project Revenue				**935,968**	**954,688**	**973,781**	**993,257**	**1,013,122**	**1,033,385**	**1,054,052**	**1,075,133**	**1,096,636**	**1,118,569**
Expenses													
Vacancy Loss	5.0%	1	###	46,232	47,156	48,099	49,061	50,043	51,043	52,064	53,106	54,166	55,251
Management Fee	3.0%	1	###	66,379	68,370	70,421	72,534	74,710	76,951	79,260	81,637	84,087	86,609
Administration	3.0%	1	###	83,678	86,188	88,774	91,437	94,180	97,005	99,915	102,913	106,000	109,180
Project-paid Fuel	3.0%	1	###	62,223	64,090	66,013	67,993	70,033	72,134	74,298	76,527	78,823	81,187
Common Electricity	3.0%	6	###	40,317	41,527	42,773	44,056	45,378	46,739	48,141	49,585	51,073	52,605
Water and Sewer	3.0%	1	###	82,852	85,338	87,898	90,535	93,251	96,049	98,930	101,898	104,955	108,104
Operating and Maintenance	3.0%	1	###	198,900	204,867	211,013	217,343	223,863	230,579	237,497	244,621	251,960	259,519
Real Estate Taxes	5.0%	1	###	0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)				25,988	26,438	26,895	27,359	27,831	28,309	28,794	29,287	29,788	30,295
Insurance	3.0%	1	###	44,524	45,860	47,235	48,653	50,112	51,615	53,164	54,759	56,402	58,094
Replacement Reserve	3.0%	1	###	39,511	40,696	41,917	43,175	44,470	45,804	47,178	48,594	50,052	51,553
Other: Payroll Taxes	3.0%	1	###	19,756	20,348	20,959	21,587	22,235	22,902	23,589	24,297	25,026	25,777
Other:	3.0%	1	###	0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses				710,359	730,878	751,997	773,733	796,105	819,131	842,831	867,224	892,332	918,174
Debt Service													
Debt Service Part A				188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257	188,257
Debt Service Part B				0	0	0	0	0	0	0	0	0	0
Debt Service Conventional/Other Financing				0	0	0	0	0	0	0	0	0	0
Total Expenses				**898,616**	**919,135**	**940,254**	**961,990**	**984,362**	**1,007,388**	**1,031,088**	**1,055,481**	**1,080,588**	**1,106,431**
Cash Flow/(Deficit)				37,352	35,553	33,528	31,267	28,760	25,997	22,964	19,652	16,048	12,138
Cash Flow Per Unit				361	363	342	319	293	265	234	201	164	124
Debt Coverage Ratio on Part A Loan				1.20	1.19	1.18	1.17	1.15	1.14	1.12	1.10	1.09	1.06
Debt Coverage Ratio on Conventional/Other Financing				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	0%												
Operating Deficit Reserve (ODR) Analaysis													
Maintained Debt Coverage Ratio (Hard Debt)	1.15												
Maintained Operating Reserve (No Hard Debt)	250		Initial Deposit										
Initial Balance			44,394	44,394	44,394	44,394	44,394	44,394	44,394	42,152	36,878	28,292	16,101
Total Annual Draw to achieve 1.0 DCR			Add to OAR	0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR				0	0	0	0	0	(2,242)	(5,274)	(8,586)	(12,191)	(16,101)
Total 1.0 DCR and Maintained DCR				0	0	0	0	0	(2,242)	(5,274)	(8,586)	(12,191)	(16,101)
Interest				0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR				44,394	44,394	44,394	44,394	44,394	42,152	36,878	28,292	16,101	0
Maintained Cash Flow Per Unit				361	363	342	319	293	288	288	288	288	288
Maintained Debt Coverage Ratio on Part A Loan				1.20	1.19	1.18	1.17	1.15	1.15	1.15	1.15	1.15	1.15
Maintained Debt Coverage Ratio on Conventional/Other				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR			0										
Non-standard ODR			44,394										
Operating Assurance Reserve Analysis			0										
Required in Year:	1		Initital Deposit										
Initial Balance			0	0	0	0	0	0	0	0	0	0	0
Interest Income				0	0	0	0	0	0	0	0	0	0
Ending Balance				0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee Analysis													
Initial Balance				0	0	0	0	0	0	0	0	0	0
Dev Fee Paid				0	0	0	0	0	0	0	0	0	0
Ending Balance	Repaid in yr 2025			0	0	0	0	0	0	0	0	0	0
Subordinate MSHDA Financing													
Interest Rate on Subordinate Financing	3%		Initial Balance										
Principal Amount of all MSHDA Soft Funds			0	0	0	0	0	0	0	0	0	0	0
Current Yr Int				0	0	0	0	0	0	0	0	0	0
Accrued Int				0	0	0	0	0	0	0	0	0	0
Subtotal			% of Cash Flow	0	0	0	0	0	0	0	0	0	0
Annual Payment Due			50%	0	0	0	0	0	0	0	0	0	0
Year End Balance				0	0	0	0	0	0	0	0	0	0

Development Porter Senior Apartments
Financing Tax Exempt
MSHDA No. 0
Step Preliminary Assessment
Date 9.14.17
Type Acquisition/Rehab

Replacement Reserve Analysis

Cost Inflation	103%
RR Period	20

Min. Deposit	68,600
15 Year	0
20 Year	0

Required Initial Deposit **68,600**
Per Unit **700**

Year	Starting Balance	RR Needs	Contribution	Net Annual Change	Interest	Ending Balance
1	68,600		29,400	29,400	0	98,000
2	98,000		30,282	30,282	0	128,282
3	128,282		31,190	31,190	0	159,472
4	159,472		32,126	32,126	0	191,599
5	191,599		33,090	33,090	0	224,689
6	224,689		34,083	34,083	0	258,771
7	258,771		35,105	35,105	0	293,876
8	293,876		36,158	36,158	0	330,035
9	330,035		37,243	37,243	0	367,278
10	367,278		38,360	38,360	0	405,638
11	405,638		39,511	39,511	0	445,149
12	445,149		40,696	40,696	0	485,846
13	485,846		41,917	41,917	0	527,763
14	527,763		43,175	43,175	0	570,938
15	570,938		44,470	44,470	0	**615,408**
16	615,408		45,804	45,804	0	661,212
17	661,212		47,178	47,178	0	708,391
18	708,391		48,594	48,594	0	756,984
19	756,984		50,052	50,052	0	807,036
20	807,036		51,553	51,553	0	**858,589**

Total Units	98
Interest Rate on Reserves	0%
Year 1 RR Deposits	300
Min Initial Deposit ($700/unit)	68600

Re: PILOT's (page 5)

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

CALL TO ORDER
Called to order at 4:01 p.m.

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

OTHERS PRESENT
Sherrie Boak, Council Staff
Brian McGrain, Economic Development & Planning
Kathy Miles
Bill Rieske, Economic Development & Planning
Susan Stachowiak, Economic Development & Planning
Joe Abood, Chief Deputy City Attorney- left at 4:11 p.m.
Greg Venker, Assistant City Attorney – arrived at 4:11 p.m.
Eilab Kihaia
Sumer Bashi
Sal Kosto
Fred Schaible
Donna McMillan, MHT
Peter Tallerico, MHT
Jim Gromer, MHT
Lyndsy DeForest
Elaine Womboldt
Joslin Monahan, Attorney
Cathy Heckinen, Consumers Energy
Jeff Parker, Consumers Energy
Susan Simmons

PUBLIC COMMENT
No public comment at this time.

MINUTES

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM MARCH 19, 2018 AS PRESENTED. MOTION CARRIED 3-0.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE MINUTES FROM APRIL 2, 2018. MOTION CARRIED 3-0.

DISCUSSION/ACTION

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

Council Member Hussain referenced the application. Council Member Spitzley referred to his job and his work with the State of Michigan budgets, and asked if there was a conflict with his appropriations work and incentives the City gets. Mr. Schaible outlined his job which is to coordinate and schedule the appropriations, but assured the Committee he does not vote or make decisions. His work, he noted was on the policy side but not in the role of what communities receive. Mr. Schaible's opinion was that his work has afforded him with the existing laws out there and would serve as a benefit, and not a conflict. Mr. Abood was asked about any conflict and responded that he was not aware of specifics on what Mr. Schaible does, but there was no conflict on a voting position in his career. His job will have him up-to-speed on the items this board will review. Council Member Spitzley noted she had some concerns because it appears his career does influence policy, and has a potential of a conflict. Mr. Schaible admitted that one of the reasons he was interested in the EDC/TIFA was because of his working knowledge. He also wanted the Committee to know that his supervisor is term limited, and will be up at the end of this year, which in turn will mean he too will be without a job. Council Member Washington asked if he influenced his voting Board, and Mr. Schaible confirmed he does provide guidance, but his supervisor is not on the committee, but is part of legislature to vote in the end. Council Member Washington asked if he has an interest for other boards, at which he stated he was eager to serve. Council Member Hussain encouraged Mr. Schaible to attend the Council meeting on April 23, 2018 to answer questions. Mr. Schaible also volunteered to reach out to the City Attorney office to address any questions on conflicts he might have and steps to recuse himself from those.

Council Member Hussain made a point to the Committee that he has a concern that the majority of the appointments from the Mayor have been from the 4th Ward, and not City wide.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION TO APPOINT FRED SCHAIBLE TO THE LEDC/TIFA/BROWNFIELD AUTHORITY AS AN AT-LARGE MEMBER.

Ms. Womboldt supported Council Member Hussain overview of recent appointments.

MOTION CARRIED 3-0.

Committee brief discussion on concern with all appointments coming from the 4th ward, and appearing that no representation from the City as a whole.

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

Council Member Hussain acknowledged that this resolution was before the Committee and Council with a general overview. The easement is to replace a pipeline that was previously installed in 1940 and covers four (4) BWL properties. The representatives from Consumers

Energy were present to answer questions and made note there were no changes from the original time the Committee saw the request.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR ACT-4-2017 FOR THE EASEMENT FOR CONSUMERS ENERGY'S NORTH LANSING PIPELINE PROJECT. MOTION CARRIED 3-0.

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

Council Member Hussain informed the Committee that this item was also connected to the previous request on the same pipeline, but this was for the portion that went on the WWTP property. The funds from this ACT will stay with the City. The representatives from Consumers Energy were present to answer questions and made note there were no changes from the original time the Committee saw the request.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR ACT-5-2017 FOR THE EASEMENT FOR 1620 SUNSET AVENUE FOR THE CONSUMERS ENERGY NORTH LANSING PIPELINE PROJECT. MOTION CARRRIED 3-0.

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

Ms. Stachowiak referenced the property and zoning maps, noting the Master Plan itself calls for suburban commercial in the location, and the staff and Planning Board recommend approval.

Ms. Monahan, on behalf of the owners, noted to the Committee the property had been vacant for thirteen (13) years prior to them moving in, the property in its current zoning is hard to be put to use. The commercial zoning she noted will help the area and the neighborhood is happy with an active business.

Council Member Spitzley asked if the business was a medical marihuana provisioning center and currently in operation. The owner stated it was operating pre-moratorium, and since the passage of the laws have applied to the City and State, however their license is pending. He clarified that the State license with LARA is pending, the City application was denied and they have appealed that decision. According to the denial it was not zoned properly. The applicants confirmed they had originally applied for a rezoning in 2016 and then withdrew it during the medical marihuana ordinance process. Once it was complete they applied to rezone again. Council Member Washington asked if they continued operating during the moratorium, and they confirmed they had, but they were open before the moratorium was in place.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION TO INTRODUCE AND SET PUBLIC HEARING FOR MAY 14, 2018, FOR Z-1-2017; 4215 N GRAND RIVER; REZONE FROM D-1 PROFESSIONAL OFFICE TO F COMMERCIAL DISTRICT.

Council Member Hussain voiced his concerns with the rezoning, noting the Master Plan does designate for suburban commercial, however that designation should also benefit the people in the area. Ms. Stachowiak disputed that the rezoning does not meet the legal definition of spot zoning, and in her opinion the whole corridor in this area should all be commercial. It is a major throughway, and the properties to the rear are multi-family, where they are stepping down to lower density to the south. The proposed rezoning would meet the definition of commercial she added, and gave the example of a similar area in South Lansing, Edgewood Blvd. Council

Member Spitzley agreed with the definition given, but noted her opinion is that she does not want to rezone someone just so they will come into compliance with the ordinance, therefore rezoning them to make them compliant. Council Member Hussain agreed, and asked Mr. Venker to explain to the Committee why they have to move it forward out of Committee now. Mr. Venker stated it must go out for public hearing and must go to the full Council for the hearing which is consistent and compliant with the Zoning Enabling Act.

Ms. Womboldt asked for information on when the business opened and closed and voiced her opposition that these businesses are coming to the City for a rezoning after they were denied for a medical marihuana license.

Ms. Miles spoke in opposition to the rezoning and the concern that anyone who is denied a license, can apply for a rezoning.

Ms. DeForest, the manager of Skyline apartments, which she noted sits adjacent to the property in question, supports the rezoning. She informed the Committee that prior to this tenant occupying the property there were a lot of issues to the neighbors and since they moved in the criminal element has been eliminated.

Ms. Monahan noted it is inappropriate for an applicant to applying for rezoning, without the process. She added that the challenge is that it does not say that you are not permitted to the rezone their property. Council Member Spitzley clarified to Ms. Monahan that the issue is not the fact he cannot apply, but the ordinance requires theses uses to be zoned first to get a license. In this case, she added they do not have the correct zoning so they cannot have the license. She concluded that no one has ever said they cannot apply for rezoning. The issue of concern is that they have been an operating medical marihuana provisioning center and then applied for rezoning. Ms. Monahan asked if the owner could have applied for the rezoning before, and Council Member Hussain confirmed they could have asked before.

Ms. Simmons spoke in support of the rezoning and admitted she was a former employee when they were open.

MOTION CARRIED 3-0.

ORDINANCE – PILOT; 601 Sadie Court, Camelot Hills

Council Member Hussain stated to the all present to recap that the application was before this Committee on April 2 and tabled at that time. The request is for a PILOT to commence 2019 and run until 2054 at 4%. There is currently a 4% PILOT, but the applicants are requesting an extension for 35 years with $1.8 million invested into it and putting $1.2 million in reserves. Council Member Spitzley, who chaired the April 2, 2018 meeting, stated that at the meeting it was clear to everyone that with only two members present, it would not be voted out of Committee, and therefore she felt she needed to step back and wait for the Committee Chairperson to attend and have input. Her opinion on the renewal of a 4% PILOT, she continued was to vote it out so the full Council can consider it and act on it.

Mr. Gromer first acknowledged the Committee and noted his appreciation on the time and discussions they have had. He went on appealing his opinion that Camelot Hills is different because they are non-profit, and he went on to address earlier questions on if 10% is feasible and he had a determination from MSHDA. Council Member Hussain reiterated that at earlier meetings it was stated by the applicant that they would be more competitive with a 4% PILOT, but the Committee knows they could get a 10% without Council approval. Mr. Gromer clarified

that his statement on competitive at earlier meetings was to be competitive to receive HOME funds, and they have to meet certain economic requirements. Mr. McGrain assured the Committee that his department is working on new PILOT's coming forward but did feel sympathetic with this application because its current PILOT was structured under previous MSHDA guidelines, which is no fault of their own, but now causes the need to restructure. His office supports the PILOT.

Council Member Washington spoke in opposition to the PILOT stating that a 4% PILOT at 35 years is too much, and her job is to look at the City budget.

Council Member Hussain spoke in opposition to 4% PILOTS, and a decision that will impact the City for 35 years. When the State Statue was written they created the standard that anything under 10% has to have local approval, so they knew the local municipalities would need to consider. His concerns included the fact that the City cannot currently afford to provide public service and public safety that is needed to the residents.

Ms. Miles spoke in opposition and her belief the Financial Health Team does not support PILOTS.

Ms. Womboldt spoke in opposition to the PILOT.

Council Member Hussain encouraged the applicants to consider 10% with some replanning and recalculations.

Ms. McMillan stated to the Committee that the program is set up by the Federal government and this is the process that the City has to access. This PILOT is 20% of the low housing, where there are 550 families on Section 8. If this is not approved it will affect 20% of those. This is PILOT is an opportunity for the City to access Federal dollars. Council Member Hussain stated his opinion was that a 4% PILOT is a detriment to the people who live there.

Council Member Spitzley said she wanted the full Council to have an opportunity to comment on it, and because it is a controversial topic, the Committee should pass along to Council.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE ORDINANCE FOR THE PILOT FOR CAMELOT HILLS, 609 SADIE COURT.

Council Member Hussain went through the process that has been followed so far, which included earlier meetings at the Committee and the required public hearing at the Council meeting where all Council Members had an opportunity to weigh in. He noted that this Committee is tasked to vet the agenda item and determine if there is a bad policy or application and make the determination if they do not feel it is appropriate to put before the full Council for a vote.

MOTION FAILED 1-2. COUNCIL MEMBER HUSSAIN PLACED IT ON FILE.

Mr. Venker asked for pause because there needed to be a discussion on the disclaimer, rules in the Council Rules for action and the opinion on further action reporting to Council. Council Member Spitzley asked why the legal concern or opinion was not raised before the vote. The Committee then asked why it has to come out of Committee since it failed. Mr. Venker cited the Council Rules which he read that Committee duties are to investigate in a timely manner and he needed time to clarify it. Council Member Hussain asked, now that they have voted, and Law

now say it has to has to come out and go to Council. Mr. Venker said if Law reviews the process and clarifies that it does need to go to the full Council, it will be a no-recommendation from the Committee. Council Member Washington asked if that was an option or not a mandate. Mr. Venker did not have the answer and would have to check. Mr. McGrain asked if the action from the Committee will be at Council Monday, April 23rd because the applicant has MSHDA deadlines to meet. Council Member Hussain stated it would not go to Council until the opinion from Law. Based on today's meeting, the application is "dead", unless the legal opinion states it has to go to the full Council. Council Member Spitzley stated again to Mr. Venker that the need for clarification by Law should have been conveyed before the vote. Council Member Washington remembered the same discussion on this process before the Committee before, and Council Member Hussain noted in the past was if it "died" at Committee it never came out to the full Council. Mr. Venker stated he would speak to the Council Members outside of this meeting.

Ms. Womboldt asked for consistency.

Council Member Spitzley assured the Committee she did not disagree with the decision to move to the full Council, but the clarification on the rules should have been done before the vote on the agenda item it would affect. The Committee needs to make informed decisions, good bad or indifferent. Council Member Hussain had concerns with clarification outside of the meeting, and Council Member Spitzley agreed asking for a formal City Attorney opinion as soon as possible.

Council Member Hussain called a Special Committee on Development and Planning meeting for Monday, April 23, 2018 at 5:00 p.m. for clarification from law.

Ms. Womboldt asked for a copy of a court case that addressed a recent BZA case.

Council Member Hussain instructed the Committee that they will meet on April 23rd and as it currently stands the request for a PILOT for Camelot Hills is denied. If the City Attorney's office at that meeting determines the decision has to come out to the full Council, it will be added that night at Council as a "Late Item".

Ms. McMillan asked if they could seek reconsideration, which was stated at the last meeting. Mr. Venker was not able to provide an answer, and the Committee agreed to meet on April 23rd at 5:00 p.m. to review his determination on the action and next steps.

DISCUSSION – Economic Development & Planning Update on a PILOT process
Council Member Hussain moved this discussion to the next regularly scheduled meeting.

Other
No other topics.

Adjourn
Adjourned at 5:16 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on May 7, 2018

Re: PILOTS

MINUTES
Committee on Development and Planning
Special Meeting
Monday, April 23, 2018 @ 5:15 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Called to order at 5:16 p.m.

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

OTHERS PRESENT
Sherrie Boak, Council Staff
Brian McGrain, Economic Development & Planning
Susan Stachowiak, Economic Development & Planning
Jim Smiertka, City Attorney
Kathy Miles
Elaine Womboldt

PUBLIC COMMENT
No public comment at this time.

DISCUSSION/ACTION
Clarification from the City Attorney

Mr. Smiertka provided an overview of the memo he submitted to the Committee on the analysis of legal requirements related to certain development and planning matters. He noted that when there is a rezoning, which is an amendment to the zoning ordinance, the Zoning Enabling Act requires a hearing only at the Planning Board level, however the City Charter states the City Council has to have a hearing as well. The Zoning Enabling Act, although only requiring a public hearing at the Planning Board level, does require that the legislative body consider and vote on any rezoning request. Therefore, when combining the requirements of the Zoning and Enabling Act and City Charter, amendments to our zoning code are required to have a public hearing and vote by the full body. Mr. Smiertka then assured the Committee that everything else that the Committees reviews and takes action on can be kept in Committee unless Council refers it to the Committee and requests a report. Council Member Spitzley asked for clarification, once it is acted on and voted down, is it considered "dead" at Committee. Mr. Smiertka clarified that once it is voted on, they have to report to Council the findings or action, in whatever formats the

Committee determines, although Council can discharge matters from the Committee. According to the Council Rules, to discharge an issue from committee, a 2/3 vote of the members at a Committee of the Whole or City Council meeting is needed. In 2016, Law determined that the 2/3's applied to the members at that meeting. Council can interpret their own rules, but if there are 8 Members at the meeting, it would need 6 members to pass, if there are 7 Members at the meeting it would need 5 Members. Council Member Spitzley asked Mr. Smiertka if someone at the Council meeting tonight asked for this PILOT to be discharged, would they need 5 votes since there will only be 7 members present, and Mr. Smiertka confirmed stating that is what the Council Rules state. If Council wants to amend the Rules, that would require another vote. Council Member Hussain asked if the discharge has to be done immediately following the meeting where the Committee reports out their determination, and Mr. Smiertka referred to Council Rule 17 which states "any Council Meeting".

Ms. Womboldt asked if a discharge from Committee requires a roll call vote of Council. Mr. Smiertka stated that a roll call vote is only required would be for the ordinance itself.

Council Member Hussain asked what occurs with a Special Land Use. Mr. Smiertka confirmed that the requirement to Council is only for zoning amendments.

Ms. Miles asked if Mr. Venker's objection from the last Committee meeting negated the denial vote. Mr. Hussain confirmed for her it did not, the question was if the PILOT discussion from the last Committee meetings needed to come out of Committee for final action. The discussion today is also about what steps are taken if a Member calls for reconsideration.

Ms. Miles asked why the Council has Committees. Council Member Spitzley assured her that Committees vet proposals, make sure applications are complete, and there is always a reason for Committee review and action. There is a process in place and allowable.

Council Member Hussain assured Ms. Miles and Ms. Womboldt that the Committee also wanted the legal opinion from the City Attorney himself since the opinions from Law have been contrary to what has been stated from that office in the past.

Mr. Smiertka reiterated the earlier statement from Council Member Spitzley, that the Committees are part of the process to provide vetting on applications. He then encouraged the Council to also review the Council Rules, Rule 4 which speaks to "no more than four (4) members on any standing committee".

Other
No other topics.

Adjourn
Adjourned at 5:28 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on May 8, 2018