



AGENDA

Committee on Development and Planning

Tuesday, November 17, 2020 @ 3:00 P.M. (note time)

Access the meeting via: <https://us02web.zoom.us/j/87257635748>; ID 872 5763 5748 Dial In: 312-626-6799
email comments prior to the meeting at sherrie.boak@lansingmi.gov

All Councilmembers will participate virtually & may be contacted prior to the meeting at city.council@lansingmi.gov 483-4177

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

- November 3, 2020

4. Discussion/Action:

- A.) RESOLUTION – Reappointment; Jonathon Lun to the Michigan Avenue Corridor Improvement Authority
- B.) RESOLUTION – Introduction & Set Public Hearing; Ordinance Amendment Chapter 1279 Appendix D; Expand W Saginaw Corridor Overlay District
- C.) RESOLUTION – Introduction & Set Public Hearing; Z-4-2020 Rezoning; 220 N Pennsylvania from C Residential to DM-4 Residential District
- D.) RESOLUTION- Introduction & Set Public Hearing; Z-5-2020 Rezoning; NW Corner of E. Miller and Orchard Court from F Commercial to DM-3 Residential
- E.) RESOLUTION – Introduction & Set Public Hearing; Z-6-2020 Rezoning; 2420, 2432, 2442, & 2506 N Grand River Avenue from F Commercial, J Parking, A Residential, D-1 Professional Office and G-2 Wholesale to H Light Industrial District
- F.) RESOLUTION – Introduction & Set Public Hearing; SLU-3-2020; 900 Southland Avenue, Suite 910; Special Land Use of Church in the F Commercial District
- G.) RESOLUTION – Lansing Economic Development Corporation (LEDC) Downtown Lansing Riverfront Project, Lansing Shuffleboard and Social Club LLC
- H.) RESOLUTION – Lease Agreement; Lansing Shuffleboard and Social Club, LLC 325 Riverfront

I.) RESOLUTION – Introduction & Set Public Hearing; Payment in Lieu of Taxes (PILOT)
Walter French

5. Other

6. Adjourn

To mitigate the spread of COVID-19 and to provide essential protections to vulnerable Michiganders and this State's health care system and other critical infrastructure, it is crucial that all Michiganders take steps to-limit in-person contact, particularly in the context of large groups. Therefore, the above meetings will be conducted via audio/video conference.

The meetings are being held virtually in accordance with the Open Meetings Act, as amended in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website or phone number above, and meeting ID provided. To provide input or ask questions on any item that is listed on the agenda, members of the public may contact the email address listed above under the meeting link.

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Council Office at 517-483-4177 (TTY 711) 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

DRAFT



MINUTES

Committee on Development and Planning

Tuesday, November 3, 2020 @ 3:30 p.m.

<https://us02web.zoom.us/j/83364118115> ; ID: 833 6411 8115; Dial In: (312) 626-6799

Held virtually in an effort to protect the health and safety of the public & to mitigate the spread of COVID 19

CALL TO ORDER

Council Member Spitzley called the meeting to order at 3:30 p.m.

PRESENT via audio/video

Council Member Spitzley, Chair remotely from Lansing, Michigan
Council Member Garza, Vice-Chair remotely from Lansing, Michigan
Council Member Betz, Member remotely from Lansing, Michigan
Council Member Hussain, Member remotely from Lansing, Michigan

OTHERS PRESENT via audio/video

Sherrie Boak, Council Staff
Lisa Hagen, Assistant City Attorney, Council Research Assistant
Brian McGrain, EDP
Andrew Fedewa, EDP
Susan Stachowiak, EDP
Amanda O'Boyle, OCA

PUBLIC COMMENT

No public comment at this time.

MINUTES

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM OCTOBER 22, 2020 AS PRESENTED. ROLL CALL VOTE, MOTION CARRIED 4-0.

Discussion/Action:

RESOLUTION – Reappointment; James Tischler; LDFA Board; Term to Expire 6/30/2024
Council Member Spitzley noted this was a reappointment to the LDFA Board.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION ON REAPPOINTMENT OF JAMES TISCHLER TO THE LDFA BOARD. ROLL CALL VOTE, MOTION CARRIED 4-0.

RESOLUTION – Reappointment; Tiffany Dowling; Saginaw Street Corridor Improvement Authority; Term to Expire 6/30/2024

Council Member Spitzley noted this was a reappointment to the Saginaw Street Corridor Improvement Authority.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RSOLUTION ON THE REAPPOINTMENT OF TIFFANY DOWLING TO THE SAGINAW STREET CORRIDOR IMPROVEMENT AUTHORITY. ROLL CALL VOTE, MOTION CARRIED 4-0.

RESOLUTION- Introduction & Setting of Public Hearing; Ordinance Amendment to Chapter 1300; Section 1300.11; Marihuana Micro Businesses in Commercially Zoned Districts

Ms. Hagen informed the Committee that the OCA was requested to modify the current ordinance specifically for micro-businesses. In the current ordinance these uses are linked with other grower and this request would allow micro businesses in commercial districts, yet still maintaining the one (1) per Ward.

Council Member Hussain asked if it did not occur, would some districts not be allowed a micro businesses, and if there are pending licenses, are they conditionally approved based on if this amendment is made. Ms. Hagen was not able to speak to those questions.

Council Member Betz highlighted that micro businesses are small scale, and asked what that would mean to allow in heavy zoned districts. Ms. Hagen explained that initially it was allowed in heavy industrial because it was part of the grow component, and micro business involves processing as well.

Council Member Spitzley asked the OCA the reason for the amendment. Ms. Hagen first noted that any micro business on the licensing list currently is “pending” because they are waiting on their State license, not the City license. She continued that the request was from the Administration who in turn approach Council President Spadafore to sponsor the referral. Council Member Spitzley asked if a specific business approached the Administration for the amendment, and Ms. Hagen noted the only request they received was from the Administration to change it.

Council Member Hussain asked if the amounts in the Wards would change, and Ms. Hagen noted that the way it is now, it is very limited. Council Member Spitzley stated her review of the amendments appear to be a change to an ordinance for a problem that does not exist, and therefore there is confusion on why it is being proposed to be amended.

MOTION BY COUNCIL MEMBER BETZ TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 30, 2020. ROLL CALL VOTE, MOTION CARRIED 4-0.

RESOLUTION – Introduction & Setting of Public Hearing; Ordinance to institute Form Based Zoning Code

Mr. Fedewa shared his screen and presented an overview of the proposed Form Base Code. This presentation included a map on the plan which reflected preservation, enhance and transformation. It was confirmed there has been 15 public events and workshops in the Wards, 5 Planning Board public hearings, and lastly the presentation outlined the table of contents listing districts, general provisions, the approval process and the administrative process. Amongst the districts were commercial/mixed use, residential zones (10), and special district zones (5).

Council Member Hussain asked Council Member Spitzley when the department will be able to do a presentation, and she stated her intention is a presentation at Committee of the Whole on 11/30/2020 before the public hearing that same night at Council. Council Member Betz stated he would have questions before the hearing and will submit them. Council Member Spitzley asked the department to forward documents to Council staff so the full Council can have all the materials. Council Member Garza asked if there were residential homes that will not comply with the new Form Based Code if they will be demolished, and Mr. McGrain stated there will be multiple properties considered "grandfathered in", but this is setting the stage for future development, with them knowing this is putting the tools in place, but not a change overnight. Ms. Stachowiak added they would actually be considered "non-conforming" and a certain percentage of change could require properties to comply with the new Form Based Code.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE FORM BASED ZONING CODE FOR NOVEMBER 30, 2020. ROLL CALL VOTE, MOTION CARRIED 4-0.

Mr. McGrain confirmed they will be prepared for a larger presentation and Q & A at the 11/30/2020 Committee of the Whole meeting. He also offered his and his staff time if any Council Member wanted to meet one-on-one to review and address the Code.

Other

Council Member Spitzley stated the applicants for the Commercial Rehabilitation project at 329-337 S Washington are looking for action the same night of the public hearing, November 9, 2020. Therefore at this time she is discharging action on the Commercial Rehabilitation District for 329-337 S Washington and the Commercial Rehabilitation Certificate for 329-337 S Washington out of this Committee to the Committee of the Whole for November 9, 2020.

DISCUSSION/ACTION

Adjourn

Adjourned at 4:03 p.m.

Submitted by, Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee

From: noreply@civicplus.com
Sent: Tuesday, June 30, 2020 8:59 AM
To: Plummer, Marilyn; Mayor Intern; Tim.Hilton@lansingmi.gov
Subject: [EXTERNAL] Online Form Submittal: Application for Appointment to Board or Commission

Application for Appointment to Board or Commission

Thank you for your interest in serving on a Lansing Board, Commission or Committee.

Certain boards, commissions or committees require appointees to be a registered elector in the City of Lansing (Charter Section 2-102) and be a resident of Lansing for one year prior to taking office (Charter Section 2-102).

Appointees to every board, commission or committee must not be in default to the City at the time of taking office (Charter Section 2-103.2) and not have been convicted, within 20 years of taking office, of a violation of the election laws of the City of Lansing, State of Michigan, or the United States; a violation of public trust; or any felony (Charter Section 2-103.1).

Lansing City Charter, Section 5-104, Ineligibility For Boards, restricts certain City employee activities on some boards: "No person holding another City office or activity employed by the City shall be eligible to be a voting member on any board."

(Section Break)

Date	6/30/2020
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First Name	Jonathan
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Middle	M
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Last Name	Lum
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Other name(s) by which you have been known, including maiden names	Field not completed.
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Date of Birth	
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Address	1000 S. Washington Ave, Suite 104
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City	Lansing
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State	MI
Zip Code	48910
Email	jonathan.m.lum@gmail.com
Gender	Male
Find my ward:	Lansing Neighborhoods Ward Map
Ward	1
Precinct	03
Best phone number to contact you	5177986264
Last 4 digits of social security number	
In what year did you move to Lansing?	1977
Additional information regarding experience and credentials	As a Realtor, I understand a home is much greater than merely a house. It is the community and culture that conveys the sense of place that people call home. I strive not only to find that for my clients, but to help create it. I am a grassroots Placemaker and an advocate for New Urbanism and place based development. I believe that adaptive reuse and historic preservation are vital to strengthening the communities in the heart of our cities. For this rebirth of our urban core, it is key to include all stakeholders to create strong partnerships, and determined leaders to adopt unified land use, transportation and tax policies across our regions. Success will require strong participation and consensus from the community and will ultimately be measured by attracting people to places where we can once again: live, work and play.
Occupational Background	Real Estate Broker, Business Owner, Securities Trader, Controls Engineer.
Educational Background	Michigan State University, Lansing Community College, Lansing Eastern High School.
Previous Appointments	Michigan Avenue Corridor Improvement Authority
Current Appointments	Michigan Avenue Corridor Improvement Authority

Please attach a resume if available	Resume-Jonathan-Lum.pdf
First choice for board to serve on	Michigan Avenue Corridor Improvement Authority
Second choice of a board to serve on	Planning Board
Third choice of a board to serve on	Zoning Appeals
Fourth choice of a board to serve on	Lansing Entertainment and Public Facilities (LEPFA)
Please comment briefly on why you wish to serve on a particular board or commission. Please be specific as to your goals and ideas about how you wish to contribute to the work of the board or commission	After nearly a decade, we have finally able to get a TIF & development plan passed through council. We are able to hire our first employee through an MOU with the Community Foundation. I look forward to finally moving plans forward to actions.
Qualifications and Eligibility – At this time, if you do not meet one or more of the qualifications or eligibility requirements listed at the top, please state here the requirement to be met and explain how you will be qualified or eligible before you would be sworn in to an appointed office	<i>Field not completed.</i>
Background Check Authorization	I agree
Please type your name in this box to signify that you can serve on a board or commission and the information in this application is accurate to the best of your knowledge	Jonathan M Lum

Email not displaying correctly? [View it in your browser.](#)

Jonathan Lum

Lansing, Michigan, United States



[linkedin.com/in/jonathanlum](https://www.linkedin.com/in/jonathanlum)



jonathan.m.lum@gmail.com



517-798-6264

Summary

As a Realtor, I understand a home is much greater than merely a house. It is the community and culture that conveys the sense of place that people call home. I strive not only to find that for my clients, but to help create it.

I am a grassroots Placemaker and an advocate for New Urbanism and place based development. I believe that adaptive reuse and historic preservation are vital to strengthening the communities in the heart of our cities. For this rebirth of our urban core, it is key to include all stakeholders to create strong partnerships, and determined leaders to adopt unified land use, transportation and tax policies across our regions. Success will require strong participation and consensus from the community and will ultimately be measured by attracting people to places where we can once again: live, work and play.

Experience



Franchisee

EXIT Realty Corp. International

Feb 2016 - Present (4 years 5 months +)



Broker / Owner

EXIT Realty Home Partners

Jul 2016 - Present (4 years +)

EXIT Realty Home Partners provides a supportive environment for our Realtors. Our hands-on training, mentoring & coaching assists new agents to get their business started and increases the production of experienced agents. We help agents brand themselves and build a sustainable business. EXIT Realty supports our office and agents with cutting edge technology. We pride ourselves for our culture of openness and best practices in the industry. Agent's career, business & retirement is all backed by the EXIT Formula.

As a residential Realtor, I partner with buyers & sellers to guide them through the process of a real estate transaction. Through education about the current real estate market and trends, I enable my clients to make an informed decision. I am entrusted to negotiate what is generally considered the most important purchase in my clients lives. With that responsibility, I understand that each situation is unique and I attune myself to deliver the resources best suited for each of my clients.



Real Estate Agent

Keller Williams, Lana Wagner & Co

2010 - 2016 (7 years)

- Market properties and guide buyers & sellers through the sales process.
- Research and evaluate mortgage options and incentive programs to optimize financing for clients.
- Prepare Purchase Agreements, coordinate property closings, oversee disbursement of funds.



Head Trader/Junior Partner

Chimera Securities

2003 - 2010 (8 years)

- Developed proprietary trading strategies by combining a variety of techniques, expertise and market information resulting in α exceeding industry standards.
- Programmed custom filters and algorithms to disseminate market data.
- Administered risk management for a team of up to 26; trading volumes reaching over 3 million shares daily.
- Established a training and mentoring program for traders and developed procedures for recruiting and hiring, assisting the growth of the firm from around 30 employees to over 200 with two satellite offices.



Controls Engineer

Kramer Air Tool

1997 - 2000 (4 years)

- Supervised controls team and managed projects from concept stage through assembly, installation and integration into the customers production line.
- Designed electrical and pneumatic controls for automated industrial machine tools.
- Designed and coded Programmable Logical Controllers (PLC) and Human-Machine Interface (HMI) devices.
- Customer liaison for scheduling on-site support, installation, preventative maintenance and continuous process improvement.



Assistant Materials Manager

TruMark, Inc.

1995 - 1997 (3 years)

- Analyzed production data and trends and presented results to senior management to benchmark and set goals for Continuous Process Improvement (CPI) captured in monthly Trumark Operating Standards (TOS) reports.
- Conducted time/motion/method studies, evaluated results, proposed and implemented solutions to increase throughput; for example, decreasing the time for a medium sized die change from 2 hours to nearly 30 minutes.
- Developed ISO-9001 (QS-9000) compliant procedures, flowcharts, work instructions and document control.

Education



Michigan State University - Eli Broad College of Business

Bachelor of Arts, Business - Finance Concentration

Graduated with Honors (Cum Laude)

Licenses & Certifications



Real Estate Sales Person - Michigan Department of Licensing & Regulatory Affairs

Issued Dec 2010 - Expires Oct 2015

6501364146



Placemaking Trainer Curriculum - MiPlace Initiative



NCI Charrette System Certificate - National Charrette Institute



Form Based Codes Certificate of Completion - Form Based Codes Institute



Graduate, REALTOR® Institute - National Association of REALTORS®

6501364146



Real Estate Broker - Michigan Department of Licensing and Regulatory Affairs

6502412954

Skills

Risk Management • Real Estate • Management • Equity Trading • Proprietary Trading • Community Outreach •
Project Management • Negotiation • First Time Home Buyers • Sellers

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

WHEREAS, the Mayor recommends the reappointment of Jonathon Lum, as a Member of the Michigan Avenue Corridor Improvement Authority for a term to expire June 30, 2024; and

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

WHEREAS, the Committee on Development & Planning met on November 17, 2020 and took affirmative action.

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, confirms the reappointment Jonathon Lum, as a Member of the Michigan Avenue Corridor Improvement Authority for a term to expire June 30, 2024.



Andy Schor, Mayor

November 5, 2020

W. Saginaw Street Overlay District Amendment

RE Fund Lansing I, LCC is requesting that the City amend Chapter 1279, Appendix D of the Zoning Ordinance to expand the W. Saginaw Street Overlay District by including the area bounded by W. Oakland Avenue to the north, W. Saginaw Street to the south, Westmoreland Avenue to the west and N. M.L. King Jr. Blvd. to the east, with the exception of the property at 743 N. M.L. King Jr. Blvd. which is the site of Westminster Presbyterian Church and a strip of land along the west side of the site. This area includes 5 parcels of land and Rose Court which is currently the subject of an Act 33 request by RE Fund to vacate that right-of-way. Mercy St. Lawrence Corporation owns the parcels that contain the hospital and the parking lot at the northeast corner of W. Saginaw and Westmoreland Avenue. The other 3 parcels are owned by RE Fund. Two of them are being used for parking and the parcel at the northwest corner of W. Saginaw & N. ML King contains a 5 story office building. RE Fund is acting on behalf of Mercy St. Lawrence Corp. in making this request for the parcels under its ownership.

The City has not been provided with a specific plan for redevelopment of the subject properties. The purpose of including this area in the W. Saginaw Overlay District is so that it can be redeveloped at some point in the future for a mix of commercial and multiple family residential use in accordance with the more flexible overlay district development standards as follows:

- No building setback requirements
- Increased building height
- Pedestrian oriented signage
- Residential use to the density of the "DM-4" district which is the City highest density residential zoning district
- A significant reduction in the number of required parking spaces

The subject properties will not be negatively impacted in any way by including them into the overlay district. No nonconformities will be created and no changes to the properties as they currently exist will be required. Additionally, the underlying zoning of the properties and the permitted uses will not change as a result of becoming part of the overlay district.

The staff recommendation is to approve the request to amend Chapter 1279, Appendix D of the Zoning Ordinance to expand the W. Saginaw Street Overlay District by including the area bounded by W. Oakland Avenue to the north, W. Saginaw Street to the south, Westmoreland Avenue to the west and N. M.L. King Jr. Blvd. to the east, with the exception of the property at 743 N. M.L. King Jr. Blvd. and with the exception of a strip of land along the west side of the site, legally described as follows:

Beginning at a point 130 feet north of the northwest corner of Lot 143, thence north 377 feet to the northwest corner of Lot 129, east 80 feet, south 377 feet, west 80 feet to the point of beginning, Oakdale Addition.

The intent of not including the area described above in the Overlay District is to preserve a setback along Westmorland Avenue to protect the residential character of that street.



August 14, 2020

Ms. Susan Stachowiak, Zoning Administrator
Department of Economic Development & Planning
Planning Office
City of Lansing
316 N. Capitol Avenue
Suite D-1
Lansing, Michigan 48933

Re: Amendment – Chapter 1279 Overlay District Regulations – West Saginaw Street

Dear Ms. Stachowiak:

On behalf of RE Fund Lansing 1, LCC, please accept this as our formal request to amend Chapter 1279 “Overlay District Regulations – West Saginaw Street” for the purpose of incorporating the following parcels within the boundaries governed by the aforementioned Zoning Chapter:

- 33-01-01-08-458-065
- 33-01-01-08-458-103
- 33-01-01-08-458-370
- Rose Court, a public right-of-way (vacation request has been submitted concurrently, under separate cover, with the request to amend the overlay district)
- 33-01-01-08-458-002
- 33-01-01-08-458-052

The request to amend is necessitated by our interest to redevelop portions of the West Saginaw corridor for both commercial and multi-family residential uses.

Please provide me with any formal application and/or procedural requirements necessary to have Chapter 1279 Overlay District Regulations – West Saginaw Street amended to include the area as identified.

We understand that the entirety of parcel 33-01-01-08-458-052 may not qualify for inclusion, due to depth of the parcel. Having said that, it would be helpful to understand the depth parameters that may apply.

Thank you for considering our request, and we look forward to your response.

Best regards,

A handwritten signature in black ink, appearing to read 'Bob Waun', with a large circular flourish and a horizontal line extending to the right.

Bob Waun

Member

RE Fund Lansing 1, LLC

(248) 722-9286

Bob@pspcrc.com

CHAPTER 1279. - OVERLAY DISTRICTS

1279.01. - Intent.

1279.02. - General provisions.

1279.03. - Location.

1279.04. - Principal uses permitted.

1279.05. - Uses permitted subject to special conditions.

1279.06. - Special land uses.

1279.07. - Height and area requirements generally.

1279.08. - Off-street parking.

1279.09. - Signs.

1279.01. - Intent.

The intent of this chapter is to encourage appropriate development within each **overlay** district by providing relief from on-site parking requirements, allowing pedestrian-oriented signage, and establishing criteria to assure compatibility of new, infill, and redevelopment with the unique character of each district conserving cultural, historic and property values.

1279.02. - General provisions.

- (a) The **overlay** districts of this chapter apply in combination with the underlying base district to impose regulations and standards that address special geographic areas or land use issues.
- (b) In the event of conflict between **overlay** district regulations and the regulations of the underlying base district, the **overlay** district regulations govern. In all other cases, both the **overlay** district and base district regulations apply.

1279.03. - Location.

The location and extent of each district shall be depicted in the appendices as follows:

- (1) Old Town Neighborhood **Overlay** District: Appendix A
- (2) Reo Town Neighborhood **Overlay** District: Appendix B
- (3) East Michigan Avenue Neighborhood **Overlay** District: Appendix C
- (4) West Saginaw Street Neighborhood **Overlay** District: Appendix D

1279.04. - Principal uses permitted.

All principal uses permitted in the Underlying Zoning District(s) are permitted by right in the **Overlay** Districts, provided they comply with all applicable requirements of the Underlying Zoning District and of this chapter. In addition, residential use to the density of the "DM-4" Residential District shall be permitted as a secondary use to a primary commercial use in all commercially zoned buildings located within the **Overlay** Districts.

1279.05. - Uses permitted subject to special conditions.

All conditional uses of the Underlying Base Zoning Districts, except vehicle dealerships are permitted in the **Overlay** Districts if the required conditions of the Underlying Zoning District and all applicable requirements of this chapter are met.

1279.06. - Special land uses.

Vehicle dealerships and all other special land uses described in the Underlying Zoning Districts may be permitted in the **Overlay** Districts, in accordance with the procedures described in Chapter 1282 (special land use), if the conditions described in Chapter 1282, the Underlying Zoning District and the applicable requirements of this chapter are met. No special land use permit shall be required for residential uses that are secondary to a primary commercial use and meet the density restrictions of the "DM-4" Residential District.

1279.07. - Height and area requirements generally.

In the **Overlay** Districts, the following height and area requirements shall apply:

- (1) *Front yards.* There shall be no front yard setback requirement in the **Overlay** Districts. Buildings shall be placed up to the front property line or to the average setback within the blockface, or anyplace in between. The setback shall not be greater than the average setback of the other buildings within the same blockface and parking shall not be permitted in a front yard.
- (2) *Side yards.* There shall be no side yard setback requirements in the **Overlay** Districts.
- (3) *Rear yards.* There shall be no rear yard setback requirement in the **Overlay** Districts.
- (4) *Height restrictions.*
 - A. All new buildings shall have at least two stories and shall be at least 25 feet in height measured from grade level at the front wall of the building.
 - B. All buildings, or portions of buildings, less than 50 feet from a residential use parcel shall not exceed 40 feet in height or the height of the existing structures on the residential use parcels, whichever is higher;
 - C. All buildings, or portions of buildings, 50 feet or greater than 50 feet from a residential use parcel shall not exceed 80 feet in height.

1279.08. - Off-street parking.

- (a) All areas included in the **Overlay** Districts, with the exception of those listed in subsections 1279.08(b) and (c), are granted an 80 percent reduction in the minimum parking requirements of Chapter 1284. All required parking spaces, except those required for residential uses, must be located within 300 feet of the property they serve and may

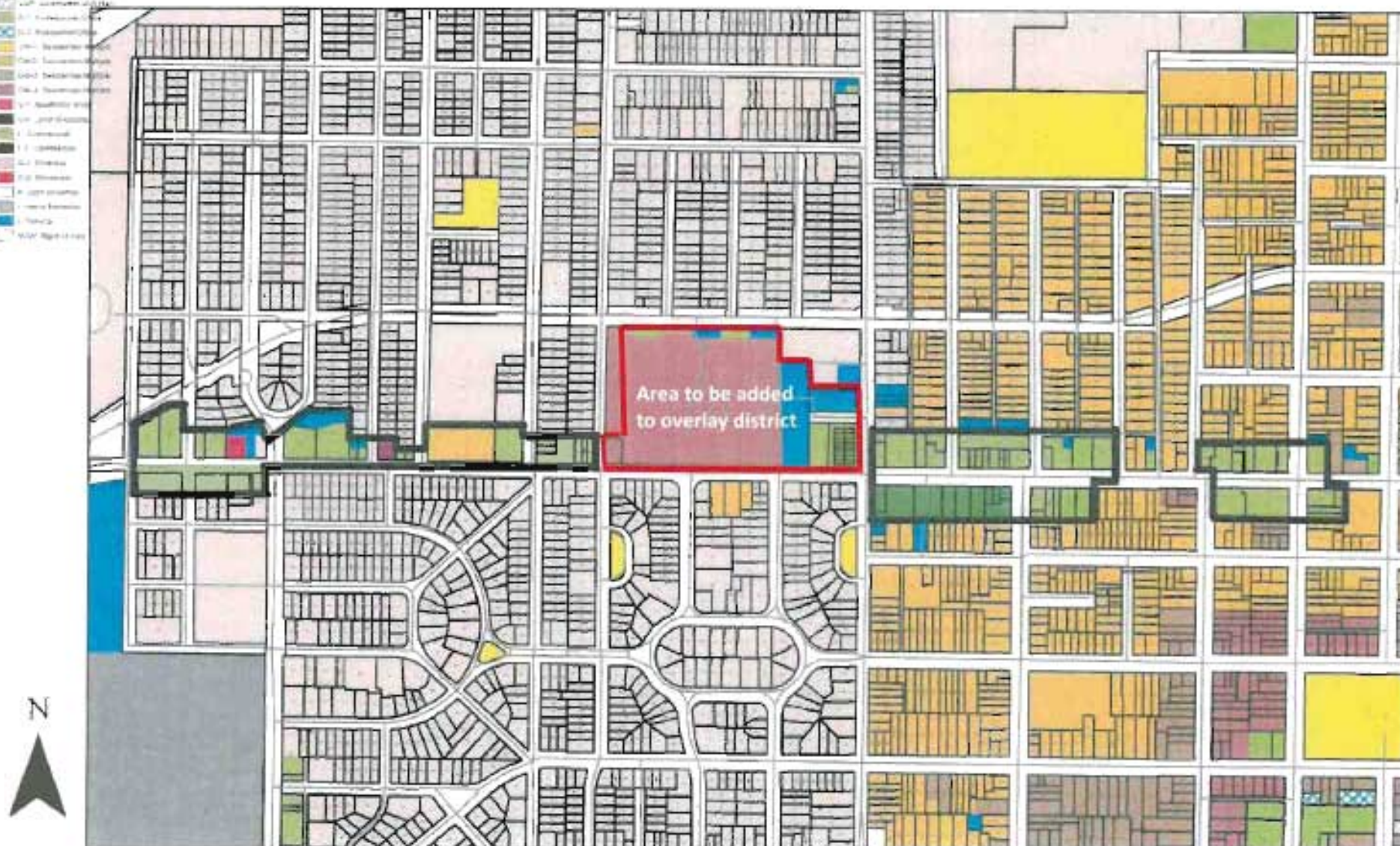
include legal on-street parking, city-owned off-street parking lots and private parking lots where there is an agreement for joint use.

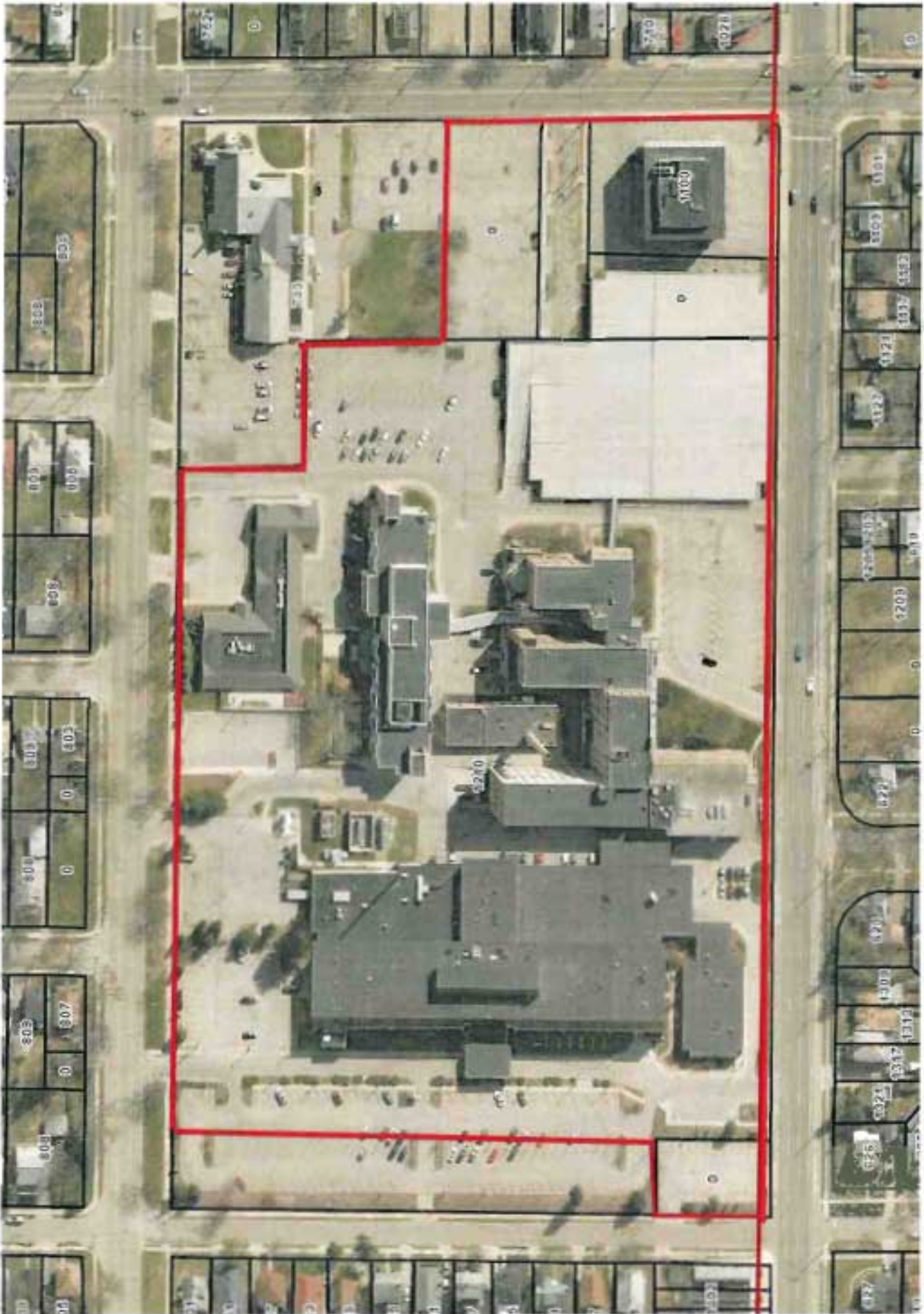
- (b) All commercially zoned properties located within the Reo Town and Old Town **Overlay** Districts; that portion of the West Saginaw **Overlay** District on the north side of the right-of-way in the 900 block and the east ½ of the 1000 block; and that portion of the East Michigan Avenue District in the 2000 block on both the north and south sides of the right-of-way shall not be subject to the minimum parking requirements of Chapter 1284
- (c) In all **Overlay** Districts, at least one off-street parking space shall be required for each residential unit. Parking spaces for residential units may be located on the same lot as the unit or on a separate lot if it is located within 300 feet of the unit that it serves and there is an existing enforceable agreement with owner of said lot.

1279.09. - Signs.

The definitions set forth in Chapter 1442 shall apply to this section.

- (1) Each commercial business establishment is permitted to have one projecting sign. Such sign shall not exceed 16 square feet in area and cannot project more than four and one-half feet from the front wall of the building. Projecting signs shall have a minimum of ten feet of clearance from the bottom of the sign to grade and may not extend above the roof line. The area of the projecting sign shall not be considered for the number of wall signs and maximum wall sign area permitted under Chapter 1442. Projecting signs are subject to the provisions of Section 1022.06, encroachments, of the City of Lansing Codified Ordinances.
- (2) Each business establishment within an **Overlay** District is permitted to have one sandwich board sign not to exceed four feet in height and two feet in width. Sidewalk signs may be displayed during regular business hours and must be placed in a location that does not interfere with vehicular or pedestrian traffic.
- (3) No ground pole signs are allowed, except in those cases where the existing building is setback further than 20 feet.
- (4) No billboards shall be permitted within an **Overlay** District.





This is a request by RE Fund Lansing 1, LCC to amend Chapter 1279, Appendix D of the Zoning Ordinance to expand the W. Saginaw Street Overlay District by including the area bounded by W. Oakland Avenue to the north, W. Saginaw Street to the south, Westmoreland Avenue to the west and N. M.L. King Jr. Blvd. to the east, with the exception of the property at 743 N. M.L. King Jr. Blvd and an 80' x 377' strip of land along the west line of the site. The purpose of the rezoning is to allow the property to be redeveloped for commercial and multiple family residential use.

There are no changes to the text of the Ordinance. The change is to Appendix D of the Ordinance which is the map of the W. Saginaw Overlay District.

On November 4, 2020, the Planning Board voted unanimously to recommend approval of the request.

The applicant's representatives spoke at the public hearing and no other comments have been received.

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, January 11, 2021 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 request to amend Chapter 1279, Appendix D of the Zoning Ordinance to expand the W. Saginaw Street Overlay District by including the area bounded by W. Oakland Avenue to the north, W. Saginaw Street to the south, Westmoreland Avenue to the west and N. M.L. King Jr. Blvd. to the east, with the exception of the property at 743 N. M.L. King Jr. Blvd. and an 80 foot wide by 377 foot deep strip of land along the west side of the site.

BE IT FURTHER RESOLVED, due to COVID -19, the public hearing may be held electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website or phone number and Meeting ID provided on the January 11, 2021 meeting agenda. Michigan Executive Order 2020-129 provides for temporary authorization of remote participation in public meetings and hearings.

CITY OF LANSING
NOTICE OF PUBLIC HEARING

**Zoning Ordinance Amendment
Expansion of the W. Saginaw Overlay District**

The Lansing City Council will hold a public hearing on Monday, January 11, 2021 at 7:00 p.m. to consider a request by RE Fund Lansing 1, LCC to amend Chapter 1279, Appendix D of the City of Lansing Zoning Ordinance to expand the W. Saginaw Street Overlay District by including the area bounded by W. Oakland Avenue to the north, W. Saginaw Street to the south, Westmoreland Avenue to the west and N. M.L. King Jr. Blvd. to the east, with the exception of the property at 743 N. M.L. King Jr. Blvd and an 80' x 377' strip of land along the west line of the site. The purpose of the rezoning is to allow the property to be redeveloped for commercial and multiple family residential use.

The meeting will be conducted remotely via Zoom Conferencing at <https://us02web.zoom.us/j/> or by dialing 312-626-6799 using meeting ID:

For more information, please call Lansing City Council at 517-483-4177. Written comments can be emailed to city.clerk@lansingmi.gov or sent by regular mail to the City Clerk's Office, 124 W. Michigan Avenue, 9th Floor, City Hall, Lansing, MI 48933. Comments will be accepted if received by 5 p.m., Monday, January 11, 2021.

BE IT FURTHER RESOLVED, due to COVID -19, the public hearing may be held electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website or phone number and Meeting ID provided on the January 11, 2021 meeting agenda. Michigan Executive Order 2020-129 provides for temporary authorization of remote participation in public meetings and hearings.

Chris Swope, City Clerk

CHAPTER 1279. - OVERLAY DISTRICTS

[1279.01. - Intent.](#)

[1279.02. - General provisions.](#)

[1279.03. - Location.](#)

[1279.04. - Principal uses permitted.](#)

[1279.05. - Uses permitted subject to special conditions.](#)

[1279.06. - Special land uses.](#)

[1279.07. - Height and area requirements generally.](#)

[1279.08. - Off-street parking.](#)

[1279.09. - Signs.](#)

1279.01. - Intent.

The intent of this chapter is to encourage appropriate development within each **overlay** district by providing relief from on-site parking requirements, allowing pedestrian-oriented signage, and establishing criteria to assure compatibility of new, infill, and redevelopment with the unique character of each district conserving cultural, historic and property values.

1279.02. - General provisions.

- (a) The **overlay** districts of this chapter apply in combination with the underlying base district to impose regulations and standards that address special geographic areas or land use issues.
- (b) In the event of conflict between **overlay** district regulations and the regulations of the underlying base district, the **overlay** district regulations govern. In all other cases, both the **overlay** district and base district regulations apply.

1279.03. - Location.

The location and extent of each district shall be depicted in the appendices as follows:

- (1) Old Town Neighborhood **Overlay** District: Appendix A
- (2) Reo Town Neighborhood **Overlay** District: Appendix B
- (3) East Michigan Avenue Neighborhood **Overlay** District: Appendix C
- (4) West Saginaw Street Neighborhood **Overlay** District: Appendix D

1279.04. - Principal uses permitted.

All principal uses permitted in the Underlying Zoning District(s) are permitted by right in the **Overlay** Districts, provided they comply with all applicable requirements of the Underlying Zoning District and of this chapter. In addition, residential use to the density of the "DM-4" Residential District shall be permitted as a secondary use to a primary commercial use in all commercially zoned buildings located within the **Overlay** Districts.

1279.05. - Uses permitted subject to special conditions.

All conditional uses of the Underlying Base Zoning Districts, except vehicle dealerships are permitted in the **Overlay** Districts if the required conditions of the Underlying Zoning District and all applicable requirements of this chapter are met.

1279.06. - Special land uses.

Vehicle dealerships and all other special land uses described in the Underlying Zoning Districts may be permitted in the **Overlay** Districts, in accordance with the procedures described in [Chapter 1282](#) (special land use), if the conditions described in [Chapter 1282](#), the Underlying Zoning District and the applicable requirements of this chapter are met. No special land use permit shall be required for residential uses that are secondary to a primary commercial use and meet the density restrictions of the "DM-4" Residential District.

1279.07. - Height and area requirements generally.

In the **Overlay** Districts, the following height and area requirements shall apply:

- (1) *Front yards.* There shall be no front yard setback requirement in the **Overlay** Districts. Buildings shall be placed up to the front property line or to the average setback within the blockface, or anyplace in between. The setback shall not be greater than the average setback of the other buildings within the same blockface and parking shall not be permitted in a front yard.
- (2) *Side yards.* There shall be no side yard setback requirements in the **Overlay** Districts.
- (3) *Rear yards.* There shall be no rear yard setback requirement in the **Overlay** Districts.
- (4) *Height restrictions.*
 - A. All new buildings shall have at least two stories and shall be at least 25 feet in height measured from grade level at the front wall of the building.
 - B. All buildings, or portions of buildings, less than 50 feet from a residential use parcel shall not exceed 40 feet in height or the height of the existing structures on the residential use parcels, whichever is higher;
 - C. All buildings, or portions of buildings, 50 feet or greater than 50 feet from a residential use parcel shall not exceed 80 feet in height.

1279.08. - Off-street parking.

- (a) All areas included in the **Overlay** Districts, with the exception of those listed in subsections [1279.08\(b\)](#) and (c), are granted an 80 percent reduction in the minimum parking requirements of [Chapter 1284](#). All required parking spaces, except those required for residential uses, must be located within 300 feet of the property they serve and may

include legal on-street parking, city-owned off-street parking lots and private parking lots where there is an agreement for joint use.

- (b) All commercially zoned properties located within the Reo Town and Old Town **Overlay** Districts; that portion of the West Saginaw **Overlay** District on the north side of the right-of-way in the 900 block and the east ½ of the 1000 block; and that portion of the East Michigan Avenue District in the 2000 block on both the north and south sides of the right-of-way shall not be subject to the minimum parking requirements of [Chapter 1284](#)
- (c) In all **Overlay** Districts, at least one off-street parking space shall be required for each residential unit. Parking spaces for residential units may be located on the same lot as the unit or on a separate lot if it is located within 300 feet of the unit that it serves and there is an existing enforceable agreement with owner of said lot.

1279.09. - Signs.

The definitions set forth in [Chapter 1442](#) shall apply to this section.

- (1) Each commercial business establishment is permitted to have one projecting sign. Such sign shall not exceed 16 square feet in area and cannot project more than four and one-half feet from the front wall of the building. Projecting signs shall have a minimum of ten feet of clearance from the bottom of the sign to grade and may not extend above the roof line. The area of the projecting sign shall not be considered for the number of wall signs and maximum wall sign area permitted under [Chapter 1442](#). Projecting signs are subject to the provisions of Section [1022.06](#), encroachments, of the City of Lansing Codified Ordinances.
- (2) Each business establishment within an **Overlay** District is permitted to have one sandwich board sign not to exceed four feet in height and two feet in width. Sidewalk signs may be displayed during regular business hours and must be placed in a location that does not interfere with vehicular or pedestrian traffic.
- (3) No ground pole signs are allowed, except in those cases where the existing building is setback further than 20 feet.
- (4) No billboards shall be permitted within an **Overlay** District.

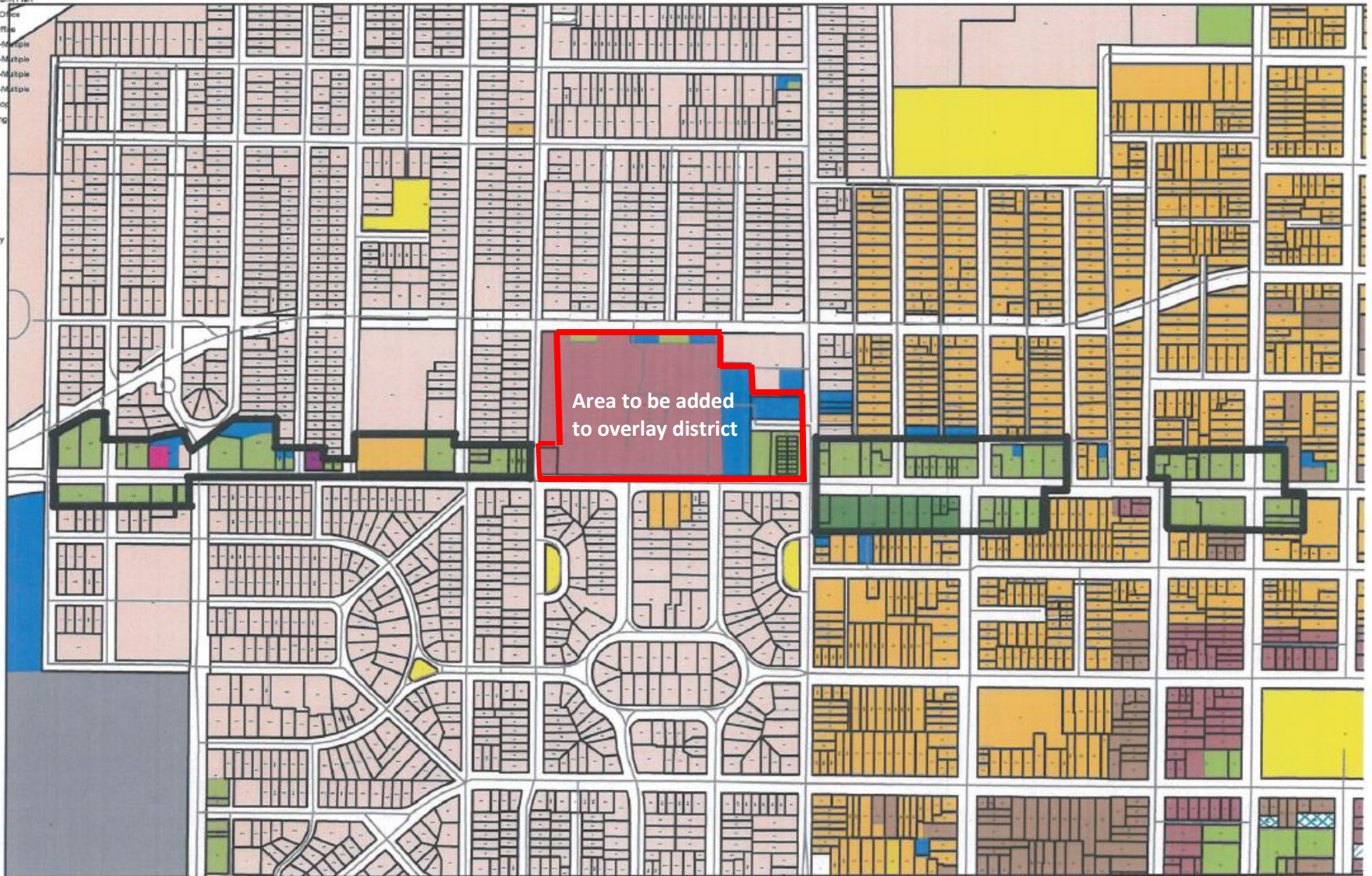
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- roads_final
- Parcels_2019
- Vector.GIS.Zoning
- Representation: Vector.GIS.Zoning_Rep
- A Residential-Single
- B Residential-Single
- C Residential-2 Unit
- NONE
- CUP Community Unit Plan
- D-1 Professional Office
- D-2 Residential/Office
- DM-1 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

W. Saginaw Overlay District - Appendix D

Area to be added
to overlay district

N



GENERAL INFORMATION

APPLICANT/OWNER:	Edward W. Sparrow Hospital Association 1215 E. Michigan Avenue Lansing, MI 48912
REQUESTED ACTIONS:	Rezone the property at 220 N. Pennsylvania Avenue from “C” Residential to “DM-4” Residential
EXISTING LAND USE:	Former Lansing Eastern High School
EXISTING ZONING:	“C” Residential District
PROPOSED ZONING:	“DM-4” Residential District
PROPERTY SIZE:	Irregular Shape 928,340.4 square feet – 21.3 acres
SURROUNDING LAND USE:	N: Commercial Building S: Motor Vehicle Repair Facility E: Urgent Care Facility & Multi-Family Residential W: Consumer’s Energy Right-of-Way
SURROUNDING ZONING:	N: “C” Residential District S: “DM-4” Residential District E: “C” & “DM-4 Residential & “J” Parking Districts W: “DM-4” Residential District
MASTER PLAN:	The Design Lansing Comprehensive Plan designates the subject property for use as a “Community Facility”. N. Pennsylvania is designated as a principal arterial. N. Holmes and Jerome Streets are designated as local road (in the process of being vacated).

DESCRIPTION:

This is a request by Edward W. Sparrow Hospital Association to rezone the property located at 220 N. Pennsylvania Avenue from “C” Residential district to “DM-4” Residential district. The purpose of the rezoning is to permit the use of the property for expansion of the Sparrow hospital facilities.

AGENCY RESPONSES**BWL:**

Building Safety:	The Building Safety Office has no objections. The project will be subject to site and building plan reviews as set forth by the State Construction Code.
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Fire Marshal:

Parks & Recreation: No comments

Public Service: No Issues. Any development would require a site plan

Traffic Engineer: If any new use of the site increases the amount of ingress and egress traffic, or if additional access points are requested on Pennsylvania Avenue, a traffic study will be required prior to approval of the development.

COMPATIBILITY WITH SURROUNDING LAND USE

The subject property is located just north of the Sparrow Hospital main campus at 1215 E. Michigan Avenue and just west of the Sparrow office building at 1223 Jerome Street. Both properties are zoned “DM-4” Residential which is the appropriate zoning for hospital facilities. It is part of the former Eastern High School property. The purpose of rezoning the subject property to “DM-4” Residential is to allow for expansion of the Sparrow hospital facilities onto the subject property. As evidenced by the attached aerial photograph, the main Hospital campus is completely developed, as is the property to the south, east and west. The subject property is therefore, the only option for expansion of the hospital which is why it was purchased from the Lansing School District when Eastern High was closed. The property to the north is still owned by the School District and is zoned “C” Residential. The property to the east contains a Sparrow parking lot that is zoned “J” Parking and the properties on the west side of N. Pennsylvania Avenue are primarily being used for multi-family residential apartments that are zoned “DM-3” Residential. The proposed rezoning and hence, the proposed use of the property for expansion of the Sparrow hospital facilities are therefore, consistent with the established zoning and land use patterns in the area.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the subject property for use as a “Community Facility”, presumably since there was no reason to believe that the school would be closed and the property sold into private ownership at the time that the Plan was written. When the Plan is updated, the staff recommendation will be to designate the subject property for “institutional” land use which, by definition, includes hospitals.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The proposed rezoning and future development of the subject property will have no negative impacts on vehicular or pedestrian traffic in the area. The City is currently processing an ACT 33 request to vacate N. Holmes & Jerome Streets. Once that is finalized, the vacated streets will automatically be combined with the adjoining Sparrow properties. These streets will continue to provide access to the existing Sparrow Hospital facilities and to the property that is the subject of this rezoning. The primary access to the subject property is via the existing driveway along N. Pennsylvania Avenue. N. Pennsylvania is a principal arterial that is designed to carry a high volume of traffic. A traffic study

may be required as part of the site plan review process to determine what traffic control measures are necessary to accommodate the traffic that would generated by the proposed development. There are traffic control mechanisms (signals, designated crosswalks, signs, etc.) already in place to safely accommodate existing pedestrian traffic in the area. Additional mechanisms necessary to accommodate safe pedestrian access to future development of the site will be determined as part of the site plan review process.

IMPACT ON PUBLIC FACILITIES

New development will have to be reviewed and approved through the City's administrative site plan review process, at which time the adequacy of utilities to accommodate the proposed development will be determined. Any extensions or upgrades necessary to serve the proposed development will be the responsibility of the applicant/owner. A primary component of the site plan review process is the evaluation and approval of a storm-water management plan by the City Engineers to ensure that run-off from the site flows into the storm sewer system at a rate that that does not exceed its capacity.

ENVIRONMENTAL IMPACT

The proposed rezoning to accommodate an expansion of the Sparrow Hospital facilities will not negatively impact the environment. New development will be subject to compliance with all applicable City codes and ordinances, many of which are specifically designed to protect the environment. These include a 75% lot coverage limitation, landscaping requirements and storm-water management requirements to prevent soil erosion and to ensure that run-off from the site does not overwhelm the storm sewer system. As evidenced by the attached aerial photograph, the current site is at least 70% impervious. Redevelopment thus, will not degrade the natural environment of the site as it currently exists.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

Approval of the requested rezoning will not negatively impact future patterns of development in the area. With the exception of the 52 acre School property to the north and east of the subject property, the area is completely developed. At some point the School property will likely need to be rezoned as its current "C" Residential zoning does not allow for many uses other than a school that would be appropriate for the site, given its size and location. Unlike the subject property, the School property directly adjoins a single family residential neighborhood and Lansing Catholic Central High School. A rezoning of that property thus, will need to restrict the uses to those that would be compatible with and not negatively impact the peaceful enjoyment of adjoining uses. The purpose for rezoning the subject property is not to introduce a new land use into the area but merely to allow for expansion of the existing Sparrow Hospital facilities. This subject property does not directly adjoining any residential uses. There is a dense residential neighborhood on the west side of N. Pennsylvania Avenue but it is separated from the subject property by a 5 lane road within a 120 foot road right-of-way.

SUMMARY

This is a request by Edward W. Sparrow Hospital Association to rezone the property located at 220 N. Pennsylvania Avenue from “C” Residential district to “DM-4” Residential district. The purpose of the rezoning is to permit the use of the property for expansion of the Sparrow hospital facilities.

The proposed “DM-4” zoning is consistent with the established zoning pattern in the area and will allow the subject property to be used for expansion of the Sparrow Hospital facilities which would be consistent with the existing land use pattern in the area. In addition, the transportation system in the area is designed to accommodate heavy volumes of vehicular and pedestrian traffic. The adequacy of utilities to serve future development of the property will be evaluated during the site plan review process.

RECOMMENDATIONS

Pursuant to the findings described above, staff recommends approval of Z-4-2020 to rezone the property at 220 N. Pennsylvania Avenue from “C” Residential District to “DM-4” Residential District.

Respectfully Submitted,

**Susan Stachowiak
Zoning Administrator**

Z-4-2020 is a request by Sparrow Hospital to rezone the property at 220 N. Pennsylvania Avenue. This is the site of the now closed Eastern High School that has been purchased by Sparrow Hospital.

The intent of the rezoning is to allow Sparrow to expand its facilities onto the subject property.

On November 4, 2020, the Planning Board voted unanimously to recommend approval of the request.

The owners, taxpayers and occupants of all real property within 300 feet of the site were notified of the public hearing. No comments, either in support or opposition to the request were received and only the applicant's representative spoke at the public hearing.

[illegible]

DATE _____
TIME _____
PAGE _____
NO. _____

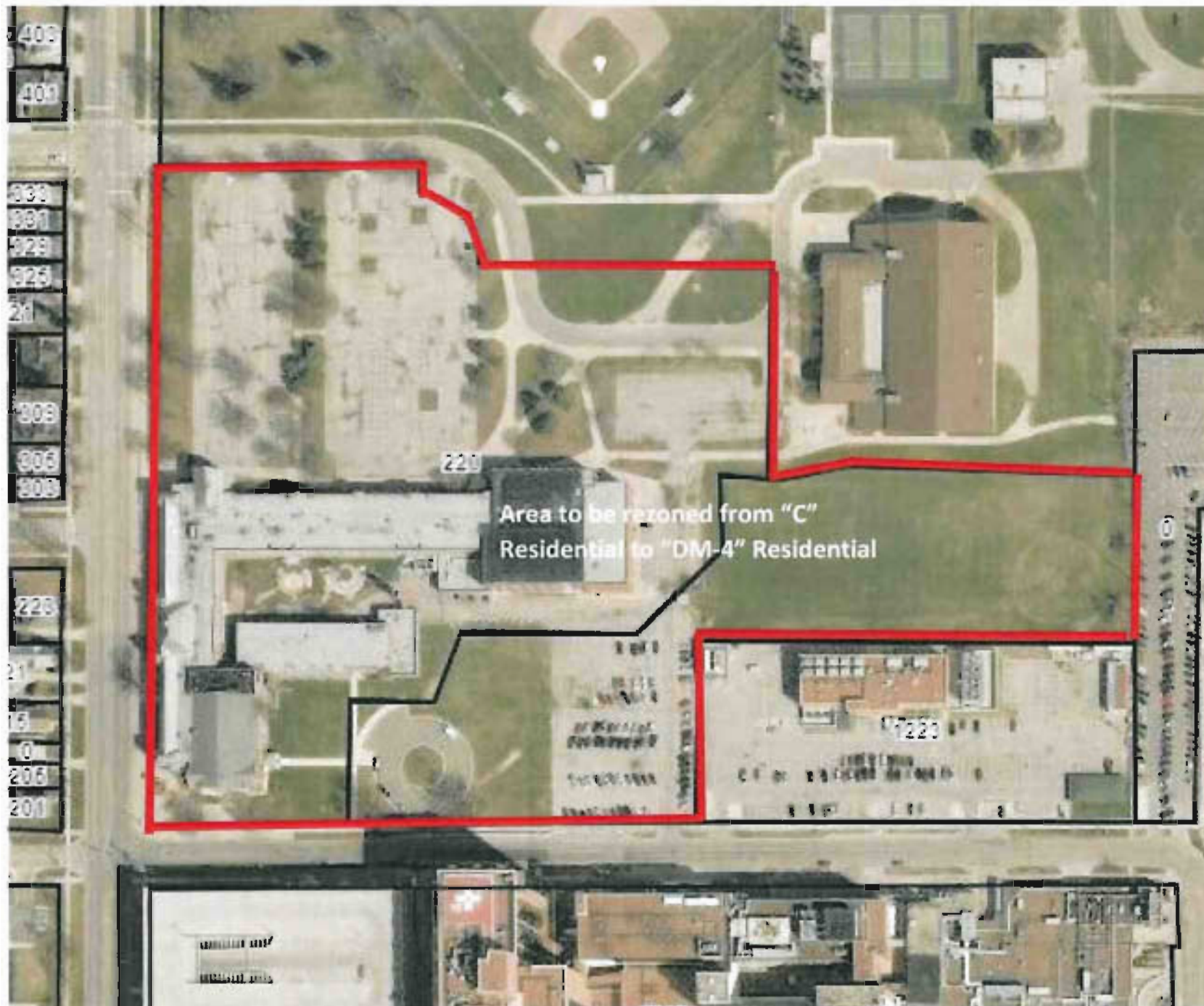
3135 Pine Tree Road
Baltimore, MD 21204
Ph: (301) 363-7900
Fax: (301) 363-7900
www.jaguar-usa.com

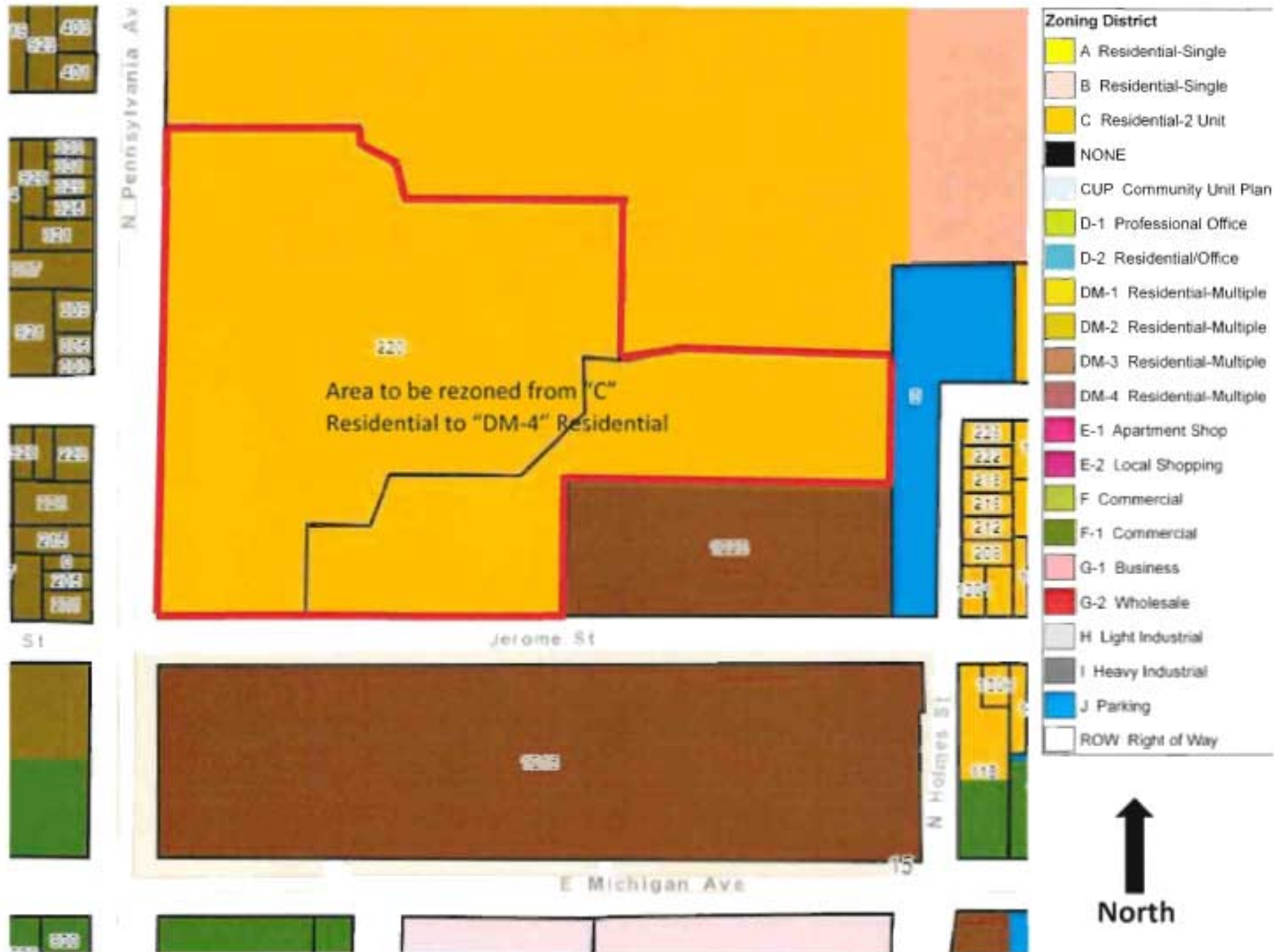
Sparrow
SPARROW HEALTH SYSTEM
1215 E. MICHIGAN AVENUE
LANSING, MICHIGAN 48212

REZONING PLAN FOR SPARTAN HEALTH SYSTEM LANSHIRE, WOODLAN

NAME ALLEN, J. R.
 ADDRESS 1000 1st St.
 CITY San Francisco
 STATE Calif.
 ZIP 94101
 PHONE 7447
 FAX 1001







INTRODUCTION OF ORDINANCES

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

Z-4-2020: 220 N. Pennsylvania Avenue from “C” Residential district to “DM-4” Residential district

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

CITY OF LANSING
NOTICE OF PUBLIC HEARING

Z-4-2020, 220 N. Pennsylvania Avenue
Rezoning from “C” Residential to “DM-4” Residential

The Lansing City Council will hold a public hearing on Monday, 2020 at 7:00 p.m. to consider Z-4-2020, a request by Edward W. Sparrow Hospital Association to rezone the property located at 220 N. Pennsylvania Avenue from “C” Residential district to “DM-4” Residential district. The purpose of the rezoning is to permit the use of the property for expansion of the Sparrow hospital facilities.

The meeting will be conducted remotely via Zoom Conferencing at <https://us02web.zoom.us/j/> or by dialing 312-626-6799 using meeting ID: .

For more information, please call Lansing City Council at 517-483-4177. Written comments can be emailed to city.clerk@lansingmi.gov or sent by regular mail to the City Clerk’s Office, 124 W. Michigan Avenue, 9th Floor, City Hall, Lansing, MI 48933. Comments will be accepted if received by 5 p.m., Monday, 2020.

Chris Swope, City Clerk

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 approving and/or opposing the Ordinance for rezoning:

Z-4-2020: 220 N. Pennsylvania Avenue from “C” Residential district to “DM-4”
Residential district

ORDINANCE # _____

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

The City of Lansing ordains:

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

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

Case Number: Z-4-2020

Parcel Number: 33-01-01-15-126-287

Address: 220 N. Pennsylvania Avenue

Legal Descriptions: Part of the North 1/2, Section 15, T4N, R2W, City of Lansing, Ingham County, Michigan, being more particularly described as: Commencing at the North 1/4 corner of Section 15; thence S01°15'05"W, 40.00 feet; thence N88°31'40"W, 335.76 feet along the South line of East Saginaw Street; thence S01°52'00"W, 395.17 feet along the East line of "Jones & Porter's Addition to the City of Lansing", as recorded in Liber 2 of Plats, Page 20, Ingham County Records and the East line of "Fairview Subdivision to the City of Lansing" as recorded in Liber 3 of Plats, Page 46, Ingham County Records; thence N88°32'59"W, 940.21 feet along the South line of said "Fairview Subdivision to the City of Lansing"; thence S01°52'00"W, 942.18 feet along the East line of Pennsylvania Avenue to the Point of Beginning of the following described Parcel; thence N85°29'19"E 7.66 feet; thence S88°24'47"E, 158.60 feet; thence N88°39'04"E, 165.79 feet; thence S00°24'18"E, 35.16 feet; thence 125.62 feet along a 79.58 foot radius curve to the right, said curve having a central angle of 90°26'45" and a chord of S38°39'35"E, 112.98 feet; thence S89°11'28"E, 373.45 feet; thence S01°26'08"W, 268.86 feet; thence S88°41'53"E, 17.71 feet; thence N78°04'10"E, 85.00 feet; thence S88°16'29"E, 359.67 feet to the West line of "Gower's Addition to the City of Lansing", as recorded in Liber 3 of Plats on Page 31, Ingham County Records; thence S01°56'21"W, 239.02 feet along the West line of said "Gower's Addition to the City of Lansing"; thence N88°43'18"W, 552.36 feet; thence S01°17'55"W, 228.76 feet to the North line of Jerome Street; thence N88°44'59"W, 691.62 feet along said North line of Jerome Street to the East line of Pennsylvania Avenue; thence N01°52'00"E, 831.60 feet along the said East line of Pennsylvania Avenue to the Point of Beginning. Containing 15.92 acres, more or less, from "C" Residential district to "DM-4" Residential district.

Section 2. All ordinances or parts of ordinances inconsistent with the provisions hereof are hereby repealed.

Section 3. This ordinance was duly adopted by the Lansing City Council on _____, 2020, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

Section 4. This ordinance shall take effect on the 30th day after enactment.

GENERAL INFORMATION

APPLICANT/OWNER: Raymundo Garcia
6739 S. Washington
Lansing, MI 48911

REQUESTED ACTIONS: Rezone the property at the northeast corner of E. Miller Road & Orchard Court from "F" Commercial to "DM-3" Residential

EXISTING LAND USE: Vacant

EXISTING ZONING: "F" Residential District

PROPOSED ZONING: "DM-3" Residential District

PROPERTY SIZE: Rectangular Shape
205' x 115' = 23,575 – .54 acres

SURROUNDING LAND USE: N: Duplex
S: Meijer Store
E: Cemetery
W: Restaurant

SURROUNDING ZONING: N: "C" Residential District
S: "F" Commercial District
E: "F" Commercial District
W: "F" Commercial District

MASTER PLAN: The Design Lansing Comprehensive Plan designates the subject property for low density residential use. E. Miller Road is designated as a collector road. Orchard Court is designated as local road.

DESCRIPTION:

This is a request by Raymundo Garcia to rezone the vacant .541 acre property located at northeast corner of E. Miller Road and Orchard Court from "F" Commercial district to "DM-3" Residential district. The purpose of the rezoning is to permit the use of the property for multiple family residential use up to 10 units.

AGENCY RESPONSES**BWL:**

Building Safety: The Building Safety Office has no objections. The project will be subject to site and building plan reviews as set forth by the State Construction Code.

Fire Marshal:

Parks & Recreation: Parks has the land immediately to the east of this property and that parcel is connected to North Cemetery. This could be a possible sale item in the future but would need council approval and approval of the electorate to be offered for sale.

Public Service: No Issues. Any development would require a site plan

Traffic Engineer: Transportation does not have an issue with this request as the area is a blend of both commercial and residential. A site plan addressing parking, sidewalk gaps and access points will be required if this request is approved. Depending on the final number of units, a traffic study may be requested during site plan review process.

COMPATIBILITY WITH SURROUNDING LAND USE

The subject property is vacant and is located at the northeast corner E. Miller and Orchard. The residential properties to the north are primarily duplexes. The property to the east is a City owned cemetery, Meijer is located to the south and there is a restaurant on the property to the west. The applicant is proposing to construct 10 apartment units on the subject property. Given the 60% lot coverage limitation, the additional setback requirements that apply to corner lots and the prohibition on parking within the required front yard, the applicant may not be able to construct 10 apartments as the site is relatively small for multi-family residential development. The applicant would need to hire a design professional to prepare a development plan that complies with the applicable ordinance amendments to determine how many units can actually be accommodated on the site.

The subject property is zoned "F" Commercial. The property to the east is a City owned cemetery that is zoned "A" Residential, which the exception of the area that directly adjoins the subject property which is zoned "F" Commercial. The applicant should explore the possibility of purchasing this property from the City (Parks and Recreation Dept.) and rezoning it to not only eliminate a spot of "F" Commercial zoning that would be left behind following this rezoning, but to create a larger lot for development.

The proposed multiple family residential use will be more compatible with and have much less of an impact on the residential property to its north than many of the uses that would be permitted by right under the existing "F" Commercial zoning such as gas stations, car washes, convenience stores and auto repair facilities. These types of uses have the potential to generate noise, light glare, heavy traffic and a level of activity in general that could be disruptive to the peaceful enjoyment of an adjoining residential property.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the subject property for low density residential use. While rezoning the property to permit multiple family residential development is not consistent with the land use pattern being advanced in the Plan, it would be more consistent than the uses that would be permitted under the existing “F” Commercial zoning.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The City of Lansing Transportation Division does not object to the request as there is already a mix of commercial and residential zoning/land uses in the area. As noted in the Transportation comments on page 1 of this report, “A site plan addressing parking, sidewalk gaps and access points will be required if this request is approved. Depending on the final number of units, a traffic study may be requested during site plan review process.” The site is located on E. Miller Road which is a collector road that is designed to carry a high volume of traffic. While access to the site will likely be from Orchard Court which is a local road, the amount of traffic generated by the proposed 10 residential units will be minimal and motorists will have a very short distance to travel to reach E. Miller Road.

IMPACT ON PUBLIC FACILITIES

New development will have to be reviewed and approved through the City’s administrative site plan review process, at which time the adequacy of utilities to accommodate the proposed development will be determined. Any extensions or upgrades necessary to serve the proposed development will be the responsibility of the applicant/owner. A primary component of the site plan review process is the evaluation and approval of a storm-water management plan by the City Engineers to ensure that run-off from the site flows into the storm sewer system at a rate that does not exceed its capacity.

ENVIRONMENTAL IMPACT

New development will be subject to compliance with all applicable City codes and ordinances, many of which are specifically designed to protect the environment. These include a 60% lot coverage limitation in the proposed “DM-3” Residential zoning district, landscaping requirements and storm-water management requirements to prevent soil erosion and to ensure that run-off from the site does not overwhelm the storm sewer system.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

Approval of the requested rezoning will not negatively impact future patterns of development in the area. There are no other properties along E. Miller Road between Cedar and Pennsylvania that would be appropriate for rezoning to permit multiple family residential use. All other properties in this area are either developed for commercial use or directly adjoin commercial uses. The subject property adjoins residential uses to its north and a cemetery to its east. The proposed rezoning, therefore, will allow for a use that is compatible with the adjoining uses and will not create an

inconsistent land use and zoning pattern as would occur if any property along E. Miller Road between Cedar and Pennsylvania were to be rezoned from commercial to residential, with the exception of the area of the cemetery property to the east that is already zoned “F” Commercial. The applicant should explore the possibility of purchasing that land from the City and rezoning it to “DM-3” Residential to create a larger site for multiple family residential development.

SUMMARY

This is a request by Raymundo Garcia to rezone the vacant .541 acre property located at northeast corner of E. Miller Road and Orchard Court from “F” Commercial district to “DM-3” Residential district. The purpose of the rezoning is to permit the use of the property for multiple family residential use.

The proposed “DM-3” zoning would be consistent with the established zoning pattern in the area and will allow the subject property to be used for multiple family residential use that would be far more consistent with the existing land use pattern in the area than many of the uses that are permitted by right under the current “F” Commercial zoning. In addition, the proposed use will have no negative impacts on traffic, the environment or public services.

RECOMMENDATIONS

Pursuant to the findings described above, staff recommends approval of Z-5-2020 to rezone the property at the northeast corner of E. Miller Road and Orchard Court from “F” Commercial District to “DM-3” Residential District.

Respectfully Submitted,

**Susan Stachowiak
Zoning Administrator**

Z-5-2020 is a request by Raymundo Garcia to rezone the vacant .541 acre property located at northeast corner of E. Miller Road and Orchard Court from “F” Commercial district to “DM-3” Residential district. The purpose of the rezoning is to permit the use of the property for multiple family residential use.

On November 4, 2020, the Planning Board voted unanimously to recommend approval of the request.

The owners, taxpayers and occupants of all real property within 300 feet of the site were notified of the public hearing. One letter of opposition has been received. 2 phone calls from area residents expressing opposition to the request have also been received. The applicant and the property owner’s representative spoke at the public hearing.







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



Joshua Blackburn
123 east Mason St

I have been living in the house for 4 years. All repairs, though I live here under land contract House, is in good condition Garage roof has been replaced and roof on the house has been repaired Communication with Ray Garcia is quick and respectful

September 8, 2020

Angilique Kapalla
2308 1/2 S Pennsylvania
Lansing, MI 48910

I have lived at 2308 S Pennsylvania Lansing MI 48910 for a little over 2 years. Any time I have asked for a service Ray has had it serviced in a timely matter. Ray is great at responding and working with you. The properties are up to date and tended too. I would recommend him to any one I know.

Angilique Kapalla
517-410-8841
Tenent

Sept 24th , 2020

Sidney Sauseda II
1201 Loraine Ave
Lansing, MI 4891
517-221-9268
ssausedaii@gmail.com

To Whom It May Concern:

Ray Garcia is currently my landlord at the above referenced address. I moved into the residence 3/2020. Ray has been timely and effect whenever there is a need or concern. Maintenance and inspections have been quickly and efficiently. Ray is one of the few landlords I have had that treat their rentals as their own residence; I would recommend him to anyone.

Thank you,



Sidney Sauseda II

September 6, 2020

To whom it may concern:

My name is Timothy Lopez, and I live at 732 Maplehill Ave in Lansing, MI. Myself, along with my fiancé and two sons have lived at this location since February of this year (2020). The overall condition of the house is great. There are a few minor bumps and bruises but mostly cosmetic.

Our landlord Ray Garcia is kind, understanding, and easy to talk to. The home has not needed many repairs since we have been here. In fact, the only modification made since my family and I have been here was replacing the carpet. Although it was purely cosmetic, Mr. Garcia agreed, and in a short period of time (wait time was due mostly to COVID-19) the carpet was changed out.

Mr. Garcia works hard and takes pride in his work. His positive outlook on life is infectious. I plan on being a tenant of Mr. Garcia's for the foreseeable future and would highly recommend him as a landlord to anyone searching for a home.

Timothy Lopez
517-488-5828
Tenant

To whom this may concern

My name is Grace Garcia and I am a tenant at 1225 Otto st. Lansing MI.48906

I have been a tenet in one of Raymond Garcia Newly updated properties since May of 2018.

During the time that I have been here, he has always been very timely and professional with any issues I've had, e.g. Back in 2019 I had a back up due to roots growing into the main sewage line and he was on it within 24 hours. He also built a new stair guardrail going into the basement so accessing that area would be safer for my family and myself.

He is a very professional And trustworthy.

x Grace Garcia

OCT 29 2020

FLA. DEPT. OF REVENUE

Oct 26, 2020

To Whom it May Concerns

A letter to let you know
that I am voting No

on rezoning the vacant .541

acre property located at the

northeast corner of E. Miller Rd.

and Orchard Ct. from "F" Commercial
District to "DM-3" Residential district.

E. Lee B. Haley

6005 Orchard Ct

Lansing, MI 48914

INTRODUCTION OF ORDINANCES

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

Z-5-2020: Parcel No.: 33-01-05-03-352-431, Northeast corner of E. Miller Road and Orchard Court from “F” Commercial district to “DM-3” Residential district

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

CITY OF LANSING
NOTICE OF PUBLIC HEARING

**Z-5-2020, Northeast corner of E. Miller Road & Orchard Court
Rezoning from “F” Commercial to “DM-3” Residential**

The Lansing City Council will hold a public hearing on Monday, 2020 at 7:00 p.m. to consider Z-5-2020, a request by Raymundo Garcia to rezone the vacant .541 acre property located at northeast corner of E. Miller Road and Orchard Court from “F” Commercial district to “DM-3” Residential district. The purpose of the rezoning is to permit the use of the property for multiple family residential use.

The meeting will be conducted remotely via Zoom Conferencing at <https://us02web.zoom.us/j/> or by dialing 312-626-6799 using meeting ID: .

For more information, please call Lansing City Council at 517-483-4177. Written comments can be emailed to city.clerk@lansingmi.gov or sent by regular mail to the City Clerk’s Office, 124 W. Michigan Avenue, 9th Floor, City Hall, Lansing, MI 48933. Comments will be accepted if received by 5 p.m., Monday, 2020.

Chris Swope, City Clerk

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 approving and/or opposing the Ordinance for rezoning:

Z-5-2020: Parcel No.: 33-01-05-03-352-431, Northeast corner of E. Miller Road and Orchard Court from "F" Commercial district to "DM-3" Residential district

ORDINANCE # _____

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

The City of Lansing ordains:

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

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

Case Number: Z-5-2020

Parcel Number: 33-01-05-03-352-431

Location: Northeast corner of E. Miller Road & Orchard Court

Legal Descriptions: Commencing 445.5 feet East of the Southwest corner of Section 3, thence North 238 feet, East 115 feet, South 238 feet, West 115 feet to the point of beginning; Section 3, T3N R2W, from "F" Commercial district to "DM-3" Residential district.

Section 2. All ordinances or parts of ordinances inconsistent with the provisions hereof are hereby repealed.

Section 3. This ordinance was duly adopted by the Lansing City Council on _____, 2020, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

Section 4. This ordinance shall take effect on the 30th day after enactment.

GENERAL INFORMATION

APPLICANT/OWNER:	Grand River Development, LLC 2420 N. Grand River Avenue Lansing, MI 48906
REQUESTED ACTIONS:	Rezone the properties at 2420, 2432, 2442 & 2506 N. Grand River Avenue from "F" Commercial, "J" Parking, "A" Residential, "D-1" Professional Office and "G-2" Wholesale Districts to "H" Light Industrial District
EXISTING LAND USE:	2420 N. Grand River – Office/Storage 2432 N. Grand River – Parking/Storage Yard 2442 N. Grand River – Parking/Storage Yard 2506 N. Grand River - Vacant
EXISTING ZONING:	2420 N. Grand River – "G-2" Wholesale & "D-1" Prof. Office 2432 N. Grand River – "G-2" Wholesale 2442 N. Grand River – "D-1" Professional Office 2506 N. Grand River – "H" Light Industrial, "A" Residential & "J" Parking
PROPOSED ZONING:	"H" Light Industrial District
PROPERTY SIZE:	2420 N. Grand River – 1.047 acres 2432 N. Grand River – .459 acres 2442 N. Grand River – 1.26 acres 2506 N. Grand River – .308 acres
SURROUNDING LAND USE:	N: Warehouse/Storage/Railroad S: Office/Residential/Vacant E: Storage Yard/Vacant W: Warehouse/Storage/Retail
SURROUNDING ZONING:	N: "H" Light Industrial & "I" Heavy Industrial S: "F" Commercial & "A" Residential E: "H" Light Industrial, "I" Heavy Industrial & "A" Residential District W: "H" Light Industrial, "I" Heavy Industrial & "A" Residential District
MASTER PLAN:	The Design Lansing Comprehensive Plan designates the subject property for light industrial land use. N. Grand River is designated as a major arterial.

DESCRIPTION:

This is a request by Grand River Development, LLC to rezone the properties at 2420, 2432, 2442, 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale districts to “H” Light Industrial district. The purpose of the rezoning is to eliminate an inconsistent zoning pattern along the north side of the 2400 and 2500 blocks of N. Grand River Avenue.

AGENCY RESPONSES

BWL:	See attached – no concerns or objections
Building Safety:	The Building Safety Office has no objections. Future construction is subject to site and construction document reviews.
Parks & Recreation:	No comments.
Public Service:	No comments.
Traffic Engineer:	

COMPATIBILITY WITH SURROUNDING LAND USE

As evidenced by the attached zoning map, the zoning pattern in the 2400-2500 blocks of N. Grand River Avenue is very inconsistent. 2442 N. Grand River is entirely zoned “D-1” Professional Office. 2432 N. Grand River is entirely zoned “G-2” Wholesale and 2420 N. Grand River is zoned both “D-1” and “G-2”. 2506 N. Grand River is zoned “H” Light Industrial and “A” Residential with a small strip of “J” Parking in the center of the lot. In the distant past, the City used “J” Parking and “A” Residential zoning to limit the buildable area on a nonresidential site so that the City could maintain control over property by making it difficult for any new construction to occur without a rezoning. That is not an acceptable planning/zoning practice and the inconsistent zoning patterns that occurred as a result should be corrected as the opportunities to do so present themselves. Additionally, there is no logical reason why the properties in the 2400-2500 blocks of N. Grand River all have a different zoning designation when they are all located along a major arterial and all adjoin properties that are zoned industrial and being used for industrial purposes.

While the applicant does not have a specific plan at this time, the purpose of the rezoning is to eliminate the zoning inconsistencies that would make any future development of the properties very difficult. The zoning of a property should be determined by whether it will allow uses that will be compatible with existing land uses in the area in terms of level of activity, noise, fumes and the amount and type of traffic that would be generated. Given the potential impacts of some industrial uses on adjoining or nearby residential properties, the areas in the City that would be appropriate for industrial zoning are very limited. In this case, the subject properties all adjoin existing industrial zoning/uses to their north, none of the properties directly adjoin any residential land uses and all of the sites are located along and have direct access to N. Grand River Avenue which is a major arterial

designed to carry the heaviest volumes of traffic. The proposed “H” Light Industrial zoning is therefore, appropriate for all four of the subject properties.

COMPLIANCE WITH MASTER PLAN

The proposal to rezone the subject properties to “H” Light Industrial will allow for future use in a manner consistent the light industrial land use designation being advanced in the Design Lansing Comprehensive Plan. The purpose of the light industrial land use designation is:

“To provide an environment for commercial services, sales, warehousing/wholesaling, and manufacturing when located within an enclosed structure. No outdoor storage of materials or equipment other than sales displays should be permitted.”

The typical location/location criteria as stated in the Plan is:

“Within easy access of rail, air and highway transportation without traveling neighborhood streets. Clustering of uses in a business park environment served by an internal street system is preferred.”

Three of the subject properties directly adjoin an active railway to their north and all four properties have frontage upon and direct access to N. Grand River Avenue which is a major arterial.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The proposed rezoning, regardless of the uses that could potentially be established on the subject properties under the “H” Light Industrial district, would not have any negative impacts on traffic in the area. All 4 properties are located on N. Grand River Avenue which is a major arterial, designed to carry the highest volumes of traffic.

IMPACT ON PUBLIC FACILITIES

New construction will be reviewed and approved through the City’s administrative site plan review process, at which time the adequacy of utilities will be determined. Any utility extensions or upgrades necessary to serve future development will be the responsibility of the applicant/owner.

ENVIRONMENTAL IMPACT

The subject properties will have to be brought into compliance with all applicable codes and ordinances as part of any new construction projects that are subject to site plan review. The City Engineers will review the plan to ensure that it does not negatively impact the environment. In fact, a primary component of the site plan review process is the evaluation and approval of a storm-water management plan by the City Engineers to prevent soil erosion and to ensure that run-off from the site flows into the storm sewer system at a rate that that does not exceed its capacity. A landscape plan will also be required as part of the site plan review process.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

The proposed rezoning will have no negative impacts on future patterns of development along N. Grand River Avenue. The proposed “H” Light Industrial zoning will be consistent with the existing zoning pattern in the area and will allow for uses that are consistent with surrounding land uses and with the light industrial land use pattern being advanced in the master plan for the subject properties. There are other properties in the area that would also be appropriate for rezoning to the “H” Light Industrial district for these same reasons which are the basic criteria used for evaluating rezoning requests. Approval of this rezoning will not establish a negative precedent to rezone properties in the area that would not meet the criteria for rezoning.

SUMMARY

This is a request by Grand River Development, LLC to rezone the properties at 2420, 2432, 2442, 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale districts to “H” Light Industrial district. The purpose of the rezoning is to eliminate an inconsistent zoning pattern along the north side of the 2400 and 2500 blocks of N. Grand River Avenue.

The proposed “H” Light Industrial zoning will be consistent with the established zoning pattern in the area, will allow for uses that are consistent with the established land use pattern in the area and with the light industrial land use pattern being advanced in the master plan. In addition, future use of the properties for light industrial purposes will have no negative impacts on traffic, utilities or the environment and will not set a negative precedent to rezone other properties in the area that would not be appropriate for industrial use.

RECOMMENDATIONS

Pursuant to the findings described above, staff recommends approval of Z-6-2020 to rezone the properties at 2420, 2432, 2442, 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale districts to “H” Light Industrial district.

Respectfully Submitted,

**Susan Stachowiak
Zoning Administrator**



BOARD OF WATER AND LIGHT MEMO

October 29, 2020

TO: City of Lansing – Planning Department, Susan Stachowiak
FROM: Andy Baumgartner, Real Property Analyst, Legal Services, 517-702-6795
RE: COL Z-6-2020_2420 N. Grand River Ave_Comments

BWL Electric: Approved.

- No Comments. Contact person: Jerry Wheeler Electric Utility Designer, ph: 517-702-6644.

BWL Street Lighting: Approved with comments:

- LBWL Has 480v street light duct running along north side of GRAND RIVER behind curb the length of the property and beyond. Gary Simpson 517-702-6647

BWL Water & Steam Distribution:

Approved

Please note that this approval does not constitute an agreement for service, and is subject to the following conditions:

- Site-Specific Comments:
 - BWL records indicate active services on the proposed parcels. Should the customer wish to develop area further, they must submit a plan for these services as well as any plans to connect to BWL's existing mains in the area.
 - The BWL owns and maintains existing water facilities in adjacent areas. Should the customer choose to connect to BWL's water, the BWL will require the customer to maintain a minimum of 10-feet horizontal and 18-inches vertical separation from the water and any sanitary or storm sewer, and 5-feet horizontal and 12-inches vertical between water and all other utilities.
 - The customer should ensure that they meet proper fire flow requirements for the new zoning allocation with the Lansing Fire Marshall, should the area be further developed.
- General Comments:
 - Any alteration to the BWL Water Distribution System is subject to review by the BWL. Alterations may include installation of new services, relocation or removal of existing water distribution facilities, any meter work, or work the changes cover over existing water utilities. The owner is responsible for the costs of any alteration to these facilities.
- Any questions about specific water service requirements may be directed to the BWL Water Distribution Department; Lilli Celovsky via phone at 517-702-6807 or e-mail at Lilli.Celovsky@lbwl.com.

BWL Water Operations: Derek Ambs

No concerns. Water system improvements are planned for 2021, which will improve available fire protection to this area.

BWL Environmental Wellhead Protection: Angie Goodman, Water Quality

No concerns with rezoning

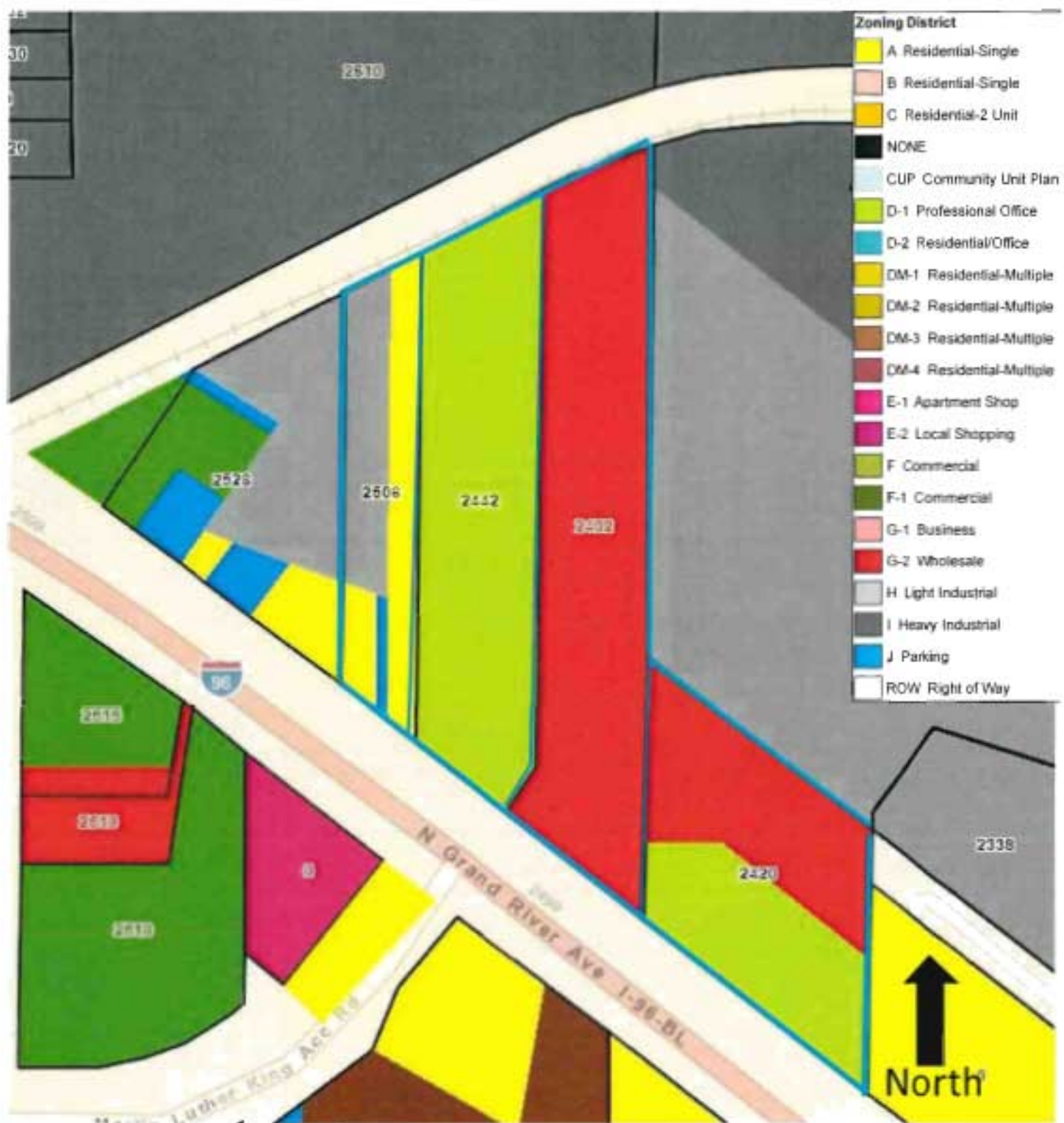
Note: Any site plan approval does not constitute an agreement for service. All customers must meet BWL requirements and enter a service agreement prior to receiving service.

Z-6-2020 is a request by Grand River Development, LLC to rezone the properties at 2420, 2432, 2442, 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale districts to “H” Light Industrial district. The purpose of the rezoning is to eliminate an inconsistent zoning pattern along the north side of the 2400 and 2500 blocks of N. Grand River Avenue.

The applicant has no immediate plans for development of the property but would like to clean up the zoning so that it could be developed at some point in the future.

On November 4, 2020, the Planning Board voted unanimously to recommend approval of the request.

The owners, taxpayers and occupants of all real property within 300 feet of the site were notified of the public hearing. One email from a neighboring property owner in support of the request has been received. Only the applicant’ representative spoke at the public hearing.



2420 N. Grand River



2432 N. Grand River



2506 N. Grand River



2432 N. Grand River





INTRODUCTION OF ORDINANCES

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

Z-6-2020: 2420, 2432, 2442 & 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale Districts to “H” Light Industrial District

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

CITY OF LANSING
NOTICE OF PUBLIC HEARING

Z-6-2020, 2420, 2432, 2442, 2506 N. Grand River Avenue

Rezoning from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and
“G-2” Wholesale to “H” Light Industrial

The Lansing City Council will hold a public hearing on Monday, 2020 at 7:00 p.m. to consider Z-6-2020, a request by Grand River Development, LLC to rezone the properties at 2420, 2432, 2442, 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale districts to “H” Light Industrial district. The purpose of the rezoning is to eliminate an inconsistent zoning pattern along the north side of the 2400 and 2500 blocks of N. Grand River Avenue.

The meeting will be conducted remotely via Zoom Conferencing at <https://us02web.zoom.us/j/> or by dialing 312-626-6799 using meeting ID: .

For more information, please call Lansing City Council at 517-483-4177. Written comments can be emailed to city.clerk@lansingmi.gov or sent by regular mail to the City Clerk’s Office, 124 W. Michigan Avenue, 9th Floor, City Hall, Lansing, MI 48933. Comments will be accepted if received by 5 p.m., Monday, 2020.

Chris Swope, City Clerk

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 approving and/or opposing the Ordinance for rezoning:

Z-6-2020: 2420, 2432, 2442 & 2506 N. Grand River Avenue from “F” Commercial, “J” Parking, “A” Residential, “D-1” Professional Office and “G-2” Wholesale Districts to “H” Light Industrial District

ORDINANCE # _____

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

The City of Lansing ordains:

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

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

Case Number: Z-6-2020

Parcel Number's: 33-01-01-05-427-101, 33-01-01-05-427-111, 33-01-01-05-427-121, 33-01-01-05-427-131

Addresses: 2420, 2432, 2442 & 2506 N. Grand River Avenue

Legal Descriptions: Lots 13, 14, 15 & 17, Assessor's Plat No. 57, from F" Commercial, "J" Parking, "A" Residential, "D-1" Professional Office and "G-2" Wholesale to "H" Light Industrial.

Section 2. All ordinances or parts of ordinances inconsistent with the provisions hereof are hereby repealed.

Section 3. This ordinance was duly adopted by the Lansing City Council on _____, 2020, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

Section 4. This ordinance shall take effect on the 30th day after enactment.

GENERAL INFORMATION

APPLICANT: Soulwinners Ministries International
819 Blanchette Drive
East Lansing, MI 48823

OWNERS: Lanprop, LLC
2740 Bronson Blvd.
Kalamazoo, MI 49008

REQUESTED ACTION: Special Land Use permit to permit a church at 900 Southland Avenue, Suite 910

EXISTING LAND USE: Multi-tenant commercial building that includes an existing church in suite 918 (west end of the building)

EXISTING ZONING: "F" Commercial District

PROPERTY SIZE & SHAPE: Irregular Shape – 47,467 square feet (1.08 acres)

SURROUNDING LAND USE: N: Dollar General/Apartment Complex
S: Multi-tenant commercial building
E: Multi-tenant commercial building
W: McDonald's

SURROUNDING ZONING: N: "DM-1" Residential, "J" Parking & "G-2" Wholesale Districts
S: "F" Commercial District
E: "F" Commercial & "J" Parking Districts
W: "F" Commercial & "J" Parking Districts

MASTER PLAN DESIGNATION: The Design Lansing Comprehensive Plan designates the subject property as "Community Mixed Use Center". Southland Avenue is designated as a local road.

SPECIFIC INFORMATION

This is a request by Soulwinners Ministries International for a special land permit to utilize 900 Southland Avenue, Suite 910 for a church. Churches are permitted in the "F" Commercial district, which is the zoning designation of the subject property, if a Special Land Use permit is approved by the Lansing City Council.

According to the information provided by the applicant, the church is comprised of approximately 110 members with an average of 50 members attending a service on Sunday, 40 members on Wednesdays and 20 members attending the Friday service. There is 1 full-time staff member and 8

volunteer staff members. Services are held at 11:00 a.m. on Sundays, 7:00 p.m. on Wednesdays and Fridays. A more detailed description of the church's weekly activities is provided in the attachment labeled "Church Information".

The suite that would be occupied by the church is located somewhat in the middle of the multi-tenant building at 900 Southland Avenue, the majority of which is currently vacant. A small church occupies the suite at the west end of the building (approved by Special Land Use permit in 2019) and there is a laundromat in the suite at the east end of the building.

AGENCY RESPONSES:

BWL:

Building Safety: The Building Safety Office has no objections. This project will be subject to building plan review as set forth by the State Construction Code Act.

Development:

Fire Marshal:

Parks & Recreation: No comment.

Public Service: No comments or issues

Transportation: No issue with this request as the number of members will have minimal impact on traffic.

ANALYSIS

Section 1282.03(f)(1)-(2) 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 church will occupy one small suite in a multi-tenant commercial building located on a side street that extends between S. ML King and S. Washington Avenue. The subject property and the majority of the adjoining properties are zoned "F" Commercial. Given its small size and location on a side street, the proposed church is not anticipated to have any negative impacts on the surrounding area. There is more than enough parking on the site to accommodate the church as well as all existing and future tenants in the building, particularly since church activities typically occur during times when business/commercial activity is not operating at peak levels.

The proposed church will not negatively impact the commercial area in which it is located. One of the greatest impacts that a church can have on a commercial environment is that they have the ability to object to and possibly prevent the issuance of liquor licenses within 500 feet of their building. Liquor stores, bars, taverns and restaurants, which are uses permitted by right in all commercial zoning districts, contribute to the economic vibrancy of commercial corridors as they are customer-oriented businesses that generate traffic on a regular basis. In this case, however, it is unlikely that there would be a request to establish a liquor license type business within 500 feet of the proposed church since the commercial properties within that area are not located on a major corridor where there is exposure to potential customers.

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

The proposed church will not “change” the essential character of the area. It will, however, have a positive impact on the area by filling a suite and bringing some much needed activity to an area that is primarily characterized by vacant buildings. The properties along Southland Avenue contain multi-tenant buildings, all of which have been mostly vacant for the past several years. It is assumed that one of the challenges involved in attracting and retaining tenants to these buildings is the lack of exposure to even low levels of traffic, thus, making them more desirable for destination type businesses such as offices and churches, as opposed to retail stores, restaurants, gas stations, salons and other uses that depend on pass-by traffic to establish a customer base.

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

The primary concern with churches in terms of interfering with the enjoyment of adjacent properties is the potential conflicts with liquor licenses. By state law, a church has an opportunity to object to all new liquor licenses within 500 feet of its building. The proposed church would be located in the middle of an area that is zoned “F” Commercial, which district permits alcohol establishments (retail, bar, tavern, restaurant, etc.) as a matter of right. In this case, the properties that are within 500 feet of the proposed church are all located along Southland Avenue which is a side street that experiences very low volumes of traffic. Given the lack of exposure to high volumes of traffic, the properties along Southland Avenue would not be very desirable for the types of businesses that would need a liquor license. In order ensure, however, that there will not be any conflicts in the future, if the special land use permit is approved, it should be conditioned upon the church agreeing, in writing that it will not object to the issuance of liquor licenses in the area. The City of Lansing has a standard format that is used for such an agreement.

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?

No physical changes will be made to the site as a result of the special land use permit and thus, it will have no impact on the natural environment. The proposed church will represent

an improvement to the use and character of site and the surrounding area in general as it will bring some much needed activity to a building that is otherwise predominately vacant.

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 church will not generate any nuisances or hazardous conditions.

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?**

The subject property is currently served by all necessary public services and utilities. A change of use permit will be necessary to determine if the structure complies with current building code and fire code requirements for an assembly use.

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

The proposed special land use will not increase the demand on public services and 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 Design Lansing Master Plan designates the subject property and the surrounding area as a "Community Mixed-Use Center". The purpose of this district, as stated in the plan, is to encourage the transformation of large commercial concentrations into mixed-use districts consisting of offices, *institutions*, live-work, retail, personal services, entertainment, hotel and residential uses. Since a church is considered an "institution" the proposal is consistent with the intent and purpose of the Master Plan.

The proposed church is also consistent with the intent and purpose of the Zoning Ordinance. Churches are permitted by special land use permit in all zoning districts. The Zoning Ordinance establishes 9 criteria to evaluate whether a particular location is appropriate for a church. Churches in general do not contribute to the vibrancy of commercial areas because they generate very little activity on a daily basis and they have the ability to object to the issuance of liquor licenses within 500 feet of their location. In this case, the proposed church will be located on a side street rather than a major commercial corridor and because of its small size, the lack of daily activity will not impact the commercial vibrancy of the area in which it is located. Furthermore, it is unlikely that an establishment that would need a liquor license would desire to locate within 500 feet of the proposed church because of its lack of exposure from a major corridor.

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

The only dimensional requirement that applies to this request is parking. Section 1284.13(b)(1) of the Zoning Ordinance requires 1 parking space for each 3 seats in the sanctuary. Based on the projected peak occupancy level for the Sunday service (50 parishioners and 8 staff members), 19 parking spaces are required for the church. There are 62 parking spaces on the site that are shared by all of the tenants. The existing church on the site is very small and only requires 7 of the 62 parking spaces. Also, parking for the laundromat is relatively light and does not typically consume more than about 10-15 parking spaces, at its peak usage. Even if the remaining suites were to be filled by uses permitted in the "F" Commercial district, the church will not place excessive demands on the parking, particularly since services are held at times when most businesses are not operating at peak levels. The 62 space parking lot on the site is therefore, more than adequate to accommodate the current membership of the church and any growth that may occur, while not placing a burden on the site's parking that would negatively impact existing or future tenants in the remainder of the building.

SUMMARY

This is a request by Soulwinners Ministries International for a special land permit to utilize 900 Southland Avenue, Suite 910 for a church. Churches are permitted in the "F" Commercial 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 described in this staff report, the proposed complies with all of the criteria of Section 1282.03(f)(1)-(9) of the *Zoning Code* for evaluating Special Land Use permits.

1. The proposed church will be harmonious with the character of surrounding uses/properties.
2. The proposed church will not change the essential character of the surrounding properties.
3. The proposed church will not interfere with the general enjoyment of adjacent properties.
4. The proposed church does represent an improvement to the existing property.
5. The proposed church will not be hazardous to adjacent properties.
6. The proposed church can be adequately served by public services and utilities.
7. The proposed church will not place any demand on public services and facilities in excess of current capacities.
8. The proposed church is consistent with the intent and purpose of the Zoning Code and the Design Lansing Comprehensive Plan.
9. The proposed church will comply with all applicable dimensional requirements.

RECOMMENDATION

Staff recommends approval of _____, a special land use permit to allow a church at 900 Southland Avenue, Suite 910, based upon the findings of fact as outlined in this staff report, with the condition that the applicant agrees, in writing, that it will not object to the issuance of liquor licenses in the area.

Respectfully Submitted,
Susan Stachowiak, Zoning Administrator

Soulwinners Ministries International

Church Information

Soulwinners Ministries International is an international Christian ministry, founded in 2004 (by Pastor Michael Venyah, ordained into Christian Pastoral Ministry, on December 8, 1996), registered with the IRS as a 501-C3 organization in 2007, possessing headquarters in East Lansing, Michigan, USA. The Lord Jesus Christ has established SMI church congregations in various locations both in the USA - Lansing, Michigan; Beulahville, North Carolina; Beech Park, Illinois – and overseas - in the East African nations of Tanzania, Kenya, Uganda, and in Myanmar, Southeast Asia.

The ministry's headquarters church, located in Lansing, Michigan, consists of approximately 110 members - an average of 50 attending Sunday, 40 attending Wednesday, and 20 attending Friday – with 1 full-time staff member, and 8 volunteer staff.

Weekly Worship Service times are held Sundays at 11:00am (with Pre-service prayer convening at 10:00am), and Wednesday 7:00pm (with prayer at 6:00pm). “Friday Night Fire” the church's weekly Fasting-Prayer Meeting - entailing fasting and prayer for church members, the citizenry and leadership of Lansing, the state of Michigan, the USA, and the world - occurs Friday at 7:00pm. On Saturdays, at 1:00pm, Community Service Day commences, in which members gather to pray for the city, then go out into the community to share the Gospel of the Lord Jesus, pray for people, offer food to the homeless and needy, and afford spiritual and material assistance.

In addition to weekly church services, Bible Studies, and prayer meetings, the ministry broadcasts all Biblical sermons to viewers throughout Lansing, and the world, via its Facebook Live broadcast, offers free materials and Biblical instruction through its website www.soul-winners.org, and formerly broadcasted its Gospel Preaching Messages to the citizens of Lansing via the Good-News television station in Lansing, Michigan, and a radio program which aired throughout the tri-county area of Michigan.

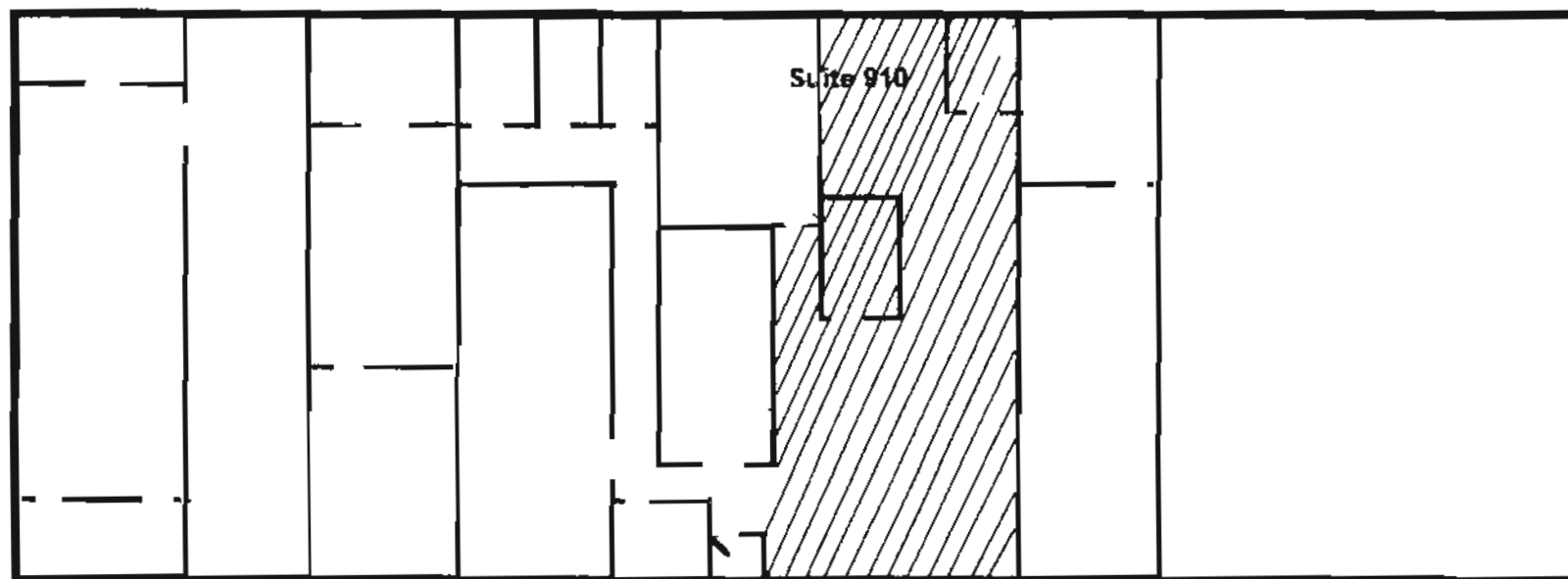
Annually, SMI hosts a convocation in January, attended by pastors of the ministry's daughter churches, sponsors a free financial seminar for the people and businesses of Lansing and other Michigan cities taught by a Christian financial advisor trained and certified by international financial expert Dave Ramsey, makes missionary journeys to Africa and Asia to preach Soulwinners Gospel Crusades to multitudes, trains pastors and leaders in continent-wide Soulwinners Leadership Training Conferences, trains SMI churches on those continents, in addition to traveling throughout the USA, training SMI churches, and giving the Good News of the Lord Jesus Christ to the people of this nation.

SLU-3-2020 is a request for a special land use permit to establish a church at 900 Southland Avenue, suite 910. 900 Southland is a multi-tenant building located on the north side of Southland Avenue which is an east-west road that connects S. MLK and S. Washington Avenue, north of W. Holmes Road. The City approved a special land use permit for another church in one of the suites in this building in 2019.

On November 4, 2020, the Planning Board voted unanimously to recommend approval of the request.

The owners, taxpayers and occupants of all real property within 300 feet of the site were notified of the public hearing. No comments, either in support or opposition to the request were received and only the applicant's representative spoke at the public hearing.

EXHIBIT A

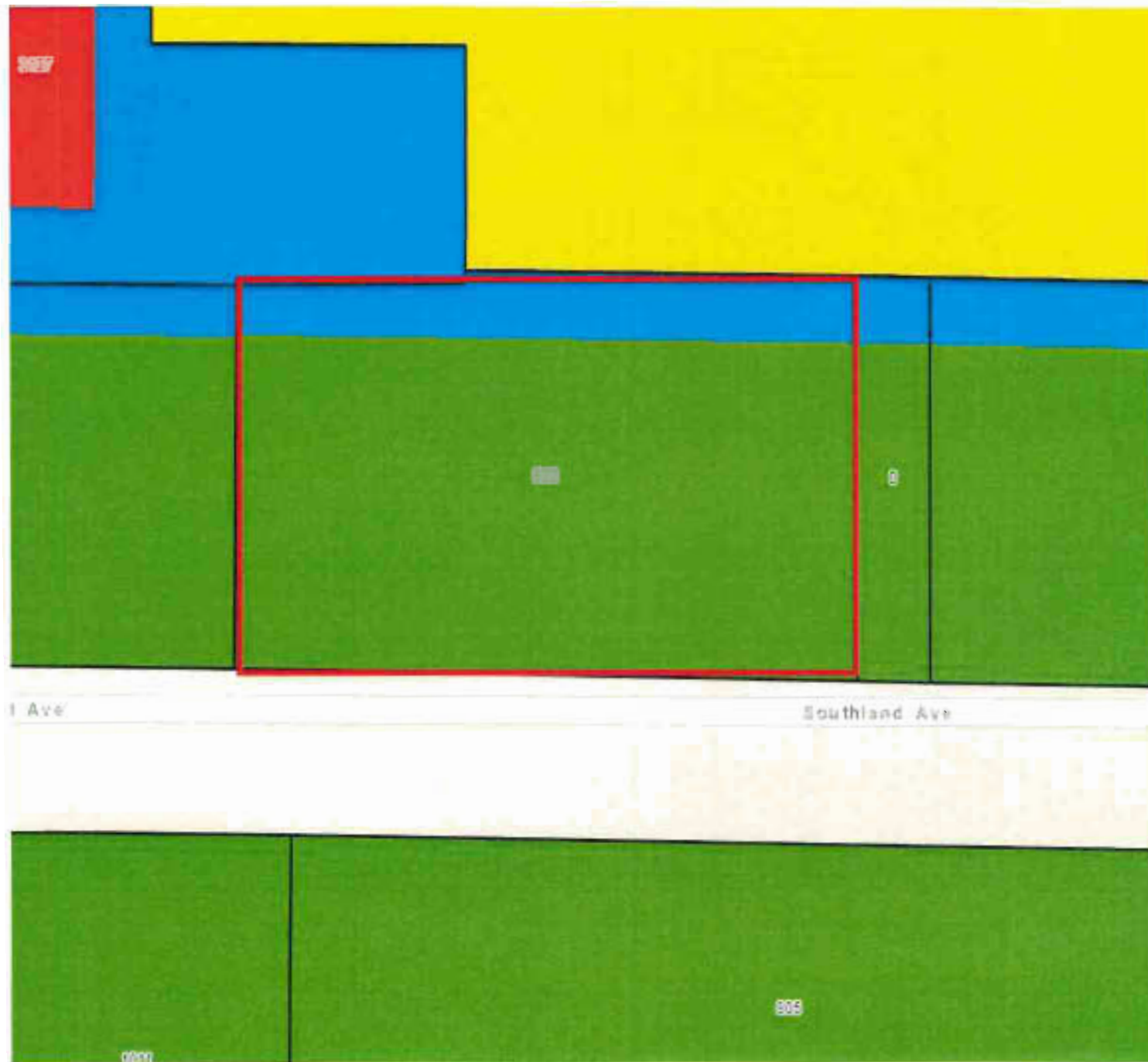


**900 Southland Ave
Lansing MI 48910**









Zoning District	
	A Residential-Single
	B Residential-Single
	C Residential-2 Unrt
	NONE
	CUP Community Unit Plan
	D-1 Professional Office
	D-2 Residential/Office
	DM-1 Residential-Multiple
	DM-2 Residential-Multiple
	DM-3 Residential-Multiple
	DM-4 Residential-Multiple
	E-1 Apartment Shop
	E-2 Local Shopping
	F Commercial
	F-1 Commercial
	G-1 Business
	G-2 Wholesale
	H Light Industrial
	I Heavy Industrial
	J Parking
	ROW Right of Way



CITY OF LANSING
NOTICE OF PUBLIC HEARING

SLU-3-2020, 900 Southland Avenue, Suite 910
Special Land Use Permit – Church

The Lansing City Council will hold a public hearing on Monday, 2020 at 7:00 p.m. to consider SLU-3-2020, a request by Soulwinners Ministries International for a special land permit to utilize 900 Southland Avenue, Suite 910 for a church.

The meeting will be conducted remotely via Zoom Conferencing at <https://us02web.zoom.us/j/> or by dialing 312-626-6799 using meeting ID:

.

For more information, please call Lansing City Council at 517-483-4177. Written comments can be emailed to city.clerk@lansingmi.gov or sent by regular mail to the City Clerk's Office, 124 W. Michigan Avenue, 9th Floor, City Hall, Lansing, MI 48933. Comments will be accepted if received by 5 p.m., Monday, 2020.

Chris Swope, City Clerk

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

SLU-3-2020

**Church in the "F" Commercial District
900 Southland Avenue, Suite 910**

WHEREAS, Soulwinners Ministries International has requested a Special Land Use permit to allow a church at 900 Southland Avenue, Suite 910; and

WHEREAS, churches are permitted in the "F" Commercial district, which is the zoning designation of the subject property, if a Special Land Use permit is approved by the Lansing City Council; and

WHEREAS, a review was completed by staff evaluating the character, location and impact of the proposal on the surrounding area, the environment and public services as well as its consistency with the existing zoning and land use patterns in the area and with the objectives of the Design Lansing Comprehensive Plan; and

WHEREAS, the Planning Board held a public hearing on November 4, 2020, at which the applicant's representative spoke in favor of the request and no other comments were received; and

WHEREAS, the Planning Board, at its regular meeting held on November 4, 2020, voted (5-0) to recommend approval of SLU-3-2020, a Special Land Use permit to allow a church at 900 Southland Avenue, Suite 919 with the condition that the church agrees, in writing, that it will not object to the issuance of liquor license within 500 feet of its location; and

WHEREAS, the City Council held a public hearing regarding SLU-3-2020 on 2020; and

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

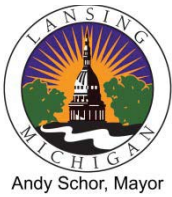
NOW THEREFORE BE IT RESOLVED that the Lansing City Council hereby approves SLU-3-2020, a Special Land Use permit to allow a church at 900 Southland Avenue, Suite 910 with the condition that the church agrees, in writing, that it will not object to the issuance of liquor license within 500 feet of its location.

BE IT FURTHER RESOLVED that this Special Land Use permit shall remain in effect only so long as the petitioner fully complies with this resolution, and if the petitioner fails to comply, the Special Land Use permit may be terminated by City Council Resolution.

BE IT FINALLY RESOLVED that in granting this request, the City Council determines the following:

1. The proposed church is compatible with the essential character of the surrounding area, as designed.
2. The proposed church will not change the essential character of the surrounding area.

3. The proposed church will not interfere with the general enjoyment of adjacent properties.
4. The proposed church will not impact adjacent properties as it will not be detrimental to the use or character of the property under consideration.
5. The proposed church will not impact the health, safety and welfare of persons or property in the surrounding area.
6. The proposed church can be adequately served by essential public facilities and services.
7. The proposed church will not place any demands on public services and facilities in excess of current capacities.
8. The proposed church is consistent with the intent and purposes of the Zoning Code and the Design Lansing Master Plan.
9. The proposed church will comply with the requirements of the "F" Commercial District.



ACT 33 REVIEW APPLICATION

CITY OF LANSING
PLANNING OFFICE

[Reset Form](#)[Print](#)

FILE NUMBER: ACT-_____

DATE SUBMITTED: _____

Applicant: **RE Fund Lansing 1, LLC**Address (including zip code): **33 N. Saginaw, Pontiac, MI 48342**Phone number: **248-722-9286**

Fax number: _____

Email: **bob@pspcrc.com**

Interest in Property:

☐ Owner☐ Represent owner☐ Option to buy☒ Other:**Need the city to vacate to enable development**

If applicant of not the owner, or if there is more than one owner, provide the following information (attach additional sheets if necessary):

Name of owner(s): **City of Lansing**Address (including zip code): **124 W. Michigan Avenue, Lansing, MI 48933**Phone number(s): **517-483-4141**

Fax number: _____

Email: _____

SUBJECT PROPERTY GENERAL INFORMATION:

Address (if any): _____

Location description: **Rose Court a Public street, west side of N. MLK Jr., Blvd.**Permanent parcel #: **none**Legal description (see note below): **Bounded by the following parcels: 33-01-01-08-458-065, 33-01-01-08-458-103, 33-01-01-08-458-370**Applicant's proposal: **Development of an approximately 70 unit multi-family development slightly north of the building located at 1100 W. Saginaw Street.**

REQUESTED ACTION: (please check one)

☐ City Acquisition of Property

☐ Street or Alley Closure

☐ City Sale of Property

☒ Vacation of R.O.W

☐ Significant Change of Use of City Property

☐ Other: _____

What positive impacts (if any) will occur as a result of approving this proposal?

Investment of approximately \$17 million along N. Martin Luther King, Jr. Blvd.

What negative impacts (if any) will occur if this proposal is not approved?

An unkempt section of right-of-way will continue to present a challenge to any future development along this section of the N. MLK, Jr. Blvd. corridor.

What negative impacts (if any) will occur as a result of approving and implementing your proposal?

None.

Please fill out this application **COMPLETELY** and make sure that the following items are included:

Maps describing proposal. Maps should be readable and drawn to a specific scale.

Any other materials, brochures, pictures, etc. which will further explain the proposal.

NOTE:

If the action applied for will result in transfer of legal title from the City to the applicant or another or if the City otherwise requires, the applicant agrees to provide at the applicant's expense:

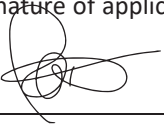
- A certified legal description
- Title insurance
- An appraisal
- An environmental report for the property

or to pay for same at closing, whichever the City determines.

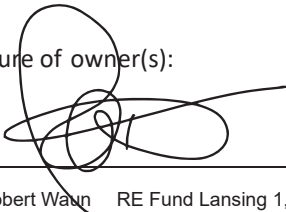
FEES:

Involving land sales over \$50,000	\$100.00
Involving land sales under \$50,000	\$50.00

Signature of applicant:


_____/_____
Date

Signature of owner(s):


_____/_____
Robert Waun RE Fund Lansing 1, LLC 8-11-20
Date

_____/_____
Date

_____/_____
Date

SUBMIT THE FULLY COMPLETED APPLICATION TO THE ADDRESS BELOW.

For assistance, please contact:

PLANNING OFFICE
316 N. CAPITOL AVE., SUITE D-1
LANSING, MI 48933
(517) 483-4066
FAX: (517) 483-6036

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

APPLICANT AND PROPOSAL: RE Fund Lansing 1, LLC, 33 N Saginaw St. Pontiac, MI is requesting the vacation of Rose Court, west of N Martin Luther King Jr. Blvd. RE Fund Lansing 1, LLC owns three of the four properties adjacent to Rose Ct.

LOCATION: Rose Ct, north of N MLK Jr. Blvd. and W Saginaw St.

CURRENT OWNER(S): City of Lansing

EXISTING LAND USE & ZONING: Use: Public right-of-way, local street. Zoning: Unzoned

PROPERTY SIZE AND SHAPE: 231' x 50', Rectangular

SURROUNDING LAND USE & ZONING: North: "J", Parking
South: "F", Commercial
West: "J", Parking
East: "B", Residential

ANALYSIS

LOCATION:

Rose Court extends west off of N. MLK Jr. Blvd. for a distance of 231 feet and ends at the property line with Mercy St. Lawrence Corp. RE Fund Lansing 1 LLC owns the three other connecting properties to the north and south, and would take possession of the land if the street were to be vacated. With respect to traffic, Rose Court serves only to access the abundance of surface parking to the north, south, and west sides of the street.

CHARACTER:

Rose Court is a small local street that currently serves only the parking lots connecting to it. However, RE Fund Lansing 1 LCC proposes using the land of the street in redevelopment plans to erect a multi-family residential building.

EXTENT:

The extent of the vacation is limited to the public street and right-of-way of Rose Ct. approximately 231' x 50', having no meaningful impact on the traffic pattern in the area. All utilities in the existing Rose Court right-of-way will have to either be relocated or protected via an easement. The entirety of the right-of-way land would be conveyed to RE Fund Lansing 1 LLC.

AGENCY REFERRALS

Lansing Board of Water and Light (BWL)

BWL Electric: Approved with the following comments:

- The BWL can provide an (underground and/or overhead) electric service to serve the new development based on the Board's Rules and Regulations for Electric Service.
- A copy of the final site, grading, and electrical plans for the proposed development must be supplied to the Customer Projects Department before a final cost for electric service and service agreement can be provided to the owner/developer.
- Owner/developer must contact BWL Customer Projects Department, Jerry Wheeler @ 517-702-6644, to initiate service agreement process.
- There are no apparent conflicts with the proposed development and the existing BWL electric distribution facilities.

BWL Electric System Integrity: Approved with strict conditions:

- BWL electric is located on both sides of Rose Ct. and serves 1120 and 1100 W. Saginaw. It is expected that this would be included in an easement upon abandonment of the right-of-way and any relocations, if feasible, would be the cost of the developer. Additionally, north of Rose Ct. on the property being proposed to be developed, critical overhead wires are in easement that feed Sparrow St. Lawrence Campus electric service. These will be potentially difficult and costly to relocate while maintaining adequate service to the medical facility. Those costs would be required to be covered by the developer and a viable route for relocation established if that is part of their development plan.

BWL Water Operations: Derek Ambs, No comments or concerns.

BWL Street Lighting: Gary Simpson 517-702-6647, **Approved**, BWL Street lighting has overhead lighting on Rose Ct. and also on MLK.

BWL Water & Steam Distribution: Approved on condition

- Site Specific Comments:
 - BWL cannot vacate an easement where there are active water facilities. If the customer would need BWL to vacate current easement, the customer would have to propose a relocation of BWL's active water facilities or propose a new 20-foot easement that includes the existing facilities on the east end of Rose Court.
 - BWL Records show abandoned water main along with lead and copper stubs. Records also show an active hydrant in the area, so caution must be made to protect any active water facilities if site were to develop.

- General Comments:
 - The BWL owns and maintains existing water facilities within the area. The facilities are within a 20-foot wide utility easement. Should the customer install utilities within BWL easement, the BWL will require the customer to maintain a minimum of 10-feet horizontal and 18-inches vertical separation from the water and any sanitary or storm sewer, and 5-feet horizontal and 12-inches vertical between water and all other utilities.
 - Prior to receiving service, the customer must submit an application to the BWL Utility Service Department at 517-702-6700 for any new service or alterations to existing services or metering. The customer will be required to enter a service agreement, meet BWL requirements, and pay applicable fees prior to receiving service. Additional information can be found online at <https://www.lbw.com/customers/services/water>.
 - The customer is responsible for verifying the precise location and depths of the existing water mains or services prior to construction. The BWL will not be responsible for unanticipated conflicts caused by inaccuracies in the customer's design documents or MISS-DIG staking in the field.
 - The customer is responsible for all costs of water service installation and removals, including connection fees, installation, metering, and engineering and administration costs for the work.
 - It is the applicant's responsibility to determine the estimated water demand (including fire flow requirements) of this project, and sizing services accordingly. The BWL will not take responsibility for inadequately sized services or metering specified by the applicant.
 - Any questions about specific water service requirements may be directed to the BWL Water Distribution Department; Lilli Celovsky via phone at 517-702-6807 or e-mail at Lilli.Celovsky@lbw.com.

BWL Environmental Wellhead Protection: Angie Goodman, Water Quality.

- This project lies within the Lansing Board of Water & Light Wellhead Protection Area. Care must be exercised during construction to minimize the exposure of contaminated soils to weather and subsequent loss to the groundwater. Construction machinery should be parked on paved areas when not in use, and leakage of petroleum products and other potential contaminants must be immediately cleaned up and properly disposed of. Newly exposed soil could offer a route for contaminants into local groundwater.

Public Service Department:

- No issue with vacation of Rose Court. [Public Service] needs to provide the standard comment regarding sanitary sewer capacity for this project. Of note, this frontage has already gone through the CSO/sewer separation project and the project was designed and

intended to accommodate SOME redevelopment, including these parcels specifically. However, depending upon the specific proposal for a sanitary sewer discharge, Public Service Dept. will need to perform a detailed review of the proposed discharge vs. existing sewer pipe capacity. It will probably be OK, but we'll need to confirm based on number of units, etc., because the in-sewer flows in this area will go up significantly as a result of this discharge.

There may be some underground utilities that would need easements. From looking at drawings for the area, the utilities in Rose Court serve these parcels only, but we need to 100% confirm. I see overhead electric, but, again, this appears to serve these parcels only. The storm sewer there serves Rose Court, only. [Public Service] can confirm for the sewer utilities WE operate (the City does not need any sewer easements).

Building Safety Office:

- No objections. This project [multi-family residential redevelopment] will be subject to site and building reviews. As set forth by the State Construction Code Act.

Lansing Fire Department:

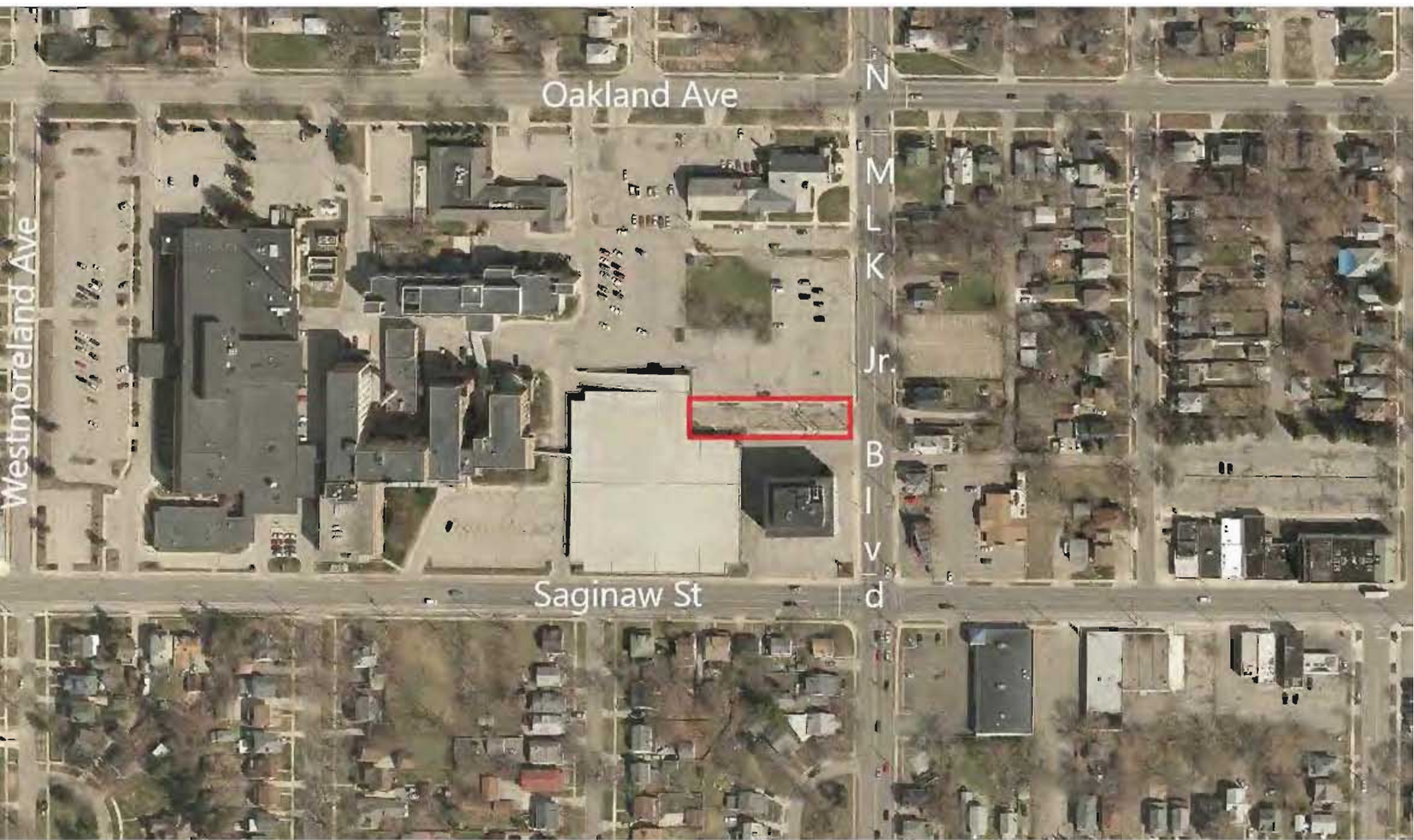
- No objection.

Lansing Parks and Recreation:

- No objection.

STAFF RECOMMENDATION

The request can be granted without a significant impact on the circulation network. Staff recommends approval of Act-4-2020, a request by RE Fund Lansing 1 LLC, to vacate Rose Court west of N MLK Jr. Blvd., on a finding that the public purposes of the right-of-way (access & utilities) can be satisfied without the street remaining in public ownership, subject to the condition that all utilities are protected through easements or relocation per Lansing Board of Water & Light staff comments.

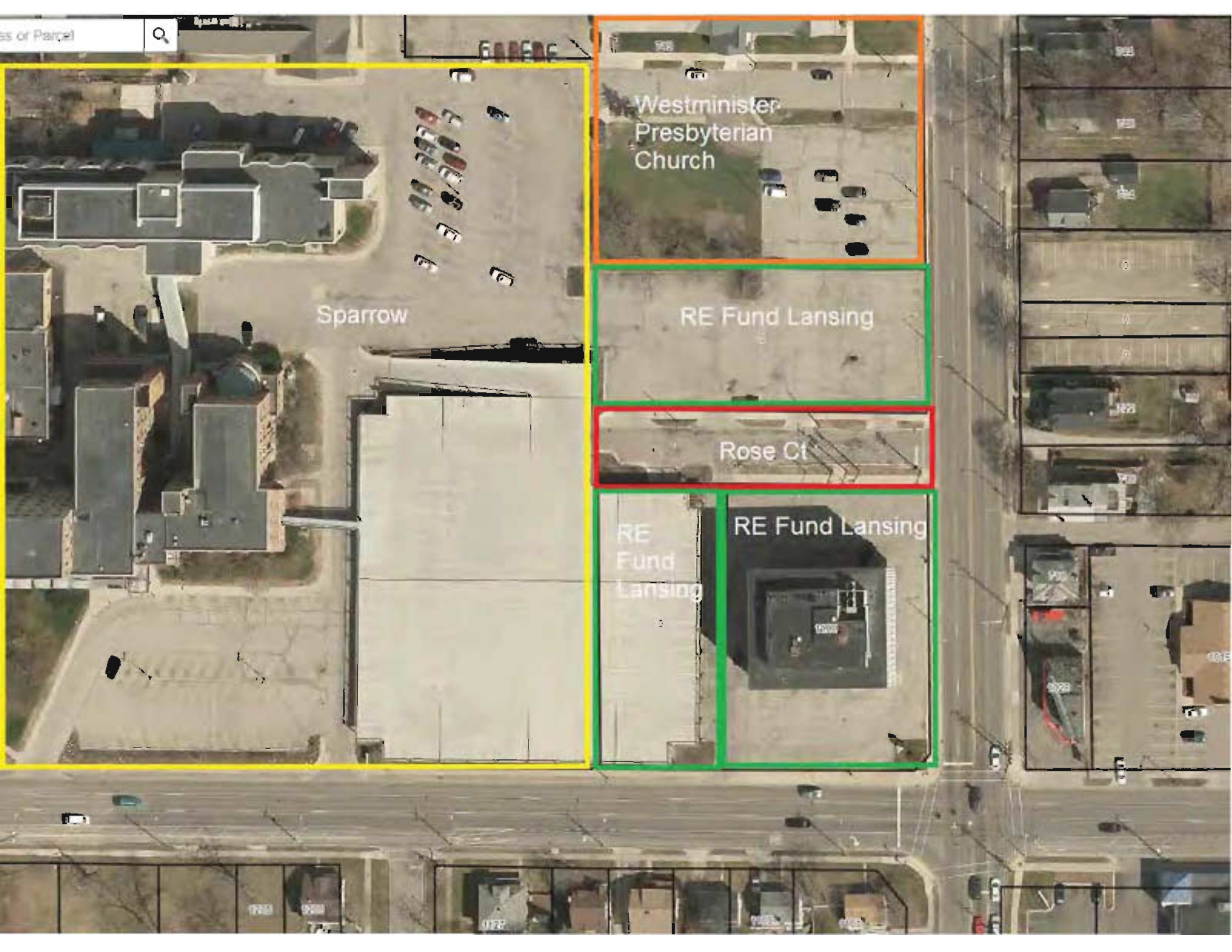


Westmoreland Ave

Oakland Ave

N
M
L
K
Jr.
B
l
v
d

Saginaw St



Westminister
Presbyterian
Church

Sparrow

RE Fund Lansing

Rose Ct

RE
Fund
Lansing

RE Fund Lansing



- ☒ ZoningDistrict
- NONE
 - A. Residential - Single
 - B. Residential - Single
 - C. Residential - 2 Unit
 - 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

New Lansing City Market Building

Project: Lansing Shuffleboard & Social Club



Lansing City Market Building Site

Background

- The new Lansing City Market building was constructed in 2010 to operate as a city managed and programmed urban market space
- After years of increasing vacancy and rising costs to taxpayers, the building began to close in 2018
- In 2018, the City of Lansing released a Request For Information (RFI) for the reuse and reactivation of the building

Lansing City Market Building Site **Appraisal Conclusions***

Appraised Value: \$720,000

Market Rent Estimate: \$8.00 SF/Year (Triple-Net)

Estimated Stabilized Net Operating Income (NOI): \$5.99 SF/Year

*Valbridge Appraisal Report, Sept. 2018



Lansing City Market Building Site

Project: Lansing Shuffleboard & Social Club

Developer: Detroit Rising Development

Proposal Summary: Transform the former Lansing City Market building and connected patio into the Lansing Shuffleboard and Social Club, a multi-purpose social experience offering local residents a gathering space with a variety of affordable food options, entertainment, and employment opportunities.

Additional project information provided later in the presentation



DETROIT **RISING**

Lansing Shuffleboard & Social Club Project

City of Lansing

Lease Agreement Summary

Term: 20 Years

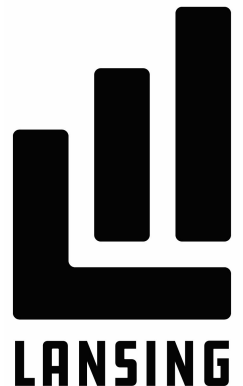
Rent: \$24,000/year (initial)

Annual increase and recalculation at year 10

Parking

Maximum of 25 dedicated spaces provided

Option to purchase up to 2,000 2-hour parking validations per month



Lansing Shuffleboard & Social Club Project

City of Lansing

Lease Agreement Summary (cont.)

Use, Requirements and Conditions

- Building shall be used as food hall and events space
- Marijuana or cannabidiol related uses by Lessee or tenants are prohibited
- Prevailing Wage is required for all construction labor on this project



Lansing Shuffleboard & Social Club Project

City of Lansing

Lease Agreement Summary (cont.)

Additional Use, Requirements and Conditions

- Lessee shall host free weekly community programming
- Lessee shall make event space available for use by community groups and allow reduced rates for City of Lansing based groups or individuals.
- Lessee must maintain restroom facilities for public/non-patron use
- Lansing-based vendors are eligible for rent reduction
- City's written consent is needed to sublet or otherwise assign the lease
- Violations of use may result in damages to the City (\$10,000/month)



Lansing Shuffleboard & Social Club Project
Lansing Economic Development Corporation
LEDC Loan Request Summary*

Funding Source: LEDC Business Loan Fund

Amount: up to \$65,000 plus LEDC Closing Costs

Term: 60 months amortization, with a balloon at maturity (1 year)

Interest Rate: est. 3.25% fixed

Debt Service: Monthly (est. \$1,175.20)

Security: Liquor License

*Designation of Project Area and Approval of Project Plan by Council required before consideration of collateralized loan by the Lansing EDC Board.



Lansing Shuffleboard & Social Club Project
Lansing Brownfield Redevelopment Authority
LBRA Loan Request Summary*

Funding Source: Lansing Brownfield Revolving Fund (LBRF)

Amount: up to \$400,000

Term/Repayment:

- Developer reimbursed for performing approved Eligible Activities
- Loan repaid via capture from adjacent brownfield plan (est. at 2-3 years)

Use: Public Improvements to Real Property

Security:

Surety Bond, Tax Increment from Active Plans, Promise to Pay

*Loan Requires Lansing BRA Board Approval





Detroit Rising Development
1515 W. Lafayette
Detroit, MI 48216
www.detroitrisingdevelopment.com

DSC HOSPITALITY, LLC

DETROIT, MI

PREPARED FOR:

Lansing Shuffleboard & Social Club
325 Riverfront Drive
Lansing, Michigan

PREPARED BY:

DETROIT RISING DEVELOPMENT
Jonathan Hartzell



**Something new, something unique,
with a flavor that is all Lansing.**

PROJECT INSPIRATION

2017 Project Rendering



PROJECT INSPIRATION

2018 Completed Project Photo



EXECUTIVE SUMMARY

We will transform former Lansing City Market into the Lansing Shuffleboard and Social Club, a multi-purpose social experience offering local residents a gathering space with a variety of affordable food options, entertainment, and employment opportunities.

Brought to you by Detroit Rising Development, it will be modeled after our award-winning food hall and beer garden, Detroit Shipping Company. Lansing Shuffleboard and Social Club will be fashioned on these same principles: a distinctive atmosphere, first-rate food, and engaging programming.

We will activate the site by programming community and social events, such as weekly open mic nights, cooking classes, bar tastings, educational programming, and fun community date nights that are open to the public. We will build out a second-floor mezzanine to contain a bar, six shuffleboard courts, and an art gallery. We have seen the success of this concept at Detroit Shipping Co. and know it can work at the Lansing City Market property, a great location adjacent to the riverfront and nearby to large institutional and event anchors.



WE ARE

Focused on food and social gatherings.

An inclusive, all-ages, open environment.

A meeting spot for those attending Lansing events (Lansing Center, sports, etc).

A low risk entry for entrepreneurs.

A place to sit and eat and work on weekdays.

Family-friendly during appropriate hours.

A venue for local bands and atmospheric live music (think Sunday Jazz brunch).

An event space.

Dog friendly.



WE ARE NOT

A concert hall.

A dive bar.

A dance club.

A chain or part of a large corporation.

An after-hours bar.

An exclusive club.

THE MIX

6-7 Restaurants

Full service bar with pop-up stations for best experience

Art gallery featuring local artists

Private lounges with movable walls to allow for a variety of party sizes and activities

6 Shuffleboard courts

1 Stage

Outdoor covered patio

70+ new construction & permanent jobs

15,650 sq/ft after activation

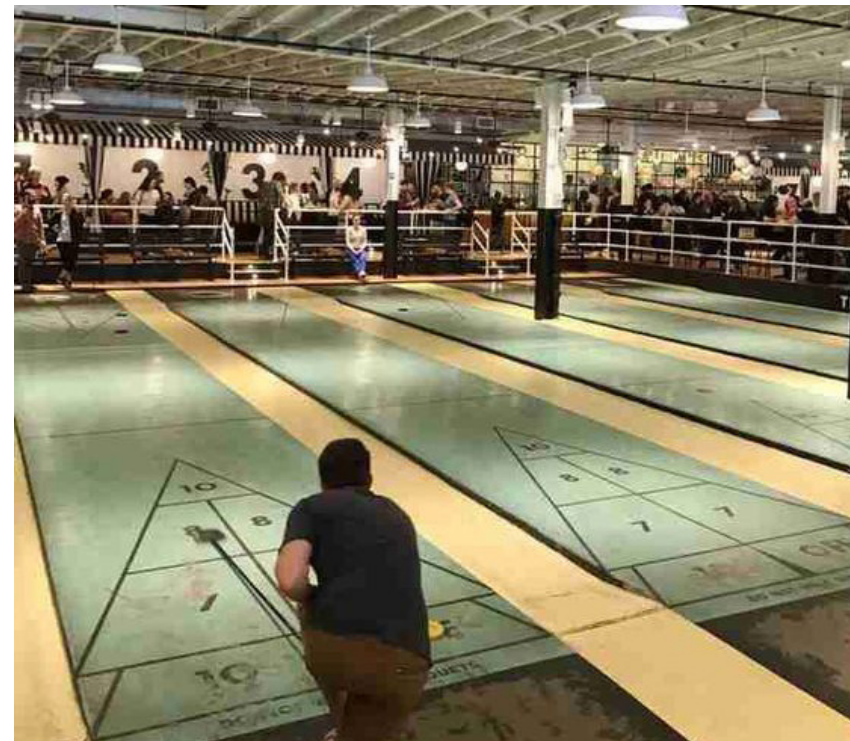


SHUFFLEBOARD CLUB

Private weeknight shuffleboard league by private reservation.

Courts open to public during weekends.

Helps attract happy hour crowds during slower business days.



SAMPLE WEEKLY PROGRAMMING

	MAIN FLOOR	SECOND FLOOR	PATIO
MONDAY	Retail Pop-Up Launch Event	Shuffleboard League Semi-Finals	Private Party
TUESDAY	Local Artist Gallery Opening	Michigan Animal Rescue League Happy Hour	Cooking Class
WEDNESDAY	Local Business Networking Lunch	Lansing Center Conference Event	Bar Class
THURSDAY	Accident Insurance Fund Marketing Lunch	Local Acousting Band Performance	Private Party
FRIDAY	Lansing Lugnuts Game Crowd	Local R&B Singer Performance	Private Party
SATURDAY	College Football Brunch	Open Mic Night	Jazz Brunch
SUNDAY	Bridal Shower Party	NFL Football Brunch	Private Party

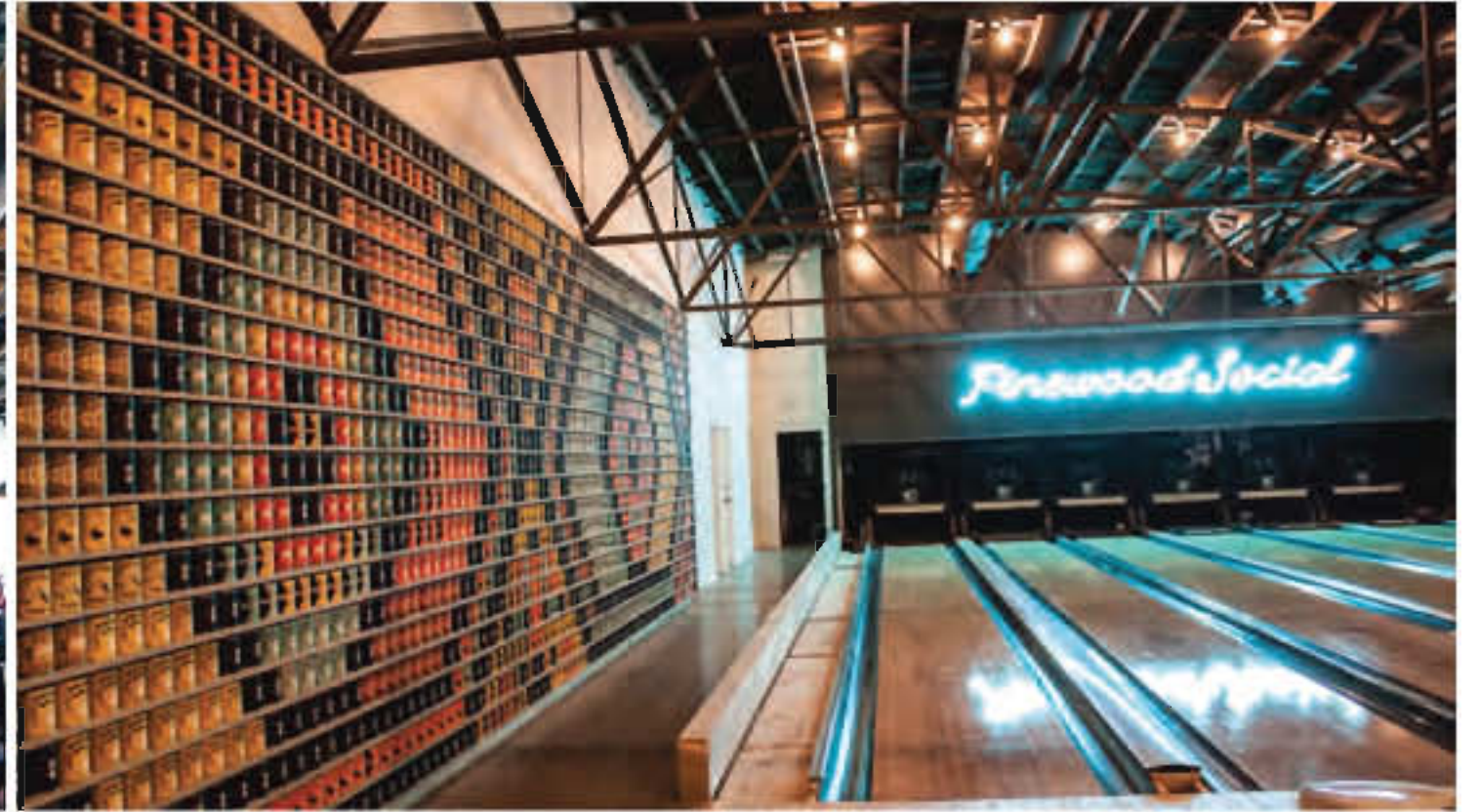


INVESTMENT

Hard Construction Costs	\$2,040,000
Contingency, Permit, Insurance, General Conditions	\$564,000
Soft Costs	\$615,000
Total Investment	\$3,219,000









THANK YOU.

DETROIT  **RI**SING

BY THE COMMITTEE ON DEVELOPMENT & PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING PROJECT PLAN
(Lansing Shuffleboard and Social Club, LLC Project)

WHEREAS, the Lansing Economic Development Corporation (LEDC) Board of Directors has identified the New Lansing City Market area and Downtown Lansing Riverfront as a major economic development project investment area; and

WHEREAS, in an effort to foster business development, expansion and renovation of properties within and surrounding the project investment areas, the LEDC has initiated a Business Financing Assistance Program and believes this project has a significant impact on the New Lansing City Market area and Downtown Lansing Riverfront; and

WHEREAS, this Business Financing Assistance Program may utilize a portion of the LEDC's capital to make funds available for financing this project; and

WHEREAS, Lansing Shuffleboard and Social Club LLC has made application with the LEDC for a business loan for operational licenses necessary to open a proposed food hall concept and event space at the property located at 325 Riverfront Drive, formerly City Market Drive, Lansing and legally described as:

325 RIVERFRONT DRIVE, FORMERLY CITY MARKET DRIVE, LANSING, MI
48933 Parcel Number: 33-01-01-16-253-002

COM 360 FT W OF NE COR LOT 1, TH S 00DEG 05MIN 21SCD W 323 FT, S 32DEG 43MIN 09SCD E 212.85 FT, SE'LY ON 451.57 FT RAD CURVE TO RT CHORD BEARING S 25DEG 08MIN 02SCD W 480.55 FT, S 07DEG 00MIN 46SCD E 12.59 FT, N 24DEG 26MIN 12SCD W 37.25 FT, N 89DEG 58MIN 20SCD W 140.91 FT TO GRAND RIVER, N'LY ALONG RIVER TO S R/W LINE OF SHIAWASSEE ST, S 89DEG 58MIN 20SCD E 167.38 FT TO BEG; BLOCK 245 ORIG PLAT

WHEREAS, the Project will result in new private investment of approximately \$2,963,534; and

WHEREAS, Section 8 of Act No. 338 of the Michigan Public Acts of 1974, as amended (the Act), requires that before the LEDC acquires an interest in property or incurs obligations for a specific project, the corporation shall prepare a project plan, conduct a public hearing on the matter and secure the recommendations of the local governing body; and

WHEREAS, the LEDC has prepared a Project Plan for the Lansing Shuffleboard and Social Club LLC Project (Project Plan), submitted it to Council and placed it on file in the office of the City Clerk in accordance with the Act; and

WHEREAS, at such hearing held on the November 9, 2020, the fullest opportunity was given for expression of opinion, for arguments on the merits, and for introduction of documentary evidence pertinent to the Project Plan, and further, this City Council has given due consideration to all communications received in writing with reference thereto; and

WHEREAS, the City Council desires to express its approval of said Project Plan;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, approves the Lansing Shuffleboard and Social Club LLC Project Plan submitted by the LEDC after determining the following:

- a. The Project Plan meets the requirements set forth in Section 8 of the Act.
- b. The persons who will be active in the management of the Project for not less than one year after the approval of the Project Plan have sufficient ability and experience to manage the plan properly.
- c. The proposed method of financing the Project is feasible and the LEDC has the ability to arrange the financing of a not to exceed loan in the amount of \$65,000.00 to obtain operational licenses necessary to open a proposed food hall concept and event space at the property.
- d. The Project is reasonable and necessary to carry out the purpose of the Act.

BE IT FURTHER RESOLVED that the LEDC is hereby authorized to proceed with the Project and the financing thereof.

BE IT FINALLY RESOLVED that the City Clerk is hereby requested to provide three certified copies of this resolution to the LEDC.

Transmittal Letter

**Entity:**

Veritas Vineyard LLC
dba. Grand River Brewery
117 W. Louis Glick Hwy.
Jackson, MI 49201
(517) 962-2427
www.grandriverbrewery.com

Contact Person:

John Burtka
President and Founder
e. Jburtka@hotmail.com
c. (517) 937-4272
117 W. Louis Glick Hwy.
Jackson, MI 49201

Officers and Partners:

Justin Dalenberg
Partner, Veritas Vineyard
e. chefjrvp@gmail.com
c. (810) 434-2798

Ari Sussman
Master Distiller / Strategic Partner
e. ari.sussman@gmail.com
c. (734) 358-2509

Key Players:

Carly Bower
Hospitality Director, Grand River Brewery
e. carly@growrestaurantconsulting.com
c. (734) 678-8963

Wyatt Andrews
Brewmaster, Grand River Brewery
e. dncolt@gmail.com
c. (248) 568-2760

Jeff O'Harrow
Corporate Chef, Grand River Brewery
e. joharrow1980@gmail.com
c. (517) 817-8344

B. Project Understanding and Approach to the Project

a.

The Lansing City Market Property – consisting of the Market building, outdoor patios and adjacent waterfront – is the natural centerpiece of Lansing's Entertainment District. The location has unparalleled potential as a vibrant, dynamic meeting ground for community members and groups with a wide range of interests and commonalities. At Grand River Brewery & Stillhouse we believe that quality food and drink, accompanied by high level, professional hospitality creates the right environment for people to come together in meaningful ways. In fact, at Grand River Brewery & Stillhouse, bringing people together is at the reason for everything we do. We believe that the Lansing City Market, rebranded as Grand River Brewery & Stillhouse will become a destination that will both fortify Lansing's already growing Riverfront District and serve as a driver to bring more people to the District, in general.

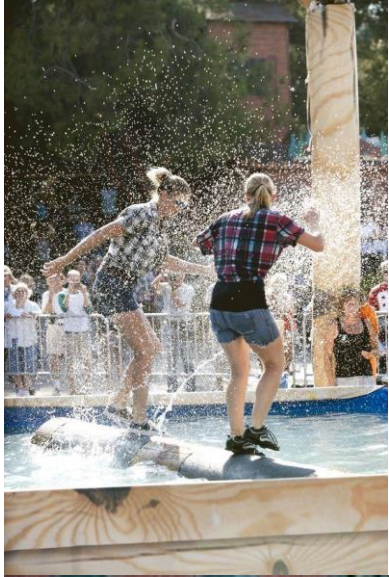
b.

DESIGN: The design will be a modern industrial decor with a tasteful steampunk vibe. The working assets of the business such as the stills and brewing equipment will serve both as functional and artistic elements to the space. The color scheme and artwork will be consistent with the Grand River Brewery Brand. The lighting and overall space will be clean and well lit. Also, because great design adds value in both form and function, our design strategy (see floor plan) includes several unique spaces for meetings, classes, showing art, having a private meal, celebrations *ad infinitum*. In our design, the space is adaptable to serve the needs of the community in many innovative ways.



PROGRAM: The business will be broken up into 3 elements, Restaurant/Entertainment, Manufacturing of craft beverage products, and Events/Education. We will highlight our work with local farmers and producers in the restaurant, brewery, and distillery. We will do contract distilling from this facility. We will highlight industry leaders in our educational seminars and classes. Our events will public forums (think: Issues & Ale, political debates), weddings, regular music series (both indoor and outdoor), social celebratory events, political gatherings, and corporate functions.

Our programming philosophy is simple: create compelling reasons for people to come to the waterfront any time on any day. The highest and best use of the property involves creating many reasons for people to visit. Whether to canoe, dance to live music, enjoy a seasonal chef's dinner, screen a movie in the conference room, make a barrel of whiskey with friends in the distillery, do yoga on the river, participate in an outdoor curling league, or just to drink beer with friends, the waterfront will become a natural place to congregate. We believe that along with great food and service, robust and well-executed programming is the best way of reaching our goal of bringing people together on the waterfront.



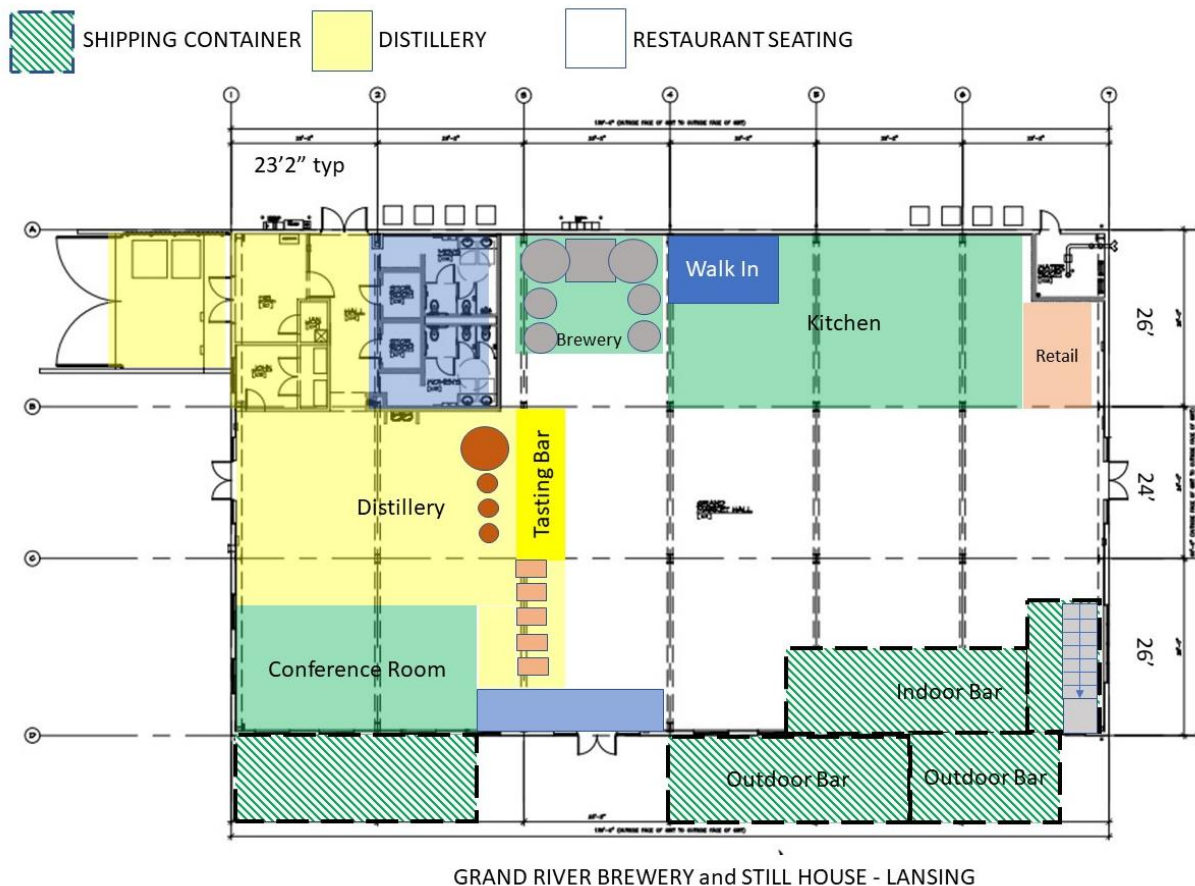


OPERATIONS: The restaurant will be operated by Partner and Hospitality Director Chef Justin Dalenberg. The Distillery will be operated by Partner and Distiller Ari Sussman. The Brewery will be managed and operated by Brewmaster Wyatt Andrews. A seasoned, local Program Director (yet to be hired) will plan and manage events and report directly to the Partners. Grand River Brewing & Stillhouse maintains in house design, accounting and legal teams.

PUBLIC BENEFITS: Grand River Brewery & Stillhouse will act as custodian and curator of this unique space in Lansing's Riverfront District. The location will serve as a meeting place, a cultural center that welcomes all, and an entertainment venue that will be a unifying catalyst for the area's existing entertainment businesses. We will create over 50 full time careers – including health benefits, 401k, and other benefits. Based on our experience, we are planning to generate 245,000 unique visitors a year and over \$4 million dollars a year in annual revenue. Grand River Brewery & Stillhouse will also serve as a venue for local artists, designers and musicians. Through our consulting company and distillery we will also offer incubation opportunities to up-and-coming industry hopefuls.

c.

Floorplan:



Central to our proposal is an explanation of how the design promotes not only our aesthetic sense, but to promote our overall goal of bringing people together. Whether it's a family going out to dinner in our dining room, a group of 20-30 on our rooftop indoor-outdoor mezzanine, a group of 25-100 people in the indoor-outdoor conference room, a group of 10-15 for a private distilling course or 200-400 people for a concert outside, our design will accommodate groups of all shapes and sizes.

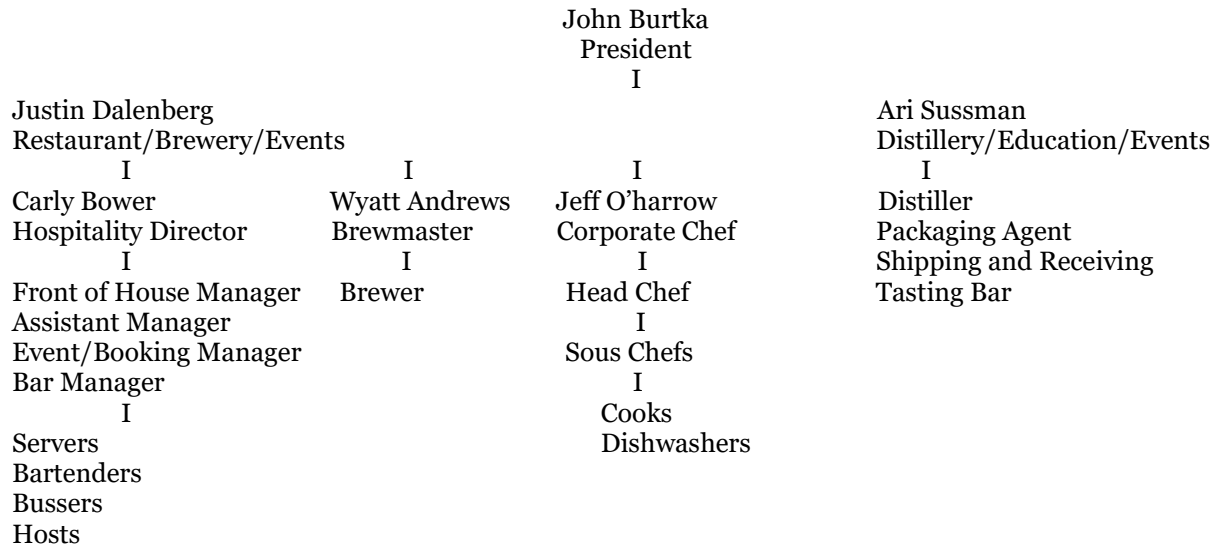
Our floorplan maximizes customer interaction with the waterfront while sequestering kitchen, distilling and storage along the outer edge of the building. Furthermore, the flow of inputs and outputs for our manufacturing operations have been carefully thought out to maximize ease of use.

E. Financial Approach

Our business plan is built as an amalgamation of projects we have personally completed, not conjecture. Our business case and corporate history lend itself to standard conventional financing with institutions we already do business with. Even-though our core business should require no special government subsidies beyond standard PA-198 and OPRA programs, we look forward to cooperating with local government to facilitate many activities on the riverfront. We will be forming an Opportunity Zone Fund and have several people verbally committed to funding the project.

d.

ORGANIZATIONAL STRUCTURE:



C. Project Leadership and Team Partners

John Burtka

The 2016 Jackson Small Business Person of the Year got his start in the Automotive Industry. After undergraduate studies at Northern Michigan University, he attended grad school in Business Administration at Bowling Green State and post graduate seminars at University of Michigan and Insead. In his career he has worked in R&D, Sales, Marketing, and Global Operations. Noted as a turn-around specialist, John expertise includes Lean Manufacturing, Lean Healthcare, and a Six Sigma Black Belt. After a prolific career in manufacturing he turned his attention to the Food & Beverage Industry. He has founded two wineries, a distillery and two breweries. As a winemaker, he has had wines served by the President & First Lady on three different occasions. John's teams have led a renaissance in the Jackson's Downtown and have helped revitalize the city core. His latest projects include building Jackson's first market rate housing in 35 years and renovating a closed iconic fine dining restaurant.



Justin Dalenberg

Justin brings 20 years of industry experience to the table with a wide range of disciplines. While Justin spent most of his career in the kitchens of some of the country's top restaurants and hotels, he has also developed a skill in cultural leadership development and financial planning systems management. Justin was formally educated at the St. Clair Hospitality Academy and Johnson and Wales University in Providence, Rhode Island. With a passion for great food and service, Justin loves to work with company culture and business logistics, from menu development to business planning. Justin is able to help you with your Food and Beverage goals. Justin started his career learning the ins and outs of how to run a commercial kitchen and front of the house expertly, however, he spent the last years of his career learning how to run a business from Zingerman's Community of Businesses and Amway Hotel Corporation to round out his experience. While at Zingerman's just learned the value of open book finance and now teaches it to our clients, this is an extremely powerful and game changing business tool.



When Justin is not helping businesses GROW, he enjoys spending time with Roberta, their three children, Corbyn 10, Juliana 7, Lucca 3, and their two dogs, Puppy the Dachshund and Ginger the Labradoodle. Justin is also an avid outdoorsman, a farmer, and a novice musician.

Ari Sussman

A former resident of Lansing, Ari attended Michigan State University before training as a wine and brandy maker in Langeudoc, France. Upon returning to Michigan, Ari managed and developed several award-

winning beverage hospitality programs in Ann Arbor. In 2011, Ari was hired to manage and operate the public-private partnership Red Cedar Spirits, a collaboration between MSU and Uncle John's, that housed the newly-founded Artisan Distilling Program. At Red Cedar Spirits, Ari was responsible for teaching MSU undergraduate and graduate students, managing safety and compliance within the distillery, creating and managing an onsite tasting/cocktail program and planning educational seminars. As the first production scale laboratory affiliated with a major research university in the US, Red Cedar Spirits was widely regarded as one of the most innovative distilleries in the US. In 2015, Ari founded Ann Arbor Distilling Company (A2DC), an award-winning craft distillery, tasting room and events venue. Ari now manages strategic growth and manufacturing for multiple national-distributed premium brands, representing over \$15M in investment. When not making spirits or teaching distilling courses around the country, Ari is at home with his wife, two children and dog. He helps organize the Ann Arbor Blues Festival and is active in his community.



Support Team

Carly Bower

Carly began consulting with G.R.O.W. in early 2017 after running the bar program at Zingerman's Roadhouse in Ann Arbor, MI for several years. Her expertise lies in creating a dynamic front-of-house experience and curating world-class beverage programs.

Carly started her professional career in secondary education and has never stopped learning! A Certified Sommelier, she loves working in the restaurant industry and has been able to combine her appreciation for great food and drink with her dedication to service and passion for training. Carly lives in Ypsilanti with her husband Paul and their two energetic young sons. She enjoys wine tasting, mini golf, bad movies and rowing down the Huron river. When she is not entertaining friends and family at home, she can usually be found checking out a new restaurant.



Wyatt Andrews



Born February 23 1991 Mission Viejo California, my parents moved back to the great state of Michigan when I was just a toddler. I grew up in Metro Detroit and went to college at Northern Michigan University. After graduating with a Bachelors in Creative Writing and a minor in Outdoor Recreation/Leadership Management, I discovered my true passion inside a hand crafted Ryan Dalman mug. Nestled in Marquette's Third St. district was a funny looking, orange and yellow Victorian style house, that is Blackrocks Brewery. After becoming a regular at the brewpub, I discovered the inspiration to brew my own. From this, Rusty Spudz was born, a small, nonprofit, homebrew venture. After a couple of years tweaking recipes, supplying grad parties and throwing all night college "keggers", it was time to move on. More than anything I lusted to "go pro" and would stop at nothing until I entered craft brew Valhalla. My "big break"

came at the end of a long road trip handing out resumes to every brewery I could find. After about 20 breweries I ended at Dark Horse Brewing Company, met Bryan Wiggs and was hired in less than a month at entry level. I like to refer to my 2 years at The Horse as brewery boot camp. Starting at the lowest level of stacking cases, getting trained on every position of packaging and learning the overall flow and trade of the industry. By the time I left in late 2015 I was Head Cellarman, with a plethora of experience and a hunger to leave my own mark in such a competitive beer State. I started as Assistant Brewer at Grand River Brewery in December 2016. Apprenticing under Dave Scott, my scope of the industry and responsibilities expanded rapidly. In the next two years I saw another Head Brewer come and go, and finally got my chance at the elusive dream that I'd been chancing. Now into my third year at Grand River Brewery there has never been a more exciting and fulfilling time of my life than wearing the title Head Brewer and working with Owners John Burtka and Justin Dalenberg.

OFFER

Based on comparables and the replacement cost of the building only, Veritas Vineyard LLC would like to offer \$350,000 for the purchase of the marketplace. In addition to bringing an estimated 50+ jobs to Lansing, we also assume all the maintenance costs for the facility which will save the City a significant amount of money in future years.

We would also like to secure a 40-year lease on the building grounds and parking for the sum of \$100 per year.

A development agreement could be created to address the details like Available Parking Strategies, Sign usage, Building Sign Variances (if needed), and Right of First Refusal for the City if the improved building is sold.

We would also commit to opening an outdoor Food Truck & Bar area to operate ASAP, while we are undergoing construction and building improvements.

Please send any questions or concerns to jburtka@hotmail.com or call me at 517-937-4272



Valbridge
PROPERTY ADVISORS

Appraisal Report

Lansing City Market
425 City Market Drive
Lansing, Ingham County, Michigan 48912

Report Date: September 27, 2018



FOR:

City of Lansing
Mr. Chad Gamble, P.E., Parking Manager
219 North Grand Avenue
Lansing, Michigan 48933

**Valbridge Property Advisors |
The Oetzel-Hartman Group**

2127 University Park Drive, Suite 390
Okemos, Michigan 48864

517-336-0001 phone
517-336-0009 fax

valbridge.com

Valbridge File Number:
MI01-18-0131



1420 Washington Blvd.
Detroit, MI 48226
313-986-3313

2127 University Park Drive
Suite 390
Okemos, MI 48864
517-336-0001
valbridge.com

September 27, 2018

Mr. Chad Gamble, P.E., Parking Manager
City of Lansing
219 North Grand Avenue
Lansing, Michigan 48933

Re: Appraisal Report
Lansing City Market, 425 City Market Drive, Lansing, Ingham County, Michigan 48912

Dear Mr. Gamble:

In accordance with your request, I have performed an appraisal of the above referenced property. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The client in this assignment is City of Lansing and the intended user of this report is City of Lansing and no others. The intended use is for internal decision-making purposes and no other use. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

The subject property, as referenced above, is located on the northwest side of City Market Drive, between Grand River and North Cedar Street and is further identified as part of Assessor's Parcel Number (APN) 33-01-01-16-253-002. The parcel currently totals 3.736 acres or 162,740 square feet, but there is a proposed parcel split in progress which will reduce the parcel size to approximately 0.71 acres or 30,988 square feet. The site is improved with a one-story, retail building totaling 11,120 gross square feet commonly known as Lansing City Market. The improvements consist of one building which was constructed in 2009. It has been well-maintained over the years and the overall condition is deemed good.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of my client as I understand them.

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, if any, which might have affected the assignment results:

Extraordinary Assumptions:

- A site survey reflecting the land size after the proposed parcel split was requested but not provided. At the time of the property walk-through, the appraiser was provided a site plan with hand-drawn boundaries delineating the new subject parcel after the proposed parcel split. The hand-drawn boundaries were used to measure the subject's new land size. This analysis is under the extraordinary assumption that the new site size (after the parcel split) estimated herein is reasonably accurate
- The subject property does not have adequate on-site parking. It currently relies on an easement with the property to the north for additional parking. It also depends on parking from a neighboring municipal lot. This analysis is subject to the extraordinary assumption that access to the existing off-site parking easements and arrangements will remain available.
- The property is currently zoned "A" Residential District. I have assumed that the property would be rezoned to allow for commercial use.

Hypothetical Conditions:

- None

Based on the analysis contained in the following report, my value conclusions are summarized as follows:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	July 13, 2018
Value Conclusion	\$720,000
	\$64.75 psf

This letter of transmittal is not considered valid if separated from this report and must be accompanied by all sections of this report, as outlined in the table of contents, in order for the value opinions set forth above to be valid.

Respectfully submitted,

VALBRIDGE PROPERTY ADVISORS | THE OETZEL – HARTMAN GROUP



James T. Hartman, MAI, SGA, AI-GRS
Certified General Real Estate Appraiser
State of Michigan, License # 1201005950
jhartman@valbridge.com

JTH:JEP/paw
File #MI01-18-0131

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Summary of Salient Facts

Property Identification

Property Name	Lansing City Market
Property Address	425 City Market Drive Lansing, Ingham County, Michigan 48912
Latitude & Longitude	42.735809, -84.547852
Part of Tax Parcel Number	33-01-01-16-253-002
Property Owner	City of Lansing

Site

Zoning	Residential District (A)
FEMA Flood Map No.	26065C0131D
Flood Zone	AE
Primary Land Area (After Split)	0.711 acres

Existing Improvements

Property Use	Retail
Investment Class	C
Occupancy Type	Tenant-occupied
Gross Building Area (GBA)	11,120 sf
Net Rentable Area (NRA)	11,120 sf
Number of Buildings	1
Number of Stories	1
Year Built	2009
Condition	Good
Construction Class	S - Steel Frame
Construction Quality	Average
Surface Parking	14 spaces

Valuation Opinions

Highest & Best Use - As Vacant	Commercial development
Highest & Best Use - As Improved	Continuation of existing retail use
Reasonable Exposure Time	6 to 12 months
Reasonable Marketing Time	6 to 12 months

Value Indications

Approach to Value	As Is
Cost	Not Developed
Sales Comparison	\$720,000
Income Capitalization	
Direct Capitalization	\$720,000

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	July 13, 2018
Value Conclusion	\$720,000
	\$64.75 psf

My findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

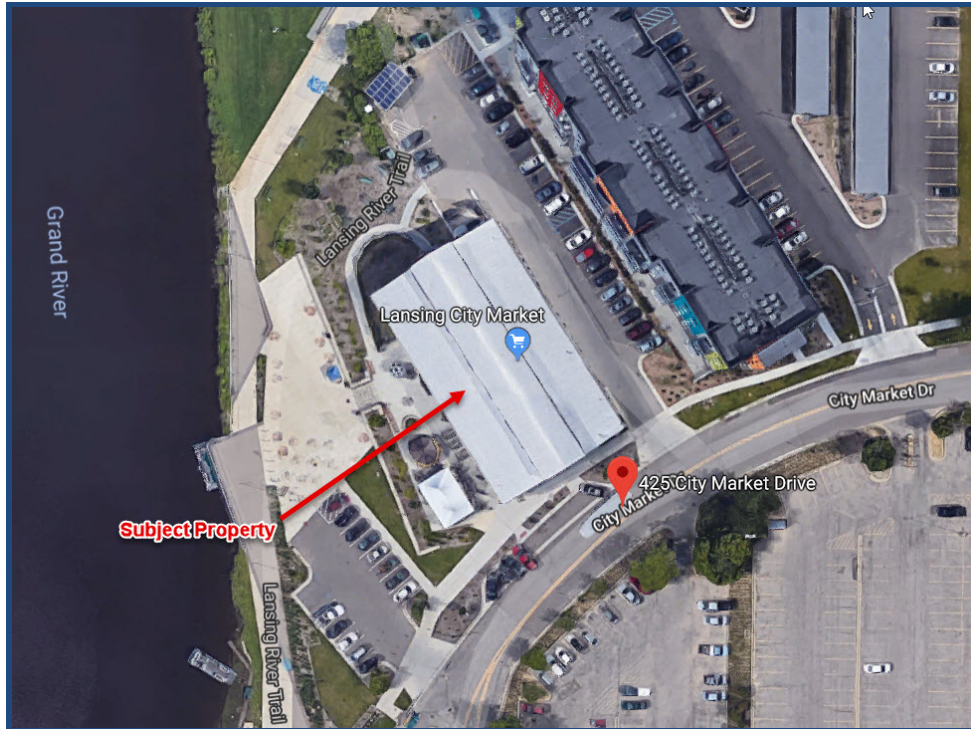
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- The subject property does not have adequate on-site parking. It currently relies on an easement with the property to the north for additional parking. It also depends on parking from a neighboring municipal lot. This analysis is subject to the extraordinary assumption that access to the existing off-site parking easements and arrangements will remain available.
- The property is currently zoned "A" Residential District. I have assumed that the property would be rezoned to allow for commercial use.

Hypothetical Conditions:

- None

Aerial and Front Views

AERIAL VIEW

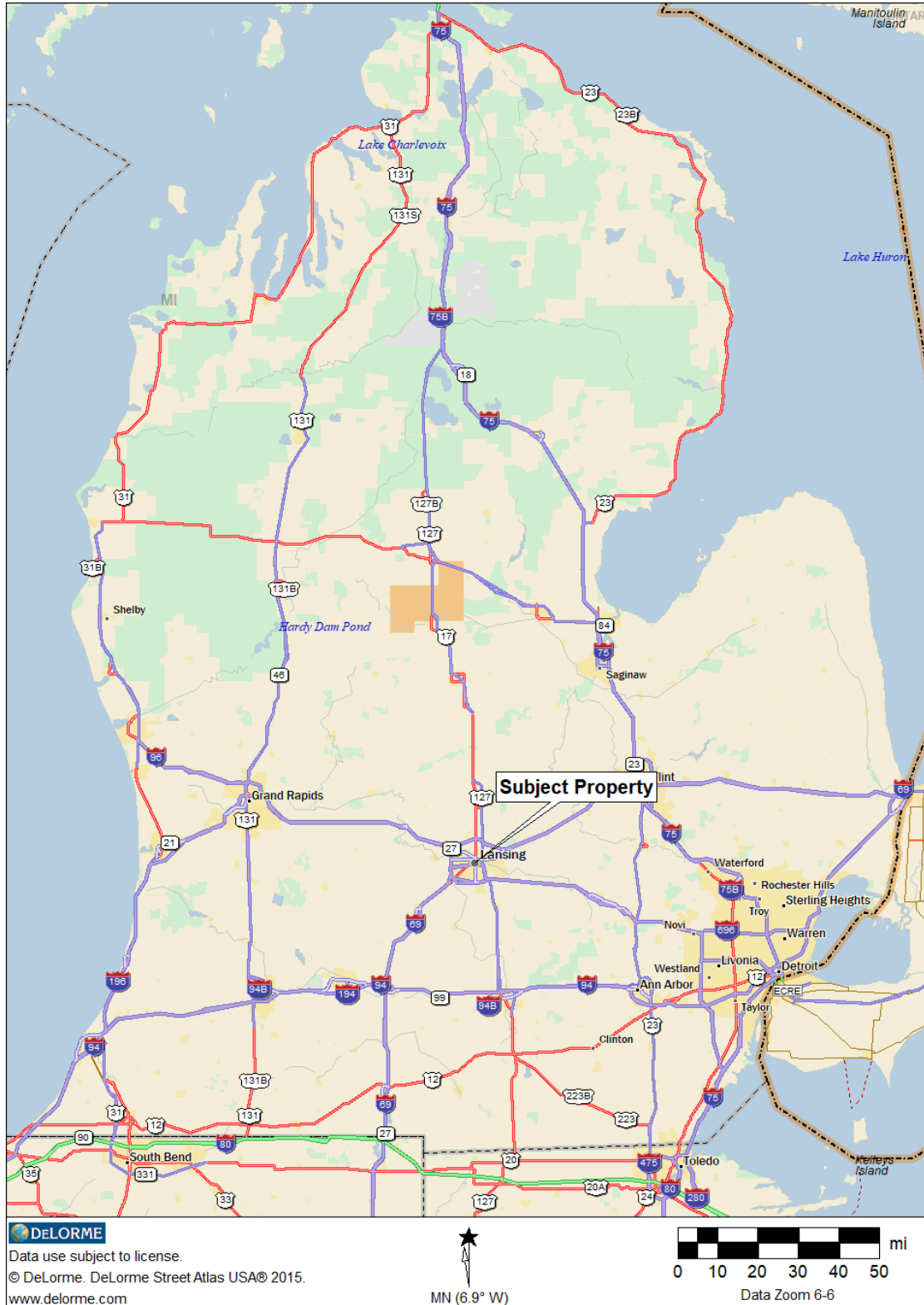


FRONT VIEW



Location Map

STATE OF MICHIGAN L.P. AREA LOCATION MAP



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is City of Lansing and the intended user of this report is City of Lansing and no others. Under no circumstances, shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report: (i) the borrower(s) on any loans or financing relating to or secured by the subject property, (ii) any guarantor(s) of such loans or financing, or (iii) principals, shareholders, investors, members or partners in such borrower(s) or guarantor(s).

Intended Use of the Appraisal

The intended use of this report is for internal decision-making purposes and no other use.

Real Estate Identification

The subject property is located at 425 City Market Drive, Lansing, Ingham County, Michigan 48912. The subject property is further identified as part of Assessor Parcel Number 33-01-01-16-253-002. The site is improved with a one-story, retail building totaling 11,120 gross square feet commonly known as Lansing City Market. The improvements consist of one building which was constructed in 2009. It has been well-maintained over the years and the overall condition is deemed good.

Legal Description (Prior to Parcel Split)

COM 360 FT W OF NE COR LOT 1, TH S 00DEG 05MIN 21SCD W 323 FT, S 32DEG 43MIN 09SCD E 212.85 FT, SE'LY ON 451.57 FT RAD CURVE TO RT CHORD BEARING S 25DEG 08MIN 02SCD W 480.55 FT, S 07DEG 00MIN 46SCD E 12.59 FT, N 24DEG 26MIN 12SCD W 37.25 FT, N 89DEG 58MIN 20SCD W 140.91 FT TO GRAND RIVER, N'LY ALONG RIVER TO S R/W LINE OF SHIAWASSEE ST, S 89DEG 58MIN 20SCD E 167.38 FT TO BEG; BLOCK 245 ORIG PLAT

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject was a retail property.

Use of Real Estate as Reflected in this Appraisal

Same as above.

Ownership of the Property

According to Assessment Records, title to the subject property is vested in City of Lansing.

History of the Property

Ownership of the subject property has not changed within the past three years. When appropriate, I have considered and analyzed the known history of the subject in the development of my opinions and conclusions.

Listings/Offers/Contracts

The subject is not currently listed for sale or under contract for sale.

Type and Definition of Value

The appraisal problem (the term "Purpose of Appraisal" has been retired from appraisal terminology) is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus." Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*¹

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date(s) of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenario, Property Rights Appraised, and Effective Date of Value

Per the scope of my assignment I developed an opinion of value for the subject property under the following scenario of value:

Valuation Scenario	Effective Date of Value
As Is Market Value of the Fee Simple Interest	July 13, 2018

I completed an appraisal inspection of the subject property on July 13, 2018.

Date of Report

The date of this report is September 27, 2018, which is the same as the date of the letter of transmittal.

List of Items Requested but Not Provided

- A site survey reflecting the land size after the proposed parcel split was requested but not provided.

¹ Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions

Assumptions and Conditions of the Appraisal

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are subject to the General Assumptions and Limiting Conditions contained in the report. The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, if any, which might have affected the assignment results:

Extraordinary Assumptions

- A site survey reflecting the land size after the proposed parcel split was requested but not provided. At the time of the property walk-through, the appraiser was provided a site plan with hand-drawn boundaries delineating the new subject parcel after the proposed parcel split. The hand-drawn boundaries were used to measure the subject's new land size. This analysis is under the extraordinary assumption that the new site size (after the parcel split) estimated herein is reasonably accurate
- The subject property does not have adequate on-site parking. It currently relies on an easement with the property to the north for additional parking. It also depends on parking from a neighboring municipal lot. This analysis is subject to the extraordinary assumption that access to the existing off-site parking easements and arrangements will remain available.
- The property is currently zoned "A" Residential District. I have assumed that the property would be rezoned to allow for commercial use.

Hypothetical Conditions

- None

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via address provided as part of the appraisal request, site plan contained herein, and assessing records.
- Economic Characteristics - Economic characteristics of the subject property were identified via the rent roll, leases, operating statements, market participant surveys, my company database, third party sources, as well as a comparison to properties with similar locational and physical characteristics.
- Physical Characteristics - The subject was physically identified via an appraisal inspection that consisted of interior and exterior observations.

Extent to Which the Property Was Inspected

The subject property was inspected on July 13, 2018. The improvements were not measured during the course of the inspection.

Type and Extent of Data Researched

I researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. I also interviewed people familiar with the subject market/property type.

Type and Extent of Analysis Applied (Valuation Methodology)

I observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. I then valued the subject based on that highest and best use conclusion.

Appraisers develop an opinion of property value with specific appraisal procedures that reflect three distinct methods of data analysis: the cost approach, sales comparison approach, and income capitalization approach. One or more of these approaches are used in all estimations of value.

- Cost Approach - In the cost approach, the value indication reflects the sum of current depreciated replacement or reproduction cost, land value, and an appropriate entrepreneurial incentive or profit.
- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between the subject and the comparables.

- Income Capitalization Approach - In the income capitalization approach, value is indicated by the capitalization of anticipated future income. There are two types of capitalization: direct capitalization and yield capitalization, more commonly known as discounted cash flow (DCF) analysis.
- Approaches Applied - All of these approaches to value were considered. I assessed the availability of data and applicability of each approach to value within the context of the characteristics of the subject property and the needs and requirements of the client. Based on this assessment the Sales Comparison and Income Capitalization Approaches were developed. The Cost Approach was not used because market participants rarely employ the Cost Approach in their buy/sell decision making processes for properties like the subject. Further discussion of the extent of my analysis and the methodology of each approach is provided later in the respective valuation sections.

Appraisal Conformity and Report Type

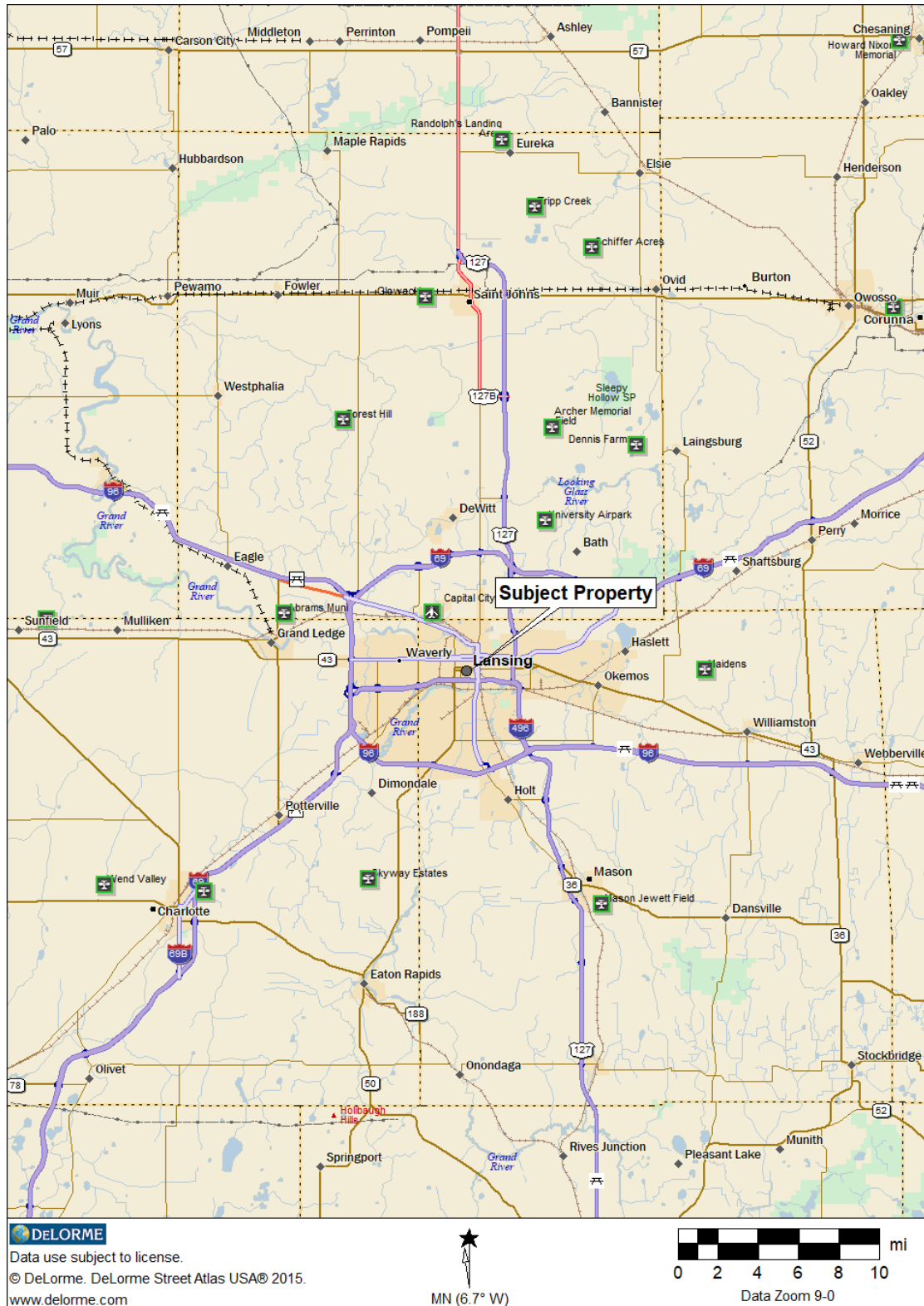
I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); and the requirements of my client as I understand them. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL AREA LOCATION MAP



Region and Area Data

Any valuation of real property involves an analysis of the historic and forecasted economic conditions in which the property is located. The following is a discussion of the location and transportation characteristics, demographic and economic conditions, and development trends for the Greater Lansing Area.

Definition & Location

The subject property is located in the Lansing-East Lansing Metropolitan Statistical Area (MSA), whose urban core is the Lansing urbanized area, and component counties are Clinton, Eaton and Ingham. The cities of Lansing, East Lansing, Charlotte, Grand Ledge, Mason, Dewitt and St. Johns, and Townships of Bath, Delhi, Delta, DeWitt, Meridian, and Williamston are the most populated areas within the Lansing-East Lansing MSA.

The Lansing-East Lansing MSA is centrally located in the southern portion of Michigan's Lower Peninsula, placing it within 90 minutes of 90 percent of Michigan's population, and within a four hour driving time of the following urban centers:

Chicago	217 miles Southwest	Grand Rapids	69 miles West
Cleveland	236 miles Southeast	Indianapolis	255 miles South
Columbus	260 miles Southeast	Toronto	330 miles East
Detroit	96 miles Southeast		

Population

The table below provides the population for the Lansing-East Lansing MSA, and component counties of Clinton, Eaton, and Ingham.

POPULATION										
Year	Clinton County		Eaton County		Ingham County		Lansing MSA		State of Michigan	
	Number	Change	Number	Change	Number	Change	Number	Change	Number	Change
2000	64,753		103,655		279,320		447,728		9,938,444	
2010	75,382	1.64%	107,759	0.40%	280,895	0.06%	464,036	0.36%	9,883,640	-0.06%
2017	79,202	2.53%	110,013	1.05%	288,724	1.39%	477,939	1.50%	10,024,786	0.71%
2022	82,896	0.93%	111,857	0.34%	295,766	0.49%	489,519	0.48%	10,131,034	0.21%

Source: STDBonline.com

Income

The table below provides historical and forecasted average household income data for the Lansing-East Lansing MSA, and component counties of Clinton, Eaton, and Ingham.

AVERAGE HOUSEHOLD INCOME						
Municipality	2000 Census	2010 Census	2017 Estimate	2022 Forecast	Annual Change	
					2000 to 2017	2017 2022
State of Michigan	\$57,400	n/a	\$71,379	\$80,599	1.4%	2.6%
Lansing Area MSA	\$55,361	n/a	\$69,186	\$78,119	1.5%	2.6%
Clinton County	\$62,287	n/a	\$75,943	\$85,754	1.3%	2.6%
Eaton County	\$57,189	n/a	\$70,406	\$80,173	1.4%	2.8%
Ingham County	\$53,170	n/a	\$66,934	\$75,305	1.5%	2.5%

Source: STDBonline.com

The average household income for all of the above geographies are expected to increase at a faster rate of growth than past historical rates experienced during the preceding decade.

Employment Economic Base Analysis

Lansing became the capital of the State of Michigan by an act of the legislature in 1847. Michigan State University, located in East Lansing, was founded in 1855 and was the first land grant college in the nation. In the first part of the century, Lansing pioneered the REO cars, Durant, Fisher Body, Oldsmobile, and Motor Wheel. These plants have become part of the General Motors Industrial Complex that today places Lansing as a leading city in the automotive manufacturing industry.

Employment

Michigan's employment peaked in June of 2000 and experienced a continuous declining trend throughout the past decade. The following table summarizes the job losses/gains in total employment and manufacturing employment over the 17½ +/- year period from June 2000 through 2017.

STATE OF MICHIGAN EMPLOYMENT				
Year	Total Non-Farm Employment	Annual Job Loss/Gain	Manufacturing Employment	Annual Mfg. Job Loss/Gain
Jun-00	4,744,900		911,200	
2000	4,676,400	(68,500)	896,699	(14,501)
2001	4,563,700	(112,700)	821,200	(75,499)
2002	4,486,900	(76,800)	761,400	(59,800)
2003	4,415,900	(71,000)	717,500	(43,900)
2004	4,399,000	(16,900)	698,300	(19,200)
2005	4,389,700	(9,300)	677,500	(20,800)
2006	4,326,500	(63,200)	648,200	(29,300)
2007	4,267,800	(58,700)	617,300	(30,900)
2008	4,162,100	(105,700)	562,700	(54,600)
2009	3,870,500	(291,600)	454,900	(107,800)
2010	3,863,300	(7,200)	466,000	11,100
2011	3,952,100	88,800	501,400	35,400
2012	4,033,700	81,600	529,200	27,800
2013	4,109,700	76,000	548,400	19,200
2014	4,182,000	72,300	574,200	25,800
2015	4,243,500	61,500	590,900	16,700
2016	4,319,100	75,600	604,500	13,600
2017	4,371,300	52,200	614,700	10,200
Total Job Loss		(373,600)		(296,500)
% Decline over 17 1/2 +/- years		(7.9%)		(32.5%)

Source: Michigan Labor Market Info ~ www.milmi.org

Unless noted, employment numbers are annualized

Peak employment levels within the state occurred in June of 2000 at 4,744,900 total non-farm jobs. Through 2009 a combined 881,600 jobs were lost, an 18.6% decline. Job losses have been particularly focused in the manufacturing sector. In June 2000 the manufacturing sector employed 911,200 persons, which declined through 2009 to 454,900, for a combined loss of 456,300 manufacturing jobs or a 50.1% decline. However, manufacturing in the state began to stabilize during 2010, finishing the year with a net gain of 11,100 jobs.

Based on the 2017 year-end employment levels, the continuing recovery in manufacturing has helped to turn overall non-farm employment in the State. Over the last 5 years the State has added 337,600 jobs. According to Robert Dye, Chief Economist at Comerica Bank, *Overall manufacturing conditions remain positive in Michigan. Non-auto related manufacturing is expected to show ongoing gains in 2018, supported by strong domestic and international economic conditions. NAFTA renegotiation is a wild card for the state in 2018. We expect to see some further moderation in auto sales through 2018. Auto and light truck assemblies have increased in recent months in response to the late 2017 surge in sales, but we expect production to ease as sales moderate this year. Michigan's unemployment rate reached a low of 3.7 percent last July. After five straight monthly increases, it regained a full percentage point, registering 4.7 percent in December.*

Employers

The top 10 employers in the Greater Lansing area are listed in the following table. The list was obtained from the Lansing Economic Area Partnership.

Top Employers		
Name of Company	Industry Cluster	Number of Employees
STATE OF MICHIGAN	Government	14,390
MICHIGAN STATE UNIVERSITY	Education	12,781
SPARROW HEALTH SYSTEM	Healthcare	7,600
GENERAL MOTORS	Manufacturing	4,549
AUTO-OWNERS INSURANCE GROUP	Insurance	3,700
LANSING COMMUNITY COLLEGE	Education	3,144
MCLAREN HEALTH	Healthcare	3,000
PECKHAM	Manufacturing	2,510
JACKSON NATIONAL LIFE INS CO	Insurance	2,400
DART CONTAINER CORP	Manufacturing	2,000

The top 25 private industry employers in the Greater Lansing area are listed in the following table. The list was obtained from the Lansing Economic Area Partnership.

Top Private Industry Employers		
Name of Company	Industry Cluster	Number of Employees
GENERAL MOTORS	Automotive	4,549
AUTO-OWNERS INSURANCE GROUP	Insurance	3,700
PECKHAM INC	Apparel	2,510
JACKSON NATIONAL LIFE INS CO	Insurance	2,400
DART CONTAINER CORP	Foodservice Packaging	2,000
MEIJER DISTRIBUTION CTR	Logistics	1,500
DEAN TRANSPORTATION INC	Transportation Equipment	800
DELTA DENTAL	Insurance	800
MSUFCU	Financial Services	800
QUALITY DAIRY	Food Processing	730
SPARTAN MOTORS CHASSIS INC	Automotive	730
DAKKOTA INTEGRATED SYSTEMS	Automotive	670
MULTI-PACKAGING SOLUTIONS	Logistics	600
NEOGEN CORP	Biotech	550
BRIDGEWATER INTERIORS	Automotive	500
ORCHID ORTHOPEDIC SOLUTIONS	Medical Device	500
PRATT & WHITNEY	Aerospace	500
PNC BANK	Financial Services	500
GESTAMP	Automotive	489
ACCIDENT FUND INSURANCE CO	Insurance	445
TECOMET	Aerospace; Medical Device	430
AIR WAY MANUFACTURING	Industrial Equipment	410
MAHLE ENGINE COMPONENTS USA	Automotive	365
MERIDIAN LIGHTWEIGHT TECHNOLOGIES INC	Automotive	360
EMERGENT BIODEFENSE OPERATIONS	Biotech; Defense	310

The presence of the State Government and Michigan State University provides the greater Lansing area with an economic diversification unlike any other Michigan community of similar size. The State of Michigan employs 14,390 people in the Greater Lansing area. For a number of years, the State has been consolidating its offices in Lansing. The State of Michigan is a high wage employer that has a high degree of stability.

Michigan State University reported a fall 2017 enrollment of 50,019 students, an increase of 8,901 students since the fall of 2000 (www.reg.msu.edu). Michigan State University is another stable high-wage employer that brings young and educated consumers to the area. Sparrow Health Systems, a local hospital operator, is the third largest employer replacing GM which had been the area's third major employer for a number of years.

HISTORICAL ENROLLMENT			
	Students Enrolled	Average Annual Student Increase	Average Annual Percentage Increase
2017	50,019	(325)	-0.6%
2016	50,344	(199)	-0.4%
2015	50,543	458	0.9%
2014	50,085	785	1.6%
2013	49,300	394	0.8%
2012	48,906	3,733	8.3%
2011	45,173	196	0.4%
2010	44,977	445	1.0%
2005	42,751	327	0.8%
2000	41,118	656	1.7%

General Motors closed the GM Lansing Car Assembly Verlinden Avenue plant, Craft Center and Metal Center in 2006/2007. Upon the closing of these three plants, GM opened its new Lansing Delta Township Assembly Plant consisting of three buildings covering 3.4 million square feet, and representing an investment of more than \$1.1 billion dollars. The construction and start of production at this new Delta Township GM facility also spurred new construction and employment in the Delta Township area by suppliers positioning operations in support of the plant. GM has continued to expand in the area, as they are expanding the Delta Township Assembly plant, building a new logistics center at the Grand River Assembly plant.

Many small to medium sized companies are also a strong contributor in trade, distribution, office and medical activities within the Greater Lansing area. The geographic location of the City of Lansing, when combined with its excellent north/south and east/west expressway systems, places the Lansing market within 90-minutes of 90% of the state's population. This has undoubtedly influenced the area into developing as a retail, wholesale and distribution center. Lansing's proximity to the state government and Michigan State University has increased the attractiveness of the area as an office, research, and medical center.

Unemployment Rates

Lansing's employment is typically much better than the State average. This is primarily due to the presence of the State of Michigan and Michigan State University, which provides a large employment base that is not as susceptible to typical economic downturns. The unemployment rate for the Greater Lansing area has decreased since the end of the Great Recession, coinciding with the end of the national economic recession and on-going structural changes occurring in Michigan's automotive/manufacturing sectors. During much of the 1990s and 2000s, the annual average was typically 4%, fluctuating between 3% and 6% primarily due to temporary work adjustments at the General Motors Lansing Automotive Division.

The National Bureau of Economic Research ("NBER") determines the start and end dates of a recession. The NBER determined the most recent recession started in December 2007 and lasted until June 2009. The 2007 to 2009 recession is the longest in the post WWII period. When determining the end of a recession, the NBER committee is not concluding that economic conditions since June 2009 have been favorable or that the economy has returned to operating at normal capacity. Rather, the NBER committee only determines that the recession ended and a recovery began in that month. Prior to this most recent recession the United States had experienced an expansion that lasted 73 months, from November 2001 to December 2007. The previous expansion of the 1990's lasted 120 months. The 2001 – 2007 expansion saw unemployment rates generally increasing in the State of Michigan from 3.7% in 2000 to 7.1% in 2007. However, the financial crisis and ensuing 2007 to 2009 recession saw annual unemployment rates balloon to 13.4% in 2009, but have gradually improved to 4.6% annual unemployment rate in 2017.

The following table summarizes the unemployment rates for the United States, State of Michigan, Lansing-East Lansing MSA, and Counties of Ingham, Clinton, and Eaton for the years 2007 through 2017. Unemployment rates are year-end averages.

UNEMPLOYMENT RATES						
	United	State of	Lansing	Ingham	Eaton	Clinton
Year	States	Michigan	MSA	County	County	County
2007	4.6%	7.1%	5.7%	6.2%	5.3%	5.5%
2008	5.8%	8.3%	6.7%	6.9%	6.1%	5.8%
2009	9.3%	13.4%	10.6%	11.4%	10.4%	9.4%
2010	9.6%	12.6%	9.8%	10.3%	9.6%	8.4%
2011	8.9%	10.4%	8.3%	8.8%	8.0%	7.0%
2012	8.1%	9.1%	7.4%	7.9%	6.9%	6.1%
2013	7.4%	8.8%	7.2%	7.7%	6.7%	6.1%
2014	6.2%	7.3%	5.9%	6.2%	5.7%	5.0%
2015	5.3%	5.4%	4.3%	4.4%	4.2%	3.7%
2016	4.9%	4.9%	4.0%	4.1%	4.0%	3.6%
2017	4.4%	4.6%	4.2%	4.4%	4.2%	3.7%

Source: Michigan Bureau of Labor Department

The Lansing-East Lansing MSA's unemployment rate through the early 2000's generally was 1% to 2% below the national average, but starting in 2004 as various structural changes were occurring tended to be somewhat higher than the indicated national average. Beginning in 2011, the area has returned to its historic trend, with local unemployment rates lower than the national average. The MSA has also consistently been 1% to 2% below the State of Michigan average. While peak unemployment statewide occurred in January 2010 at 12.6%, peak unemployment levels for the Lansing MSA occurred earlier in July of 2009 at 10.6%. The most recent unemployment levels for 2017 are shown above, reflecting a decline in unemployment levels at the statewide with a slight increase at the local economy level.

The amount of job losses experienced within the State had a dramatic impact on all economic activity. The decline in market share by the Big Three and resulting reduction/restructuring that had occurred had a negative impact on the State's economy. However, post restructuring the Big Three have streamlined operations and seen strong sales over the past few years. With the structural changes which have taken place in the state of Michigan's economy, future commercial and residential development.

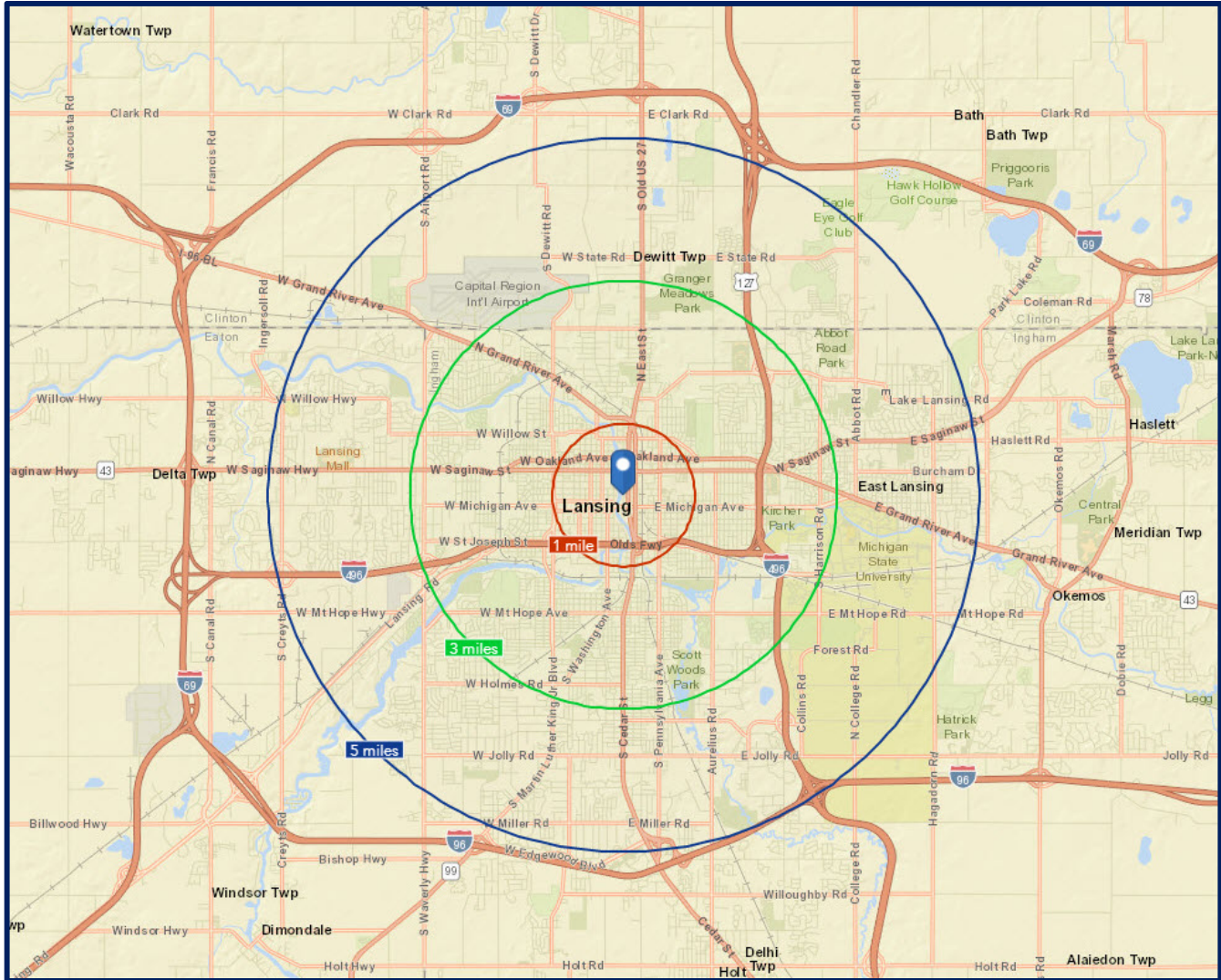
Summary

While the Lansing MSA population declined from 2000 to 2010, the current estimate shows moderate growth, with modest growth projected for the next few years. The employment characteristics for the Greater Lansing area are unlike any other Michigan Community. The presence of the State of Michigan governmental offices, Michigan State University, Sparrow and McLaren Greater Lansing Hospitals, and General Motors Corporation provide a diverse relatively stable employment base. The unemployment rate is cyclical, primarily due to the automotive industry; however, the large governmental service employment base tends to moderate the cyclical nature of the automotive industry. The labor base and unemployment rate is forecasted to remain relatively stable.

The office, industrial, and retail markets are showing improved occupancies and increased demand than has been experienced in the recent past. The Greater Lansing area has seen a gradual improvement in unemployment since manufacturing employment spurred the turn in 2010. The expectation is for some continued improvement during 2018. Demand and growth is forecasted to remain in a moderate state in the office, retail, and industrial markets.

City and Neighborhood Analysis

NEIGHBORHOOD AREA LOCATION MAP



Overview

The subject is located in the City of Lansing in Ingham County. According to the United States Census Bureau, the city has a total area of 36.68 miles; as of 2016, the city's population was 116,020. The City of Lansing is the capital of Michigan and the fifth largest city in the State of Michigan in terms of population, according to the 2010 census.

Neighborhood Location and Boundaries

The subject neighborhood is located in the central section of Lansing. The area is urban in nature. The neighborhood is bounded by Saginaw Street to the north, Pennsylvania Avenue to the east, I-496 to the south, and Martin Luther King, Jr. Blvd. to the west.

Demographics

The following table depicts the area demographics within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius	1 mile	3 miles	5 miles
Population Summary			
2000 Population	14,243	93,333	198,928
2010 Population	13,503	87,802	198,268
2018 Population	13,970	91,029	205,045
2023 Population Estimate	14,320	93,375	210,075
Annual % Change (2018 - 2023)	0.5%	0.5%	0.5%
Housing Unit Summary			
2000 Housing Units	7,433	42,472	83,803
% Owner Occupied	25.1%	52.2%	50.8%
% Renter Occupied	61.9%	40.1%	42.9%
2010 Housing Units	7,505	41,891	87,219
% Owner Occupied	21.8%	48.8%	46.2%
% Renter Occupied	62.1%	40.2%	44.6%
2018 Housing Units	7,870	43,554	90,387
% Owner Occupied	19.4%	46.3%	43.6%
% Renter Occupied	64.8%	42.8%	47.4%
2023 Housing Units	8,051	44,695	92,729
% Owner Occupied	19.8%	46.8%	44.0%
% Renter Occupied	65.0%	42.6%	47.1%
Annual % Change (2018 - 2023)	0.5%	0.5%	0.5%
Income Summary			
2018 Median Household Income	\$28,017	\$40,669	\$40,386
2023 Median Household Income Estimate	\$31,800	\$46,465	\$46,197
Annual % Change	2.6%	2.7%	2.7%
2018 Per Capita Income	\$20,282	\$23,860	\$23,216
2023 Per Capita Income Estimate	\$23,567	\$28,083	\$27,282
Annual % Change	3.0%	3.3%	3.3%

Source: Site-to-Do-Business (STDB Online)

Transportation Access

Within the immediate area of the subject property, transportation access helps define the character of its development. Major travel and commuter routes within the area of the subject property include Interstate 496, Michigan Avenue, Michigan Highway 43 (Saginaw Street) and Martin Luther King Jr. Boulevard, Cedar Street/Larch Street, and Pennsylvania Avenue. The subject property is located approximately one-half mile northeast east of the Greyhound & Capital Area Transit Authority (CATA) bus station and 3.5 miles southeast of the Capital Area International Airport. Access to the area is considered good.

Conclusions

Overall, the subject neighborhood is in the stability stage of its life cycle.

Site Description

Site Characteristics

Location:	The northwest side of City Market Drive, between Grand River and North Cedar Street
Gross Land Area (after split):	0.71 Acres or 30,988 SF
Usable Land Area (after split):	0.71 Acres or 30,988 SF
Usable Land %:	100.0%
Shape:	Slightly Irregular
Average Depth:	254.00 feet
Topography:	Level to Sloping
Drainage:	Appears adequate
Grade:	At street grade
Utilities:	All available
Off-Site Improvements:	None
Interior or Corner:	Interior
Signalized Intersection:	No: No traffic signal at, or near, the site
Excess Land:	None
Surplus Land:	None

Street Frontage / Access

Frontage Road	Primary
Street Name:	City Market Drive
Street Type:	Commercial
Frontage (Linear Ft.):	144.00
Number of Curb Cuts:	None (after proposed split)
Traffic Count (Cars/Day):	Not available

Additional Access

Alley Access:	No
Water or Port Access:	No
Rail Access:	No

Flood Zone Data

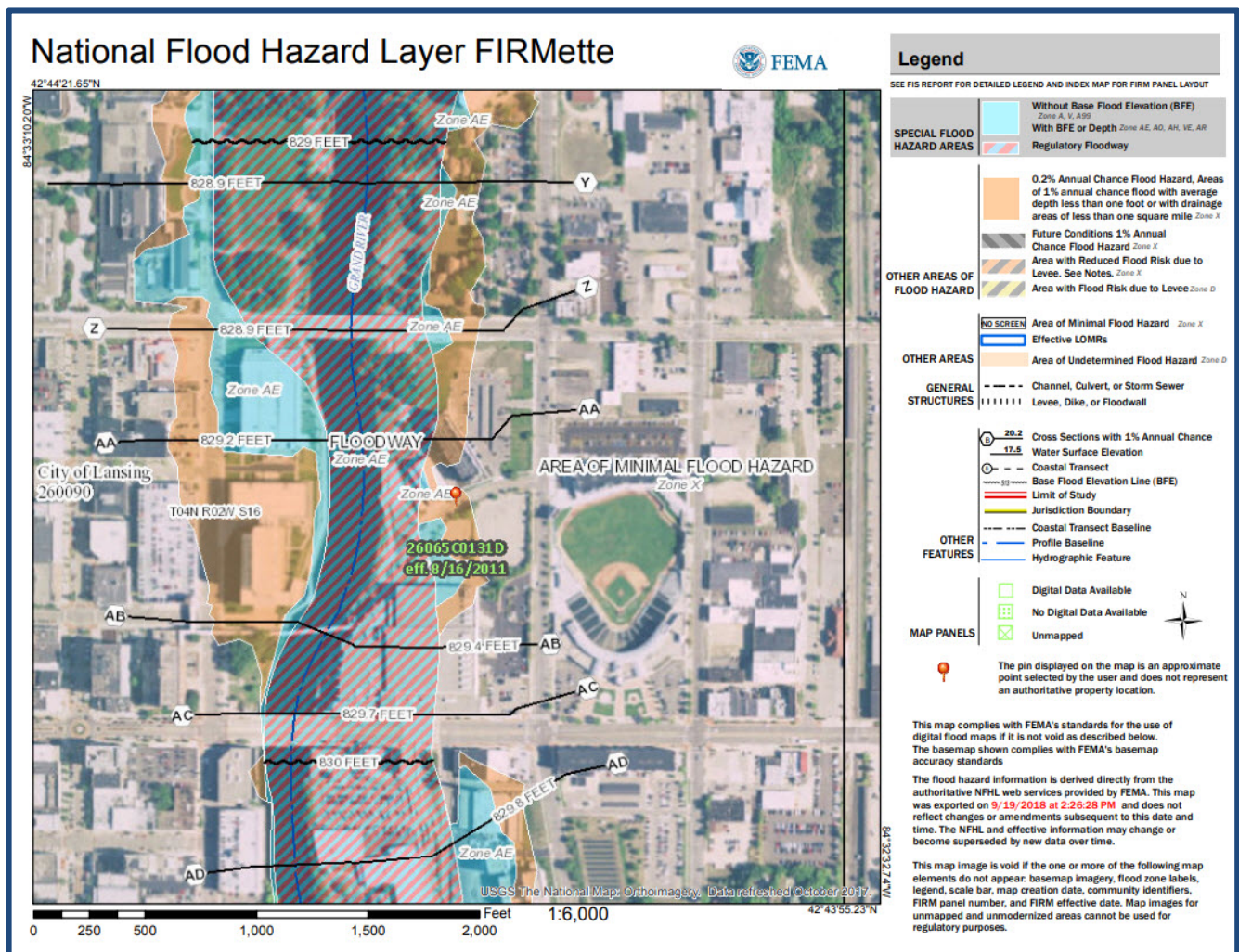
Flood Map Panel/Number: 26065C0131D
Flood Map Date: 08-16-2011
Flood Zone: AE

Zones AE and A1-A30 are the flood insurance rate zones that correspond to the 1-percent annual chance floodplains that are determined in the Flood Insurance Study by detailed methods of analysis. In most instances, Base Flood Elevations derived from the detailed hydraulic analyses are shown at selected intervals within this zone. Mandatory flood insurance purchase requirements apply.

Site Area in Flood:

A portion of the site is located within Flood Zone AE, however the exact site area within the flood plain is not known. As evidenced by the existing building improvements, it is possible to build within the designated flood plain.

FLOOD MAP



Other Site Conditions

Soil Type:	No soil report of the subject has been made available or reviewed. However, it is assumed that the soil is of sufficient load-bearing capacity to support the present improvements.
Environmental Issues:	The reader of this report is cautioned that the appraiser is not a qualified environmental inspector. It is recommended that any user obtain an environmental audit of the entire property to ascertain its status relative to these items. Also, it is assumed that no hazardous substance, past, present, or future exists on the subject property that would affect the subject's marketability or market value.
Easements/Encroachments:	The subject property does not have adequate on-site parking. It currently relies on an easement with the property to the north for additional parking. It also depends on parking from a neighboring municipal lot. This analysis is subject to the extraordinary assumption that access to the existing off-site parking easements and arrangements will remain available.
Earthquake Zone:	The site is not located in an Earthquake Zone.

Adjacent Land Uses

North:	Public park, Lansing River Trail
South:	Public parking lot, Lansing Center
East:	Multi-family
West:	Public park, Lansing River Trail, Grand River

Site Ratings

Access:	Average
Visibility:	Fair

Zoning Designation

Zoning Jurisdiction:	City of East Lansing
Zoning Classification:	A, Residential District
Permitted Uses:	Primarily single-family dwellings
Zoning Comments:	The intent of the "A" Residential District is to provide for an environment of predominantly low-density one-family dwellings, along with other residentially related facilities which serve residents in the Districts. Principal permitted uses include one-family dwellings, public parks or playgrounds, and family day care homes. Single-family residential development does not conform to the surrounding land uses. I have assumed that the property would likely be rezoned to allow for commercial use.

Analysis/Comments on Site

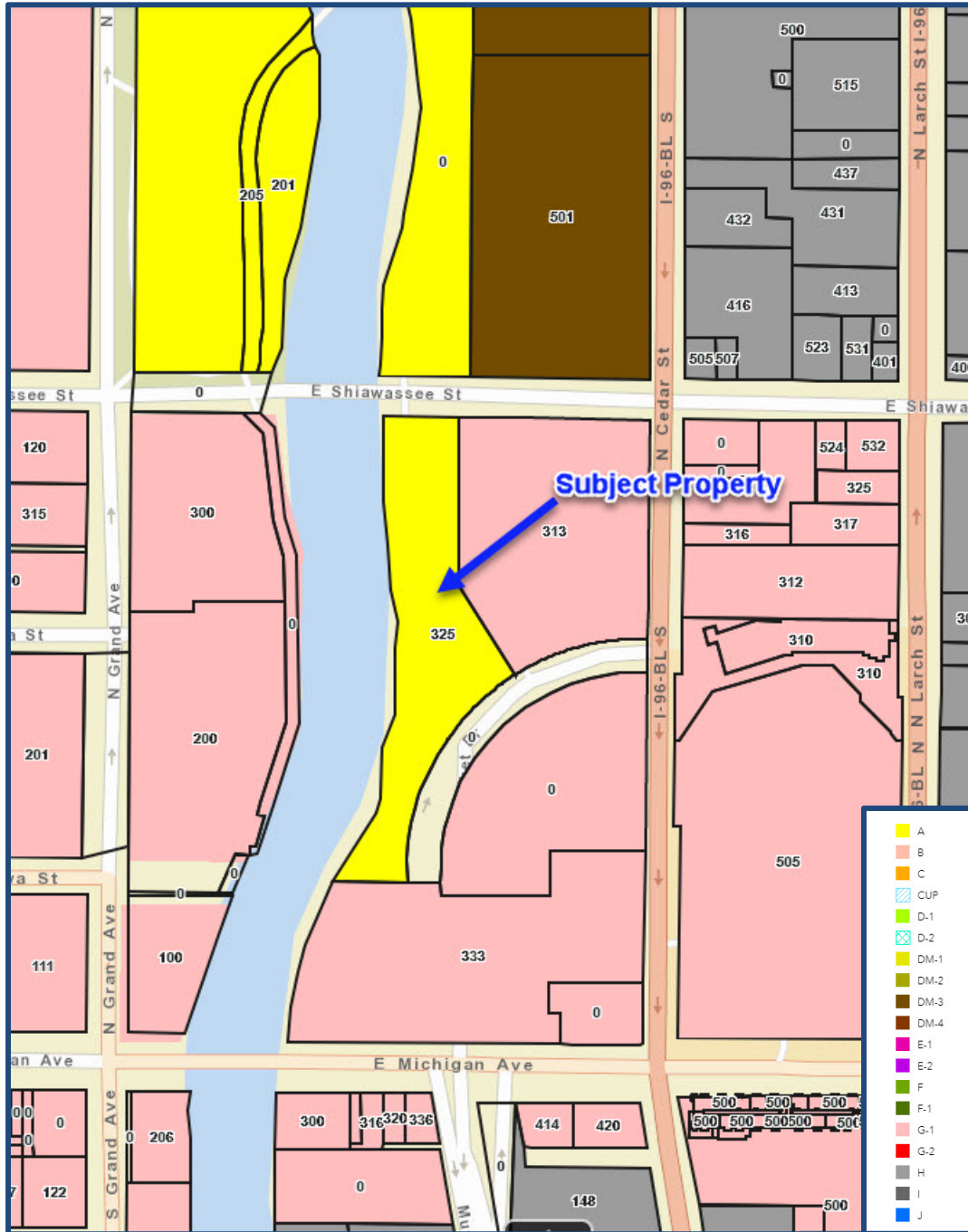
Based on the characteristics above, the site is suitable for a variety of legal uses.

TAX/PLAT MAP



Note: Image is before pending parcel split.

ZONING MAP



Improvements Description

The site is improved with a one-story, retail building totaling 11,120 gross square feet commonly known as Lansing City Market. The following is a summary of the existing building improvements.

Improvement Characteristics

Property Type:	Retail
Occupancy Type:	Tenant-occupied
Tenancy:	The property operates as a public market with multiple vendors. It functions as a multi-tenant space, but does contain interior load-bearing walls. Due to the configuration of the building, it is treated as a single-tenant facility in this analysis.
Investment Class:	Class C
Number of Buildings:	1
Number of Stories:	1
Construction Class:	S - Steel Frame per Marshall Valuation Service
Construction Quality:	Average
Gross Building Area (GBA):	11,120 SF (based on Assessment Records)
Net Rentable Area (NRA):	11,120 SF (based on Assessment Records)

Ratios & Parking

Land-to-Building Ratio:	2.79 to 1 (Usable Land/GBA)
Floor Area Ratio (FAR):	0.36 (based on GBA)
Parking Spaces:	3; The subject property does not have adequate on-site parking. It currently relies on an easement with the property to the north for additional parking. It also depends on parking from a neighboring municipal lot. This analysis is subject to the extraordinary assumption that access to the existing off-site parking easements and arrangements will remain available.
Parking Ratio:	0.26 (per 1,000 sf of GBA)

Age / Life

Year Built:	2009
Yr. Blt./Renovated Comments:	Recent capital improvements include the following: new signage (2015); sidewalk improvements (2015); camera system (2015); concrete sidewalks and dumpster pad (2015); security gates (2015); irrigation system (2016); and new LED lighting throughout (2016).
Condition:	Good
Actual Age:	9 years
Effective Age:	5 years

Structural Characteristics

Foundation:	Concrete
Building Frame:	Steel frame
Exterior Walls:	Metal sandwich panels
Roof Type / Material:	Monitor roof with clerestory windows/ standing seam metal

Interior Characteristics

Floors:	Concrete
Walls:	Metal and concrete block
Ceiling:	Unfinished
Lighting:	LED throughout
Restrooms:	Adequate for current use

Mechanical Systems

Electrical:	Adequate for current use
Plumbing:	Adequate for current use
Heating:	Suspended package units
Air Conditioning:	Suspended package Units
Fire Protection/Sprinklers:	Wet system/100% sprinklered
Number of Elevators:	None; property has elevator shaft and was reportedly built with the load-bearing capacity to support a second floor.

Site Improvements

Site Improvements:	Sidewalks, asphalt paved parking lot, Lansing BWL solar charging station
Landscaping:	Landscaping is typical for type of building.

Legal, Conforming Status

Legally Permitted Use:	No, subject property is a legally non-conforming use within the zoning district
Conformity Conclusion:	The subject is zoned "A" Residential District. Its intent is to provide for an environment of predominantly low-density one-family dwellings, along with other residentially related facilities which serve residents in the Districts. Principal permitted uses include one-family dwellings, public parks or playgrounds, and family day care homes. Single-family residential development does not conform to the surrounding land uses. I have assumed that the property would likely be rezoned to allow for commercial use.

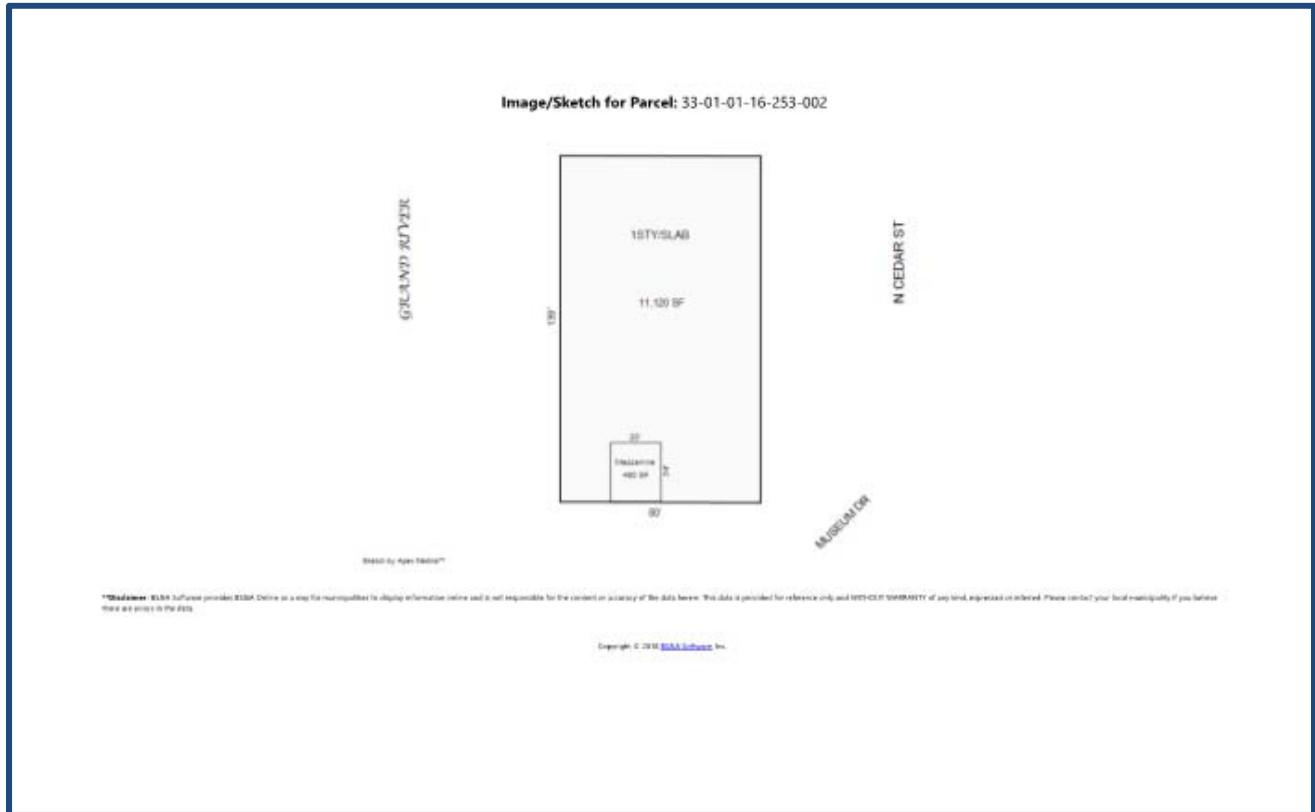
Deferred Maintenance

The subject property does not appear to suffer from deferred maintenance.

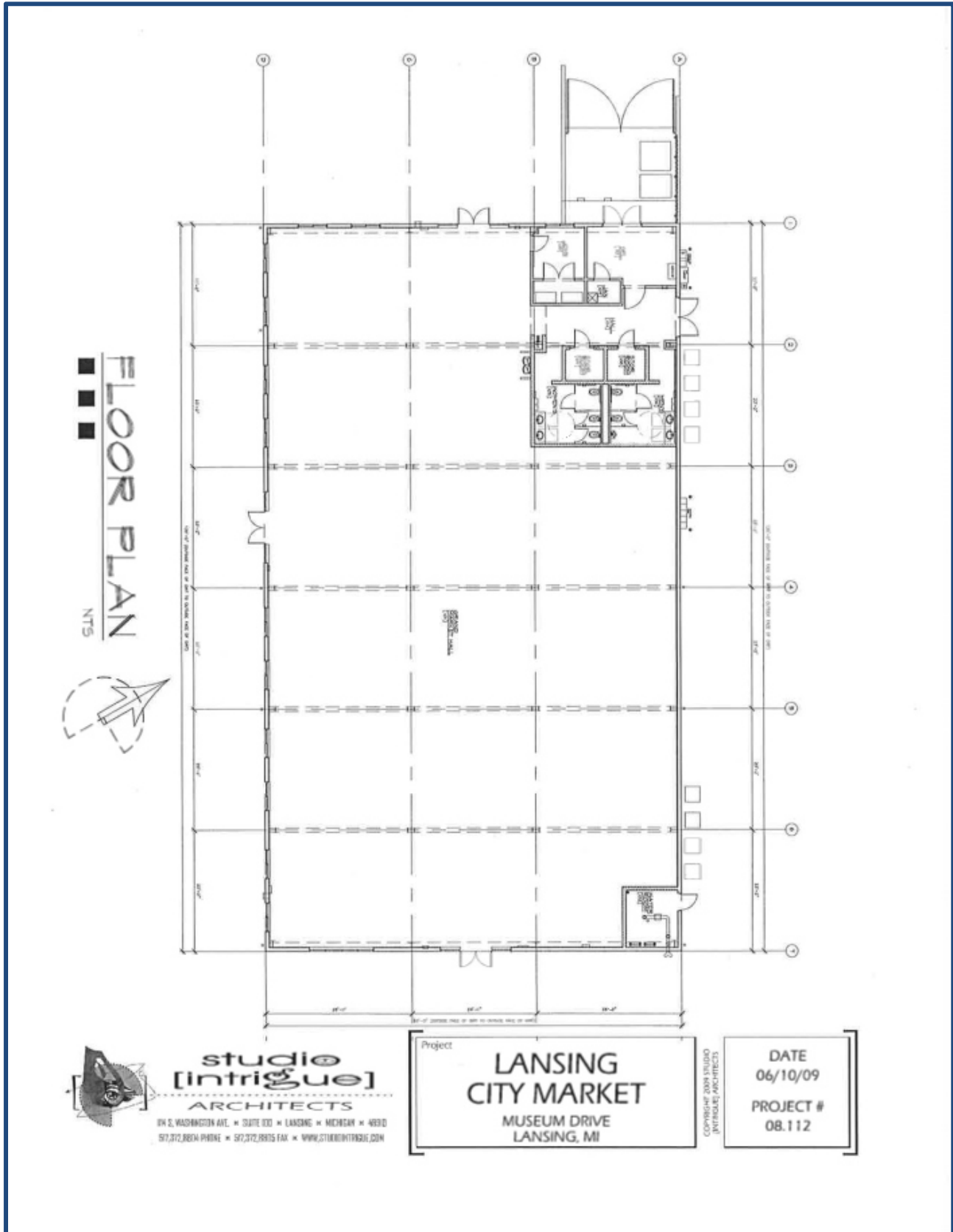
Analysis/Comments on Improvements

While larger than typical retail spaces located within a CBD, the functional utility of the property is average based upon a comparison of similar properties in the market area.

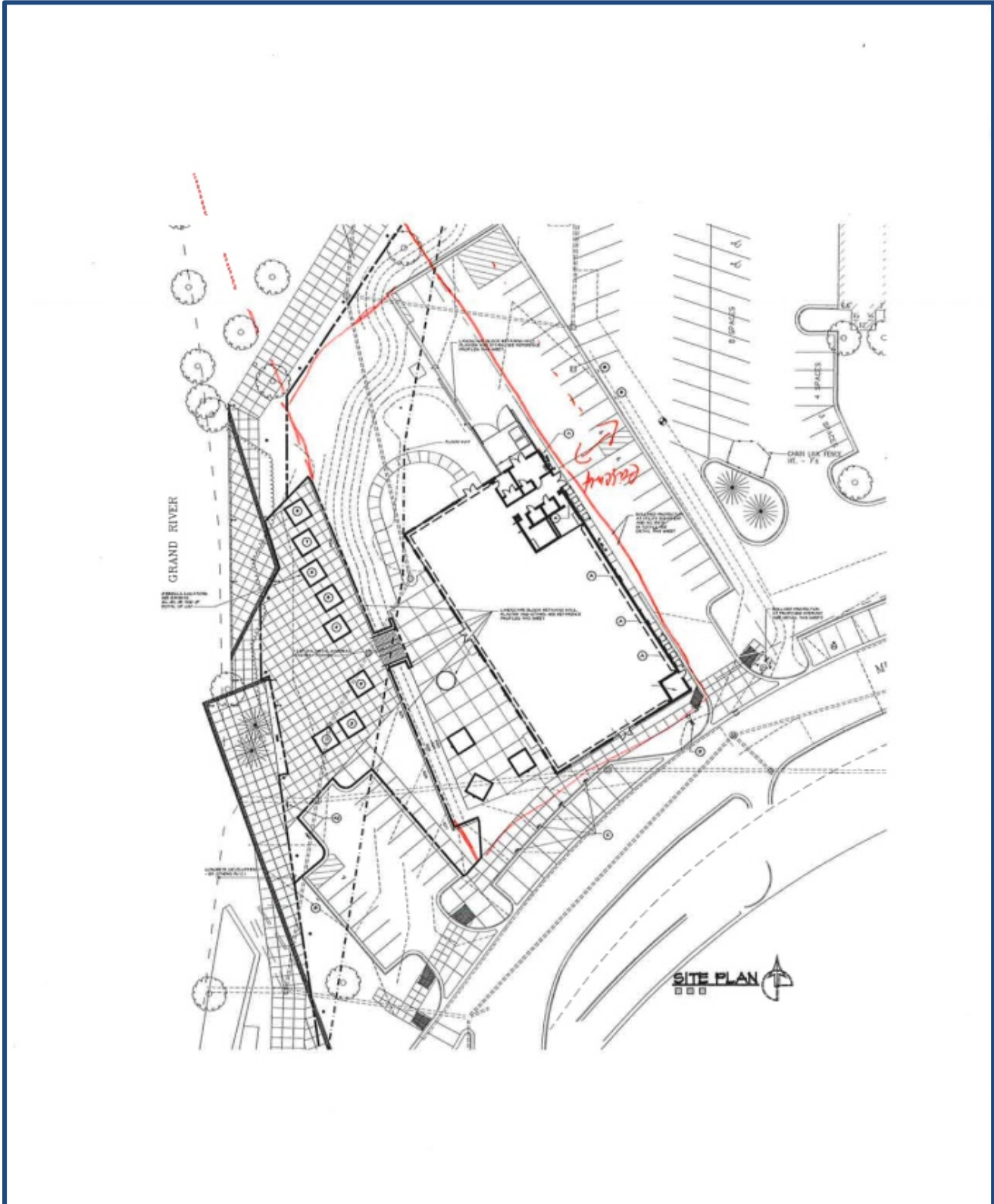
BUILDING SKETCH



FLOOR PLAN



SITE PLAN



The red markings are the hand-drawn boundaries for the proposed site are after the current parcel is split.

Assessment and Tax Data

Assessment Methodology

Property assessments are initially established by the local assessor and are intended to reflect 50% of the “true cash value” (also known as market value) of the property on the tax day, December 31, of each year. The local assessment is then subject to equalization, which results in the property’s State Equalized Value (S. E. V.).

To determine the current year’s capped value, the assessor is required to multiply the prior year’s capped assessment by the CPI increase (inflation rate multiplier). The lesser of the S. E. V. and capped assessed value is the current year’s taxable value for that property. When a transfer of ownership occurs, the next year’s taxable value is generally based on the S.E.V. that had been calculated annually. The actual sale price must not be the sole basis of the new S.E.V. for that property.

Each property assessed for real estate tax purposes in the State of Michigan has a S.E.V., capped value, and a taxable value. Generally, the capped value is lower, reflecting long-term ownership. The S.E.V. is to represent 50% of true cash value. This appraisal has used the S.E.V. (assessed value) for calculating the real estate taxes. Real property taxes are determined on the basis of a tax rate per thousand dollars of S.E.V. (assessed value).

Assessed Values and Property Taxes

The subject property is owned by the City of Lansing and is exempt from property taxes.

Special Assessments

Despite its exemption status, the subject property is encumbered by an on-going special assessment titled PSD – Principal Shopping District. PSDs are initiated through a municipality’s master planning process and are designed to revitalize and maintain the area with the district. Revitalization efforts include, but are not limited to, Old Town Main Street Initiative, special events, retail promotions, business retention and recruitment, physical improvements and marketing campaigns. In addition, the PSD oversees and manages the PSD “A” District Maintenance Contracts for general clean up, landscaping and snow removal. The historical PSD assessments for the subject property are presented in the following table.

Principal Shopping District

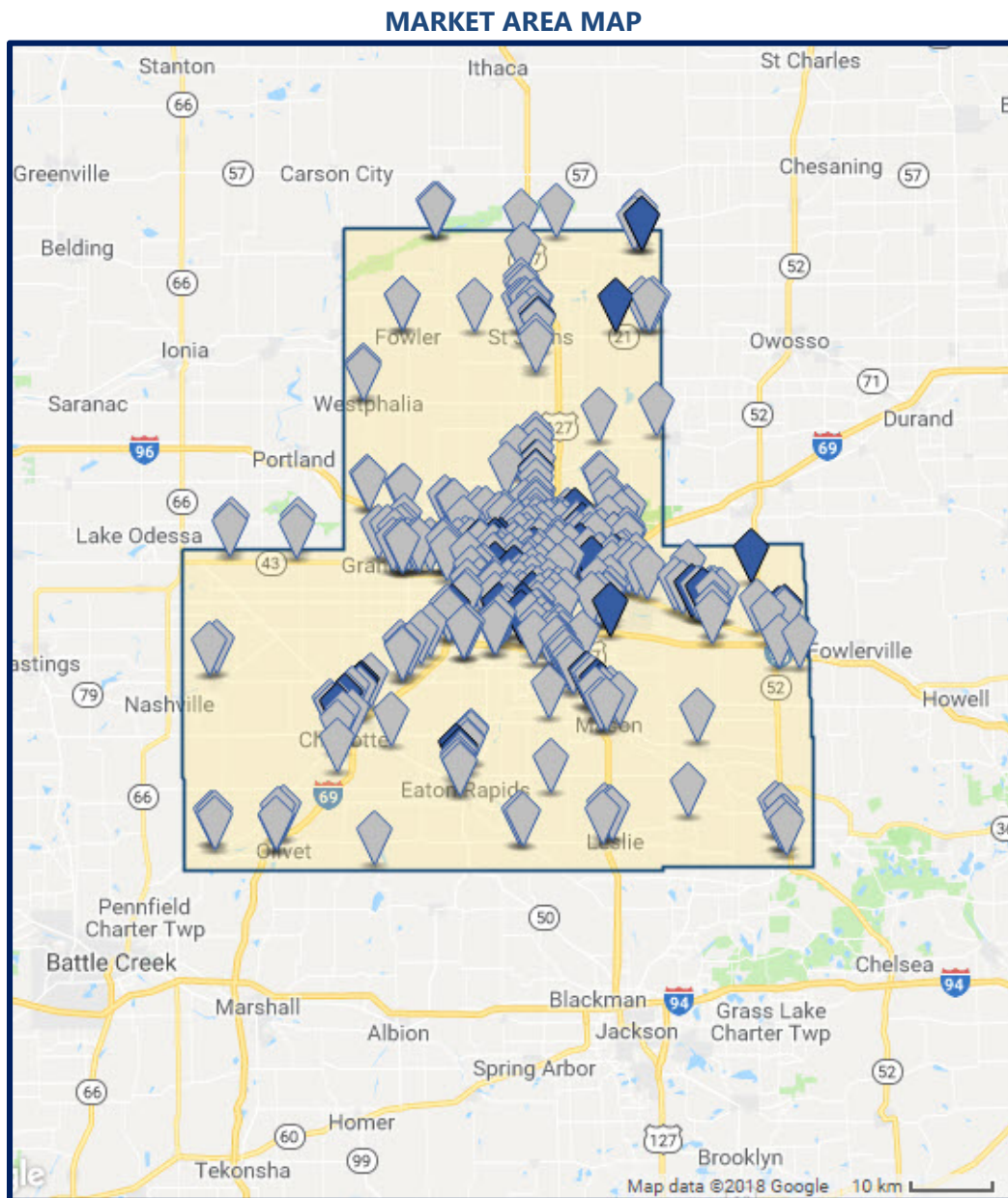
Tax Season	Assessment	% Change
Winter 2014	\$1,497	---
Winter 2015	\$1,497	0.00%
Winter 2016	\$1,497	0.00%
Winter 2017	\$1,542	3.04%
Average	\$1,508	

Market Analysis

The following market analysis of the Lansing Metropolitan Statistical Area (MSA) retail property market is based on data obtained from the CoStar Group, Inc., a leading provider of real estate information services. The analysis presents the subject property's macro and micro retail markets and includes a breakdown of freestanding retail space, under 30,000 square feet.

Lansing MSA Metropolitan Market

The following is the Lansing MSA retail market map, as presented by CoStar Group, Inc.:



The following table illustrates the historical market performance of the Lansing MSA market:

Retail Market Statistics
Lansing MSA Market

Quarter	Lansing MSA - All Retail Space					Lansing MSA - Freestanding Retail, under 30,000 SF Space Only				
	Total Square Feet	Under Construction	Total Net Absorption	Total Percent Vacant	Direct Rental Rate (Triple Net)	Total Square Feet	Under Construction	Total Net Absorption	Total Percent Vacant	Direct Rental Rate (Triple Net)
2018 Q2	30,473,427	68,425	-334,641	4.9%	\$10.67 psf	4,866,309	39,525	8,563	3.6%	\$12.87 psf
2018 Q1	30,479,324	51,425	176,994	3.8%	\$10.46 psf	4,866,309	39,525	25,961	3.8%	\$11.81 psf
2017 Q4	30,468,425	62,324	99,401	4.3%	\$10.21 psf	4,859,809	46,025	-14,752	4.2%	\$11.70 psf
2017 Q3	30,283,394	207,830	49,037	4.1%	\$10.46 psf	4,859,809	6,500	38,677	3.9%	\$11.93 psf
2017 Q2	30,285,956	210,071	109,595	4.3%	\$10.89 psf	4,878,011	0	15,664	5.1%	\$11.55 psf
2017 Q1	30,277,858	40,169	-74,764	4.7%	\$10.92 psf	4,878,011	0	-26,169	5.4%	\$11.71 psf
2016 Q4	30,291,530	33,757	-23,968	4.6%	\$10.02 psf	4,870,783	7,228	6,712	5.0%	\$10.57 psf
2016 Q3	30,235,435	65,323	254,578	4.4%	\$9.55 psf	4,866,688	11,323	54,680	5.1%	\$10.41 psf
2016 Q2	30,245,596	71,078	162,790	5.3%	\$9.44 psf	4,866,688	4,095	4,166	6.4%	\$10.39 psf
2016 Q1	30,224,066	35,637	110,427	5.8%	\$9.50 psf	4,847,783	23,000	3,223	6.1%	\$10.50 psf
2015 Q4	30,197,374	82,240	76,343	6.3%	\$9.51 psf	4,841,885	24,803	16,431	6.1%	\$10.06 psf
2015 Q3	30,207,565	111,766	-75,491	6.6%	\$9.41 psf	4,841,885	24,803	17,362	6.5%	\$10.01 psf
2015 Q2	30,196,601	63,362	55,362	6.4%	\$9.40 psf	4,830,921	16,862	2,541	6.8%	\$10.17 psf
2015 Q1	30,200,411	6,912	9,967	6.6%	\$9.45 psf	4,830,921	6,912	-2,980	6.9%	\$10.16 psf
2014 Q4	30,189,395	11,016	74,652	6.6%	\$9.57 psf	4,823,341	7,580	20,239	6.7%	\$9.94 psf
2014 Q3	30,189,395	11,016	120,907	6.9%	\$9.93 psf	4,823,341	7,580	44,308	7.1%	\$10.22 psf
2014 Q2	30,177,395	19,580	-365	7.3%	\$9.71 psf	4,823,341	7,580	30,030	8.1%	\$10.35 psf
2014 Q1	30,191,509	19,580	134,931	7.3%	\$9.70 psf	4,834,955	7,580	26,840	8.9%	\$10.38 psf
2013 Q4	30,173,521	25,568	25,178	7.7%	\$9.59 psf	4,834,955	7,580	37,687	9.5%	\$10.15 psf
2013 Q3	30,161,239	35,334	-47,224	7.8%	\$10.14 psf	4,817,609	17,346	-40,729	9.9%	\$10.38 psf

Source: CoStar Group, Inc.

Rental Rates

The Lansing MSA had a 2018 2nd Quarter average quoted rental rate of \$10.67 per square foot for all retail space, compared to \$10.89 in the 2017 2nd Quarter, or a 2.0% decrease over the last year. Quoted rental rates for freestanding retail space, under 30,000 square feet only were approximately 21% higher at \$12.87 per square foot.

Vacancy

The Lansing MSA has a 2018 2nd Quarter vacancy of 4.9% for all retail space and 3.6% for freestanding retail space, under 30,000 square feet. Overall, vacancy rates for retail space have increased over the prior year, but declined for freestanding space under 30,000 square feet.

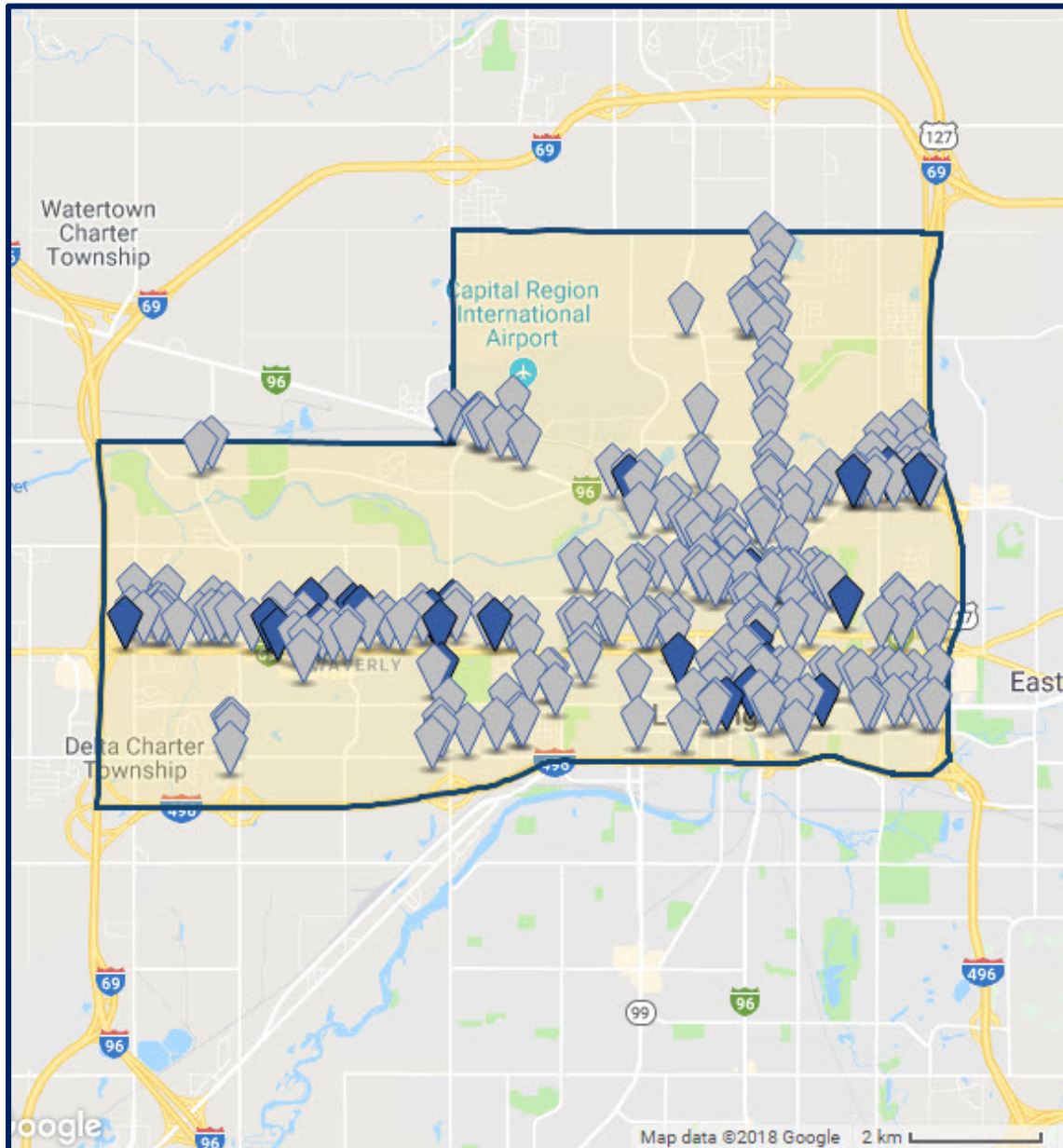
Construction and Absorption

There is currently 68,425 square feet of retail space under construction in the market, of which 57.8% is freestanding retail, under 30,000 square feet. Net absorption for the prior year was negative overall, but positive for space under 30,000 square feet.

Central Lansing Submarket

The following is the Central Lansing retail submarket map, as presented by CoStar Group, Inc.:

MARKET AREA MAP



The following table illustrates the historical market performance of the Central Lansing submarket:

Retail Market Statistics

Central Lansing Submarket

Quarter	Central Lansing - All Retail Space					Central Lansing - Freestanding Retail, under 30,000 SF Space Only				
	Total Square Feet	Square Feet Under Construction	Total Net Absorption	Total Percent Vacant	Direct Rental Rate (Triple Net)	Total Square Feet	Square Feet Under Construction	Total Net Absorption	Total Percent Vacant	Direct Rental Rate (Triple Net)
2018 Q2	6,975,074	34,900	-3,948	4.1%	\$13.95 psf	1,038,650	23,000	-3,484	5.7%	\$13.32 psf
2018 Q1	6,976,292	34,900	-17,568	4.0%	\$13.33 psf	1,038,650	23,000	2,200	5.4%	\$12.75 psf
2017 Q4	6,976,292	34,900	35,202	3.8%	\$13.08 psf	1,038,650	23,000	1,898	5.6%	\$11.49 psf
2017 Q3	6,965,292	22,900	-526	4.1%	\$12.91 psf	1,038,650	0	13,826	5.8%	\$11.20 psf
2017 Q2	6,975,792	22,900	2,260	4.3%	\$12.34 psf	1,049,150	0	6,183	8.2%	\$10.89 psf
2017 Q1	6,975,792	11,000	-35,346	4.3%	\$12.56 psf	1,049,150	0	-29,123	8.8%	\$11.51 psf
2016 Q4	6,975,792	11,000	10,371	3.8%	\$10.29 psf	1,049,150	0	8,672	6.0%	\$10.11 psf
2016 Q3	6,975,792	0	76,376	4.0%	\$10.23 psf	1,049,150	0	9,554	6.9%	\$9.99 psf
2016 Q2	6,985,953	14,983	77,701	5.2%	\$9.95 psf	1,049,150	0	16,160	7.8%	\$9.68 psf
2016 Q1	6,985,953	10,012	5,517	6.4%	\$10.27 psf	1,049,150	0	4,465	9.3%	\$9.98 psf
2015 Q4	6,985,953	10,012	39,276	6.5%	\$10.48 psf	1,049,150	0	-3,647	9.7%	\$10.03 psf
2015 Q3	6,985,953	10,012	7,898	7.1%	\$9.96 psf	1,049,150	0	808	9.4%	\$9.53 psf
2015 Q2	6,985,953	0	26,635	7.2%	\$9.90 psf	1,049,150	0	4,171	9.5%	\$9.68 psf
2015 Q1	6,989,763	0	-30,874	7.8%	\$9.88 psf	1,049,150	0	-4,246	9.9%	\$9.58 psf
2014 Q4	6,989,763	0	9,755	7.4%	\$9.68 psf	1,049,150	0	4,356	9.5%	\$9.47 psf
2014 Q3	6,989,763	0	28,385	7.5%	\$10.00 psf	1,049,150	0	7,455	9.9%	\$9.37 psf
2014 Q2	6,989,763	0	-28	7.9%	\$10.03 psf	1,049,150	0	3,695	10.6%	\$9.50 psf
2014 Q1	7,003,877	0	85,050	8.1%	\$9.91 psf	1,060,764	0	11,000	11.9%	\$9.52 psf
2013 Q4	6,993,935	9,942	22,364	9.4%	\$9.93 psf	1,060,764	0	9,333	12.9%	\$9.61 psf
2013 Q3	6,993,935	9,942	-71,559	9.7%	\$11.40 psf	1,060,764	0	-1,850	13.8%	\$10.22 psf

Source: CoStar Group, Inc.

Rental Rates

The Central Lansing submarket had a 2018 2nd Quarter average quoted rental rate of \$13.95 per square foot for all retail space, compared to \$12.34 in 2017 2nd Quarter, or a 13.0% increase over the last year. Quoted rental rates for freestanding retail under 30,000 square feet space only were approximately 5% lower at \$13.32 per square foot.

Vacancy

The Central Lansing submarket has a 2018 2nd Quarter vacancy of 4.1% for all retail space and 5.7% for freestanding retail space under 30,000 square feet only. Vacancy rates are relatively unchanged over the prior year for all retail space. Vacancy rates for space under 30,000 square feet declined by 2.5% year-over-year.

Construction and Absorption

There is currently 34,900 square feet of retail space under construction in the market, of which 65.9% is freestanding retail under 30,000 square feet. Net absorption for the prior year was positive.

Market Analysis Conclusions

The rental rates trends, inventory and new construction levels, vacancy rates and absorption trends indicate the market is in undersupply.

Highest and Best Use Analysis

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use as if Vacant

The primary determinants of the highest and best use of the property as if vacant are the issues of (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The subject site is zoned A, Residential District which controls the general nature of permissible uses but is appropriate for the location and physical elements of the subject property, providing for a consistency of use with the general neighborhood. The subject is zoned "A" Residential District. Its intent is to provide for an environment of predominantly low-density one-family dwellings, along with other residentially related facilities which serve residents in the Districts. Principal permitted uses include one-family dwellings, public parks or playgrounds, and family day care homes. Single-family residential development does not conform to the surrounding land uses. I have assumed that the property would likely be rezoned to allow for commercial use. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development.

Physically Possible

The physical attributes allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. There are no items of a physical nature that would materially limit appropriate and likely development.

Financially Feasible

The probable use of the site for commercial development conforms to the pattern of land use in the market area. A review of published yield, rental and occupancy rates suggest that there is an undersupply and demand is sufficient to support construction costs and ensure timely absorption of additional inventory in this market. Therefore, near-term speculative development of the subject site is financially feasible.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for commercial use.

Conclusion of Highest and Best Use as if Vacant

The conclusion of the highest and best use as if vacant is for commercial use.

Analysis of Highest and Best Use as Improved

In determining the highest and best use of the property as improved, the focus is on three possibilities for the property: (1) continuation of the existing use, (2) modification of the existing use, or (3) demolition and redevelopment of the land.

Retaining the improvements as they exist meets the tests for physical possibility, legal permissibility and financial feasibility. The improvements are in good condition and any alternative use of the existing improvements is unlikely to be economically feasible. The market value of the property as improved exceeds the combination of vacant site value less cost of demolition of the improvements. Therefore, demolition and redevelopment of the site is not maximally productive.

Conclusion of Highest and Best Use as Improved

The highest and best use of the subject property, as improved, is continuation of existing retail use.

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is an investor or owner-occupant.

Sales Comparison Approach

Methodology

The sales comparison approach develops an indication of market value by analyzing closed sales, listings, or pending sales of properties similar to the subject, focusing on the difference between the subject and the comparables using all appropriate elements of comparison. This approach is based on principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership.

Unit of Comparison

The primary unit of comparison selected depends on the appraisal problem and nature of the property. The primary unit of comparison in the market for retail properties such as the subject property is price per square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location, and (7) physical characteristics.

Comparable Sales Data

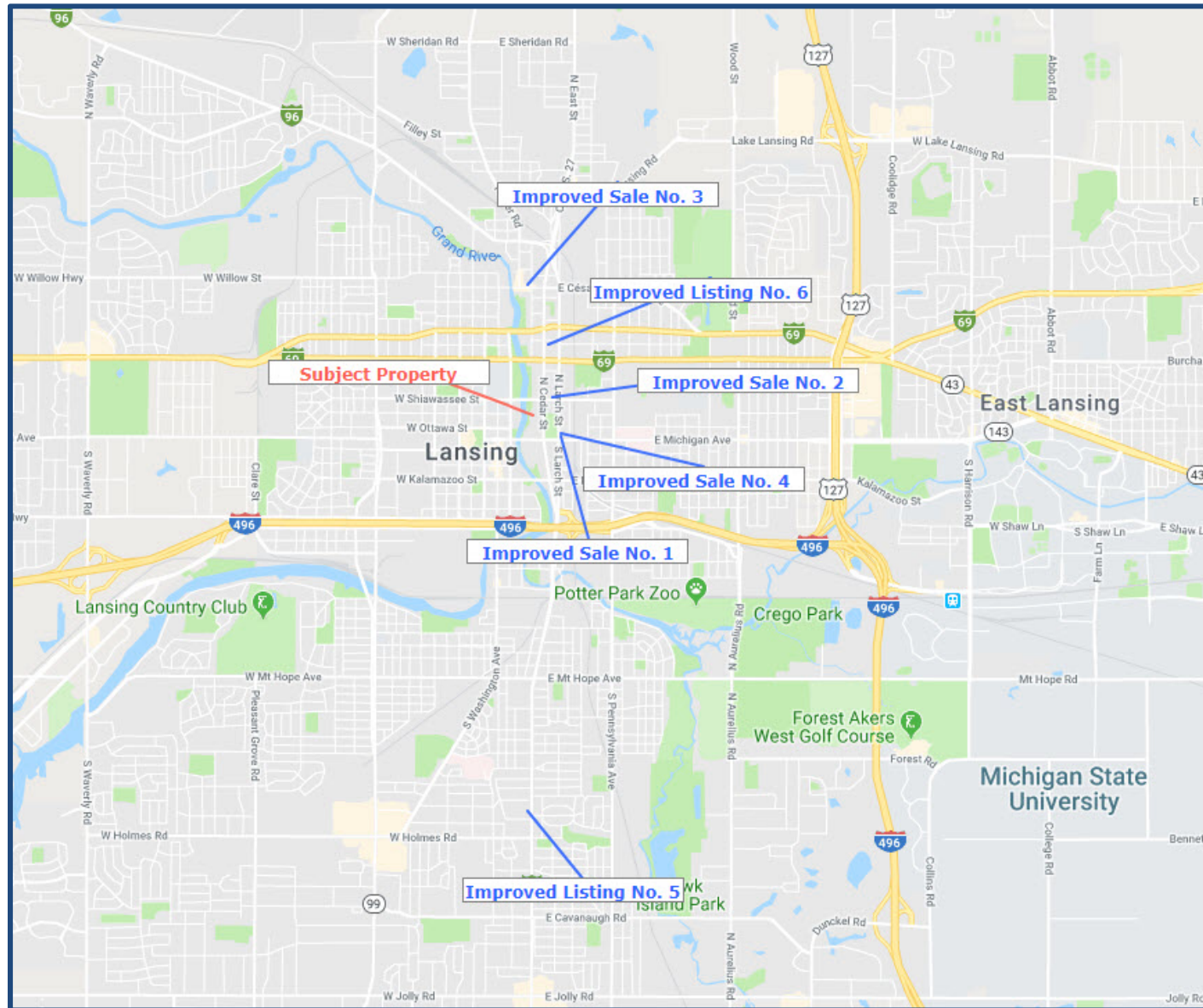
To obtain and verify comparable sales and listings of retail properties, I conducted a search of public records, field surveys, interviews with knowledgeable real estate professionals in the area, as well as a review of my internal database.

I included six sales in my analysis; these sales were judged to be the most comparable to develop an indication of market value for the subject property. The following is a table summarizing each sale comparable and a map illustrating the location of each in relation to the subject. Details of each comparable follow the location map.

Improved Sales Summary

Comp. No.	Date of Sale	Location		Year Built	NRA	Occupancy at Sale	Unadjusted Sale Price	PSF
1	May-17	601 East Michigan Avenue	Lansing, Michigan	1907	4,578	0.0%	\$318,999	\$69.68
2	January-16	523 E Shiawassee Street	Lansing, Michigan	1966	6,380	0.0%	\$375,000	\$58.78
3	April-15	319 E Grand River Avenue	Lansing, Michigan	1928	6,600	0.0%	\$415,000	\$62.88
4	February-14	112 N Larch Street	Lansing, Michigan	1920	9,600	0.0%	\$399,000	\$41.56
5	N/A	3130 South Cedar Street	Lansing, Michigan	1952	9,935	0.0%	\$425,000	\$42.78
6	N/A	750 North Cedar Street	Lansing, Michigan	2005	5,964	100.0%	\$750,000	\$125.75

COMPARABLE SALES MAP



RETAIL COMPARABLE 1



Property Identification

Property/Sale ID	3124/28546
Property Type	Retail
Address	601 East Michigan Avenue
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.733843/-84.544456
Tax ID	33-01-01-16-277-171

Transaction Data

Sale Date	05-22-2017	Conditions of Sale	Arms Length
Sale Status	Closed	Deed Book/Page	2017/020571
Grantor	Excellent 601 Property LLC	Days on Market	404
Grantee	Eugene Paul Rathbun, Jr.	Sale Price	\$318,999
Property Rights	Fee Simple	Adjusted Price	\$318,999
Financing	Cash to Seller		

Property Description

Gross Building SF	4,578	Tenancy	Single-Tenant
Net Rentable SF	4,578	Parking Spaces	0
No. of Lots	1	Gross Acres	0.06
Stories	2	Usable Acres	0.06
Building Condition	Average	Flr. Area Ratio (FAR)	1.64
Building Quality	Average	Gross Land to Bldg	0.61
Construction Class	C - Masonry	Usable Land to Bldg	0.61
Year Built	1907	Access	Average
Investment Class	C	Visibility	Good
Occupancy Type	Vacant	Corner/Interior	Corner

Flood Hazard Zone X
Earthquake Zone The site is not located in an Earthquake Zone.

Physical Indicators

\$/SF GBA	\$69.68	Occupancy at Sale	0.0%
\$/SF NRA	\$69.68		

Verification

Confirmed With	Listing Agent - Terry Shellhorn of Century 21 Looking Glass, Assessment Records
Confirmed By	Jennifer Passmore
Confirmation Date	09-05-2018

Remarks

There are no transfers in the three-year period preceding this sale or thereafter.

Former Rum Runners restaurant and bar. Buyer planned to the turn 2nd floor into his primary residence and lease out the ground floor as general retail space. Deal was structured so that sale price above is for real estate only. SWMRIC MLS indicates sale price of \$344,000 because it also takes into account value of liquor license, allocated at \$25,000. Broker states property was in average condition overall, and included an elevator and full basement.

RETAIL COMPARABLE 2



Property Identification

Property/Sale ID	9001287/26698
Property Type	Retail
Current Use	Auto Parts Store
Property Name	523 E Shiawassee Street
Address	523 E Shiawassee Street
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.737449/-84.545398
Tax ID	33-01-01-16-228-171

Transaction Data

Sale Date	01-26-2016	Conditions of Sale	Arms Length
Sale Status	Closed	Deed Book/Page	2016/003417
Grantor	Micro Investment Co	Days on Market	352
Grantee	523 E Shiawassee LLC	Sale Price	\$375,000
Property Rights	Fee Simple	Adjusted Price	\$375,000
Financing	Cash to Seller		

Property Description

Gross Building SF	6,380	Investment Class	C
Net Rentable SF	6,380	Occupancy Type	Vacant
No. of Lots	1	Elevators	0
Stories	2	Office Space %	0.0%
Building Condition	Fair	Parking Conforms	Yes
Building Quality	Average	Parking Spaces	16
Construction Class	C - Masonry	Gross Acres	0.30
Year Built	1966	Usable Acres	0.30

Flr. Area Ratio (FAR) 0.49
Gross Land to Bldg 2.05
Usable Land to Bldg 2.05
Access Adequate
Visibility Average
Corner/Interior Interior
Flood Hazard Zone X or C

Earthquake Zone The site is not located in an earthquake zone.
Land Use Desig. The property is not subject to a general plan designation.
Zoning Jurisdiction City of Lansing
Zoning Code H

Physical Indicators

\$/SF GBA \$58.78
\$/SF NRA \$58.78

Occupancy at Sale 0.0%

Verification

Confirmed With City of Lansing Assessing
Confirmed By Michael Knapp
Confirmation Date 02-02-2016

RETAIL COMPARABLE 3



Property Identification

Property/Sale ID	9001290/26701
Property Type	Retail
Address	319 E Grand River Avenue
City, State Zip	Lansing, Michigan 48906
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.747587/-84.548509
Tax ID	33-01-01-09-257-145

Transaction Data

Sale Date	04-16-2015	Financing	Cash to Seller
Sale Status	Closed	Conditions of Sale	Arms Length
Grantor	Powers Thomas & Karen	Deed Book/Page	2015-016312
Grantee	Mortons Otm LLC	Sale Price	\$415,000
Property Rights	Fee Simple	Adjusted Price	\$415,000

Property Description

Gross Building SF	6,600	Tenancy	Single-Tenant
Net Rentable SF	6,600	Office Space %	0.0%
Stories	1	Gross Acres	0.16
Building Condition	Average	Usable Acres	0.16
Building Quality	Average	Fir. Area Ratio (FAR)	0.97
Construction Class	C - Masonry	Gross Land to Bldg	1.03
Year Built	1928	Usable Land to Bldg	1.03
Occupancy Type	Owner Occupied	Corner/Interior	Interior

Physical Indicators

\$/SF GBA	\$62.88	Occupancy at Sale	0.0%
\$/SF NRA	\$62.88		

Verification

Confirmed With	Costar, City of Lansing Assessing, Tom Morton (Owner)
Confirmed By	Michael Knapp
Confirmation Date	02-03-2016

Remarks

The year built is an estimate based on surrounding buildings.

RETAIL COMPARABLE 4



Property Identification

Property/Sale ID	1130/26703
Property Type	Retail
Property Name	American Fifth Spirits
Address	112 N Larch Street
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.734136/-84.544399
Tax ID	33-01-01-16-277-152

Transaction Data

Sale Date	02-06-2014	Financing	Cash to Seller
Sale Status	Closed	Conditions of Sale	Arms Length
Grantor	Shaver Stephan & Marilyn	Deed Book/Page	2014-004950
Grantee	A5 LLC	Sale Price	\$399,000
Property Rights	Fee Simple	Adjusted Price	\$399,000

Property Description

Gross Building SF	9,600	Tenancy	Single-Tenant
Net Rentable SF	9,600	Office Space %	0.0%
Stories	2	Gross Acres	0.23
Building Condition	Fair	Usable Acres	0.23
Building Quality	Average	Fir. Area Ratio (FAR)	0.96
Construction Class	C - Masonry	Gross Land to Bldg	1.04
Year Built	1920	Usable Land to Bldg	1.04
Yr. Blt. Comments	Renov 1983	Corner/Interior	Interior
Occupancy Type	Owner Occupied		

Physical Indicators

\$/SF GBA	\$41.56	Occupancy at Sale	0.0%
\$/SF NRA	\$41.56		

Verification

Confirmed With	Loopnet, Costar, City of Lansing Assessing, Rick Wyble (Owner)
Confirmed By	Michael Knapp
Confirmation Date	02-03-2016

Remarks

The building was sold on a land contract but the owner indicated they did not have favorable terms and the selling price was at market. The building was essentially a shell at the time of purchase.

RETAIL COMPARABLE 5



Property Identification

Property/Sale ID	1007674/28549
Property Type	Retail Other
Current Use	Retail Commercial
Address	3130 South Cedar Street
City, State Zip	Lansing, Michigan 48910
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.699850/-84.548550
Tax ID	33-01-01-28-452-182

Transaction Data

Sale Status	Listing	Days on Market	400
Grantor	CJCB LLC	Sale Price	\$425,000
Property Rights	Fee Simple	Adjusted Price	\$425,000
Financing	Cash to Seller		

Property Description

Gross Building SF	9,935	Parking Spaces	10
Net Rentable SF	9,935	Pkg/1,000 SF GBA	1.01
No. of Lots	1	Pkg/1,000 SF NRA	1.01
Stories	1	Gross Acres	0.73
Building Condition	Average	Usable Acres	0.73
Building Quality	Average	Flr. Area Ratio (FAR)	0.31
Construction Class	C - Masonry	Gross Land to Bldg	3.20
Year Built	1952	Usable Land to Bldg	3.20
Investment Class	C	Access	Average
Occupancy Type	Vacant	Visibility	Average
Tenancy	Single-Tenant	Corner/Interior	Mid-Block

Earthquake Zone The site is not located in an Earthquake Zone.

Physical Indicators

\$/SF GBA	\$42.78	\$/SF NRA	\$42.78
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Verification

Confirmed With	Marketing brochure, broker's website
Confirmation Date	09-11-2018

Remarks

No transfers listed in the three-year period preceding this listing.

9,935-square foot retail/showroom currently setup as a large showroom with approximately 2,500 square feet of storage space. Building has clear span construction, loading platform and dock, and 10-foot overhead door. Adjacent lots can be acquired for additional parking.

RETAIL COMPARABLE 6



Property Identification

Property/Sale ID	9001308/28550
Property Type	Retail
Address	750 North Cedar Street
City, State Zip	Lansing, Michigan 48906
County	Clinton
MSA	Lansing-East Lansing
Latitude/Longitude	42.742163/-84.545939
Tax ID	33-01-01-09-480-002, 33-01-01-09-480-062

Transaction Data

Sale Status	Listing	Days on Market	189
Grantor	Cedar & Monroe LLC	Sale Price	\$750,000
Property Rights	Leased Fee	Adjusted Price	\$750,000

Property Description

Gross Building SF	5,964	Pkg/1,000 SF GBA	6.71
Net Rentable SF	5,964	Pkg/1,000 SF NRA	6.71
No. of Lots	2	Gross Acres	1.38
Stories	1	Usable Acres	1.38
Building Condition	Good	Flr. Area Ratio (FAR)	0.10
Building Quality	Average	Gross Land to Bldg	10.04
Construction Class	C - Masonry	Usable Land to Bldg	10.04
Year Built	2005	Access	Adequate
Investment Class	C	Visibility	Average
Occupancy Type	Tenant-occupied	Corner/Interior	Corner
Tenancy	Multi-Tenant	Flood Hazard Zone	X
Office Space %	0.0%	Earthquake Zone	The site is not located in an Earthquake Zone.
Parking Spaces	40		

Financial Data & Indicators (Actual)

NOI	\$65,873	OAR	8.78%
NOI/SF	\$11.05		

Physical Indicators

\$/SF GBA	\$125.75
\$/SF NRA	\$125.75
Occupancy at Sale	100.0%

Verification

Confirmed With	Russ S. Bono - NAI Wisinski of West Michigan
Confirmation Date	09-11-2018

Remarks

Property includes main parcel (corner lot -002 with building) and vacant adjacent lot (-062). Property has drive-thru capability.

Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is considered superior to that of the subject, I applied a negative adjustment. Conversely, a positive adjustment to the comparable was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

In the case of the subject property, the fee simple interest is considered. All of the comparables, except #6, conveyed the fee simple interest and no adjustments were required. Comparable 6 conveyed the leased fee interest at the time of sale and warranted a downward adjustment.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms. All of the comparable sales involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

Conditions of Sale

Atypical conditions of sale may result in a price that is higher or lower than a normal transaction. Such atypical conditions of sale often occur in conjunction with sales between related parties or those in which one of the parties is atypically motivated to complete the transaction. Additionally, a downward adjustment may be applied to a listing price, which usually reflects the upper limit of value. The sale comparables do not indicate any condition of sale adjustments were warranted for atypical conditions or for-sale listings.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to cure deferred maintenance, costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, costs to remediate environmental contamination and/or costs to occupy or stabilize the property. The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. The parties to the sale comparables did not anticipate expenditures immediately after purchase; no adjustments were required.

Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated overall market conditions for retail properties have been improving with recent transactions confirming this trend. As such, I applied an adjustment to each comparable based on a factor of 2.00% per year.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after the application of transaction and market conditions adjustments. My reasoning for the property adjustments made to each sale comparable follows. The discussion will analyze each adjustment category deemed applicable to the subject property.

Location

Location adjustments may be required when the locational characteristics of a comparable are different from those of the subject. These characteristics can include general neighborhood characteristics, freeway accessibility, street exposure, corner- versus interior-lot location, neighboring properties, view amenities, and other factors. The subject property is located within the City of Lansing CBD, along City Market Drive, which is considered a below average retail location. The site has reasonably access, but visibility is considered fair, at best. Sites with strong pedestrian and vehicular traffic and good access are preferred for retail locations. All comparables, except #5, have superior locations and warranted a downward adjustment. Comparable 5 was adjusted upward due to its inferior market area.

Size

This adjustment addresses variance in the size of the comparables and that of the subject, as a larger building typically commands a lower sale price per unit than a smaller building. This inverse relationship is due, in part, to the principle of "economies of scale." The subject property consists of 11,120 square feet of net rentable area. The improved sales range in size from 4,578 to 9,600 square feet and required size adjustments. Significant variations were accounted for.

Age/Condition

All else being equal, older properties typically command a lower price per square foot than newer properties. However, although a property may be physically older than another property, the effective age may be similar to a newer property and no adjustment may be indicated. This may be due to the older property being well-maintained or a recent renovation. This adjustment considers the chronological age of each property as well as any information known about the upkeep, deferred maintenance, and the like. The subject property was constructed in 2009 and is in good condition, overall. All comparables, except #6, were adjusted upward, as they are considered inferior in terms of age and condition in varying degrees.

Construction Quality

The subject property consists of average quality steel frame construction. All of the comparables feature average quality, masonry construction, which is similar enough to the subject property to not warrant an adjustment.

Design/Functional Utility

The subject property is currently a one-story building. It was built with an elevator shaft and reportedly has the load-bearing capacity to add a second floor. The likelihood of building the second floor depends highly upon the future availability of parking and the zoning designation of the site, which are both yet to be determined. The feasibility of constructing the second floor is also hindered due to the subject's below average retail location. Typically, ceiling heights are an important factor for industrial improvements, not retail. As such, this appraisal assignment values the subject property in its current one-story configuration. No adjustments were applied.

Land-to-Building Ratio

The subject property has a land-to-building (LTB) ratio of 2.79-to-1. The LTB ratios for the comparables range from 0.61- to 10.04-to -1. Significant variations have been accounted for.

Summary of Adjustments

Presented on the following page is a summary of the adjustments made to the sale comparables. As noted earlier, these quantitative adjustments were based on my market research, best judgment, and experience in the appraisal of similar properties.

COMPARABLE SALES ADJUSTMENT GRID

Subject		Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5	Sale # 6
Sale ID		28546	26698	26701	26703	28549	28550
Date of Value & Sale		July-18	May-17	January-16	April-15	February-14	N/A
Net Rentable Area		11,120 sf	4,578	6,380	6,600	9,600	5,964
Land Area (acres)		0.7114	0.0640	0.3000	0.1560	0.2300	0.7300
Unadjusted Sales Price		\$318,999	\$375,000	\$415,000	\$399,000	\$425,000	\$750,000
Unadjusted Sales Price PSF of NRA		\$69.68	\$58.78	\$62.88	\$41.56	\$42.78	\$125.75
Transactional Adjustments							
Property Rights Conveyed		<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Fee Simple</i>	<i>Leased Fee</i>
Adjustment		-	-	-	-	-	-30.0%
Adjusted Sales Price		\$69.68	\$58.78	\$62.88	\$41.56	\$42.78	\$88.03
Financing Terms		<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>	<i>Cash to Seller</i>	
Adjusted Sales Price		\$69.68	\$58.78	\$62.88	\$41.56	\$42.78	\$88.03
Conditions of Sale		<i>Typical</i>	<i>Arms Length</i>	<i>Arms Length</i>	<i>Arms Length</i>	<i>N/A - Active Listing</i>	<i>N/A - Active Listing</i>
Adjusted Sales Price		\$69.68	\$58.78	\$62.88	\$41.56	\$42.78	\$88.03
Expenditures after Sale							
Adjustment		-	-	-	-	-	-
Adjusted Sales Price		\$69.68	\$58.78	\$62.88	\$41.56	\$42.78	\$88.03
Market Conditions Adjustments							
Elapsed Time from Date of Value		<i>1.14 years</i>	<i>2.46 years</i>	<i>3.24 years</i>	<i>4.43 years</i>	<i>0.00 years</i>	<i>0.00 years</i>
Market Trend Through		July-18	2.3%	4.9%	6.5%	8.9%	-
Analyzed Sales Price		\$71.27	\$61.67	\$66.96	\$45.25	\$42.78	\$88.03
Property Adjustments							
Location		<i>425 City Market Drive</i>	<i>601 East Michigan Avenue</i>	<i>523 E Shiawassee Street</i>	<i>319 E Grand River Avenue</i>	<i>112 N Larch Street</i>	<i>3130 South Cedar Street</i>
		<i>Lansing, Michigan</i>	<i>Lansing, Michigan</i>	<i>Lansing, Michigan</i>	<i>Lansing, Michigan</i>	<i>Lansing, Michigan</i>	<i>Lansing, Michigan</i>
Adjustment		-15.0%	-5.0%	-10.0%	-5.0%	15.0%	-5.0%
Size		<i>11,120 sf</i>	<i>4,578 sf</i>	<i>6,380 sf</i>	<i>6,600 sf</i>	<i>9,600 sf</i>	<i>9,935 sf</i>
Adjustment		-5.0%	-	-	-	-	-
Age/Condition		<i>2009</i>	<i>1907</i>	<i>1966</i>	<i>1928</i>	<i>1920</i>	<i>1952</i>
Year Built		<i>Good</i>	<i>Average</i>	<i>Fair</i>	<i>Average</i>	<i>Fair</i>	<i>Average</i>
Adjustment		10.0%	10.0%	15.0%	10.0%	20.0%	10.0%
Construction Quality		<i>Average Class S - Steel Frame</i>	<i>Average Class C - Masonry</i>	<i>Average Class C - Masonry</i>	<i>Average Class C - Masonry</i>	<i>Average Class C - Masonry</i>	<i>Average Class C - Masonry</i>
Adjustment		-	-	-	-	-	-
Design/Functional Utility		<i>Average</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
Adjustment		-	-	-	-	-	-
Land-to-Building Ratio		<i>2.79-to-1</i>	<i>0.61-to-1</i>	<i>2.05-to-1</i>	<i>1.03-to-1</i>	<i>1.04-to-1</i>	<i>3.20-to-1</i>
Adjustment		10.0%	-	10.0%	10.0%	-	-20.0%
Net Physical Adjustment		-	10.0%	10.0%	25.0%	25.0%	-25.0%
Adjusted Sales Price PSF of NRA		\$71.27	\$67.84	\$73.65	\$56.56	\$53.47	\$66.02

Sales Comparison Approach Value Indication

From the market data available, I used retail sales in competitive market areas which were adjusted based on pertinent elements of comparison. The following table summarizes the unadjusted and adjusted sale prices:

Improved Sales Statistics

Metric	Unadjusted	Analyzed	Adjusted
Minimum Sale Price per Sq. Ft.	\$41.56	\$42.78	\$53.47
Maximum Sale Price per Sq. Ft.	\$125.75	\$88.03	\$73.65
Median Sale Price per Sq. Ft.	\$60.83	\$64.32	\$66.93
Mean Sale Price per Sq. Ft.	\$66.91	\$62.66	\$64.80

The adjusted comparables present a value range from \$53.47 to \$73.65 per square foot, with a median of \$66.93 and mean of \$64.80. Based on the adjusted prices and the most comparable sales, a unit value for the subject property is near the middle of the adjusted range, or \$65.00 per square foot. This indicated an as is fee simple market value indication of \$722,800, rounded to \$720,000.

Preliminary As Is Fee Simple Market Value Indication

Based on this analysis, the sales comparison indication is summarized as follows:

Improved Sales Comparison Approach Value Indication

As Is Fee Simple Market Value Indication

11,120 sf	x	\$65.00	=	\$722,800
			(Rounded)	\$720,000

Income Capitalization Approach

Methodology

The income capitalization approach is developed by converting anticipated future income into a present value by a capitalization process. There are two types of capitalization: direct capitalization and yield capitalization, more commonly known as discounted cash flow (DCF) analysis.

Income-producing properties, by nature, are developed and purchased for investment purposes, where earning power, including an income stream and return of investment, are the most critical elements affecting value. The forecast of income and selection of appropriate rate(s) are therefore important aspects of the valuation process. The process of developing the income approach consists of the following analyses: Market Rent Analysis, Income Analysis, Vacancy Analysis, Expense Analysis, and Rate Analysis.

Application of Methodology

Given the nature of the property in question, in this appraisal, I employed the direct capitalization method to develop an indication of market value.

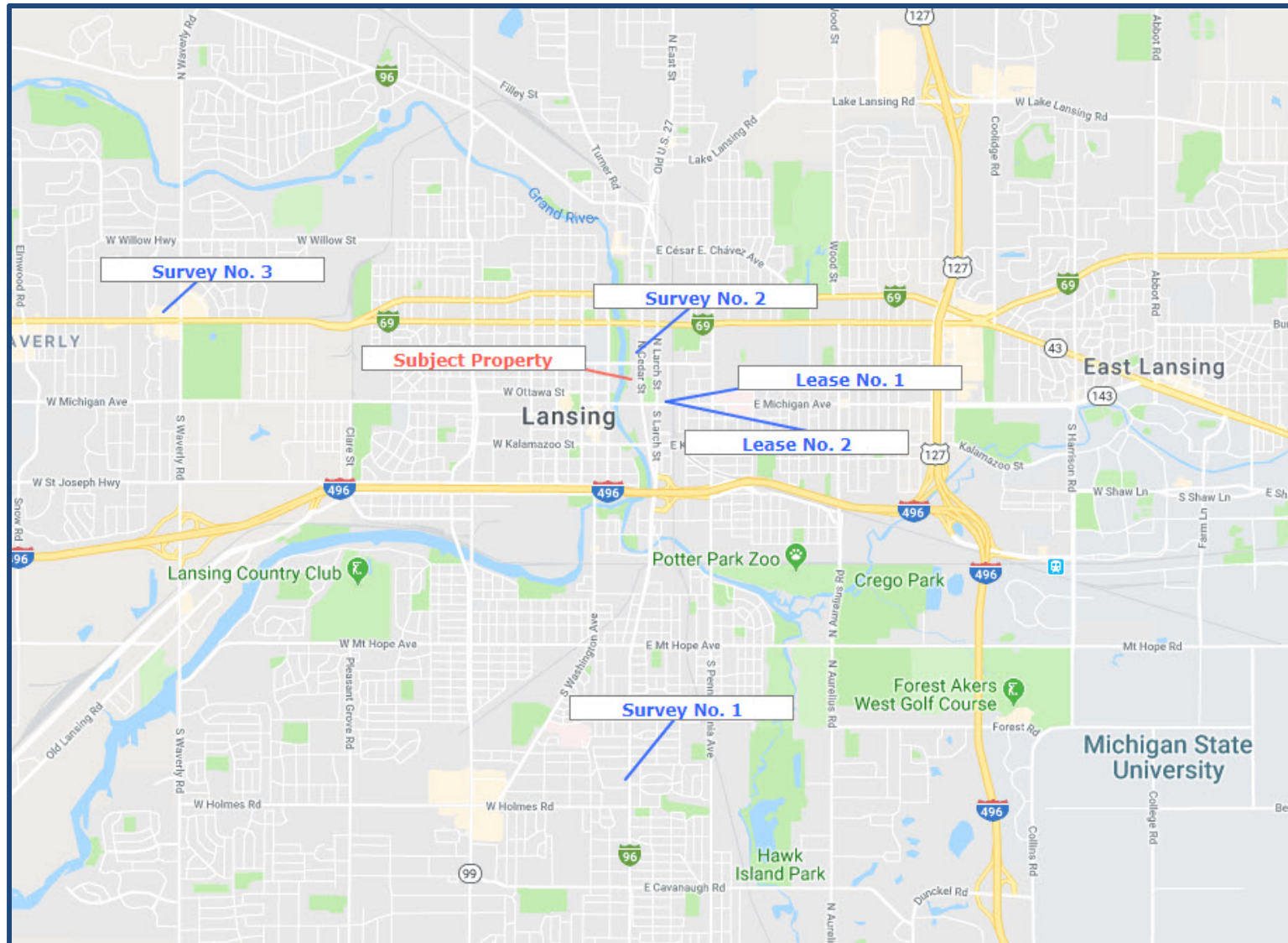
Estimate of Market Rent

To develop an opinion of market rent, I surveyed representatives of comparable and competitive properties in the local market area, focusing on those offering the greatest similarity in terms of location, size and market appeal. I used five rent comparables to derive an appropriate market rent for the subject property. Following is a table summarizing each rent comparable and a map illustrating the location of each comparable in relation to the subject. Details of each comparable follow the location map.

Rent Comparable Summary

Comp. No.	Date of Survey / Lease	Comp. Type	Location		Year Built	Rental Rate / SF	Lease Structure
1	January-17	Lease	621 E Michigan Avenue	Lansing, Michigan	1908	\$8.89	NNN
2	January-16	Lease	621 E Michigan Avenue	Lansing, Michigan	1908	\$8.33	NNN
3	September-18	Survey	3130 South Cedar Street	Lansing, Michigan	1952	\$6.00	NNN
4	September-18	Survey	428-432 North Cedar Street	Lansing, Michigan	1975	\$10.00	NNN
5	September-18	Survey	4002 W Saginaw Highway	Lansing, Michigan	1959	\$15.00	Mod. Gross

RENT COMPARABLE LOCATION MAP



RETAIL RENT COMPARABLE 1



Property Identification

Property/Rent ID	9002082/13265
Property Type	Mixed Use
Current Use	Commercial storefront and apartment
Address	621 E Michigan Avenue
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.733787/-84.543654
Tax ID	33-01-01-16-277-272

Transaction Data

Lessee	Batter Up Bistro	Term (mos.)	36
Suite No.	621	Lease Type	NNN
Tenant SF	1,890	Rent Escalation	Increase to \$2,500 per month in the fourth month
Entire Bldg Lease	No		
Lease Status	Executed		
Lease Signed	03-01-2016		
Commencement	01-01-2017		
Expiration	02-28-2019		

Rental Rates

Initial Rent/SF	\$8.89
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Property Description

Gross Building SF	6,180	Stories	2
Net Rentable SF	6,030	Units	3
Year Built	1908	Elevators	0
Tenancy	Multi-Tenant	Office Ratio	0.0%
Occupancy Type	Multi-tenant	Sprinklers	None
Building Quality	Average	Parking Spaces	0
Building Condition	Fair	Gross Acres	0.10

Usable Acres 0.10
Flr. Area Ratio (FAR) 1.40
Land to Bldg Ratio 0.71

Access Good
Visibility Good
Corner/Interior Interior

Verification

Confirmed With Copy of lease agreement
Confirmed By RMR
Confirmation Date 11-15-2016

Remarks

Apartment sizes are an estimate based upon building size and the approximate makeup of the tenant space. Tenant was given the first four months of the lease at a reduced rate of \$1,400 for build out. Rent will increase to \$2,500 after the fourth month.

RETAIL RENT COMPARABLE 2



Property Identification

Property/Rent ID	9002082/13266
Property Type	Mixed Use
Current Use	Commercial storefront and apartment
Address	621 E Michigan Avenue
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.733787/-84.543654
Tax ID	33-01-01-16-277-272

Transaction Data

Lessee	MyBrew	Lease Type	NNN
Suite No.	621 B	Renewal Options	Unknown
Tenant SF	1,440	Rent Escalation	Rent will become \$1,500 during the 13th month
Entire Bldg Lease	No		
Lease Status	Executed		
Lease Signed	01-01-2016		
Commencement	01-01-2016		
Expiration	12-31-2017		
Term (mos.)	24		

Rental Rates

Initial Rent/SF	\$8.33
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Property Description

Gross Building SF	6,180	Building Condition	Fair
Net Rentable SF	6,030	Stories	2
Year Built	1908	Units	3
Tenancy	Multi-Tenant	Elevators	0
Occupancy Type	Multi-tenant	Office Ratio	0.0%
Building Quality	Average	Sprinklers	None

Parking Spaces 0
Gross Acres 0.10
Usable Acres 0.10
Flr. Area Ratio (FAR) 1.40

Land to Bldg Ratio 0.71
Access Good
Visibility Good
Corner/Interior Interior

Verification

Confirmed With Copy of lease agreement
Confirmed By RMR
Confirmation Date 11-15-2016

Remarks

Apartment sizes are an estimate based upon building size and the approximate makeup of the tenant space. Tenant was given a reduced rate to help with build out expenses.

RETAIL RENT COMPARABLE 3



Property Identification

Property/Rent ID	1007674/14277
Property Type	Retail Other
Current Use	Retail Commercial
Address	3130 South Cedar Street
City, State Zip	Lansing, Michigan 48910
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.699850/-84.548550
Tax ID	33-01-01-28-452-182

Transaction Data

Tenant SF	9,935	Rent Escalation	2-3% per annum
Lease Status	Listing	Property Occupancy	0.0%
Term (mos.)	60		
Lease Type	NNN		
Renewal Detail	Two 5-year terms		
%/Overage Clause	No		

Rental Rates

Quoted Avg \$/SF	\$6.00
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Property Description

Gross Building SF	9,935	Pkg/1,000 SF GBA	1.01
Net Rentable SF	9,935	Pkg/1,000 SF NRA	1.01
Year Built	1952	Gross Acres	0.73
Investment Class	C	Usable Acres	0.73
Tenancy	Single-Tenant	Flr. Area Ratio (FAR)	0.31
Occupancy Type	Vacant	Land to Bldg Ratio	3.20
Building Quality	Average	Access	Average
Building Condition	Average	Visibility	Average
Stories	1	Corner/Interior	Mid-Block
Parking Spaces	10		

Verification

Confirmed With	Marketing brochure, assessment records
Confirmation Date	09-08-2018

Remarks

9,935-square foot retail/showroom currently setup as a large showroom with approximately 2,500 square feet of storage space. Building has clear span construction, loading platform and dock, and 10-foot overhead door. Adjacent lots can be acquired for additional parking.

RETAIL RENT COMPARABLE 4



Property Identification

Property/Rent ID	9003872/14280
Property Type	Retail
Address	428-432 North Cedar Street
City, State Zip	Lansing, Michigan 48912
County	Ingham
MSA	Lansing-East Lansing
Latitude/Longitude	42.738246/-84.547248
Tax ID	33-01-01-16-228-042

Transaction Data

Tenant SF	5,662
Lease Status	Listing
Term (mos.)	60
Lease Type	NNN
Rent Escalation	2-3% per annum

Rental Rates

Quoted Avg \$/SF	\$10.00
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Property Description

Gross Building SF	5,662	Stories	1
Net Rentable SF	5,662	Gross Acres	0.50
Year Built	1975	Usable Acres	0.50
Investment Class	C	Flr. Area Ratio (FAR)	0.26
Tenancy	Single-Tenant	Land to Bldg Ratio	3.87
Occupancy Type	Owner Occupied	Access	Average
Building Quality	Average	Visibility	Average
Building Condition	Fair to Average	Corner/Interior	Mid-Block

RETAIL RENT COMPARABLE 5



Property Identification

Property/Rent ID	9003680/14278
Property Type	Retail
Property Name	West Saginaw Plaza
Address	4002 W Saginaw Highway
City, State Zip	Lansing, Michigan 48917
County	Eaton
MSA	Lansing-East Lansing
Latitude/Longitude	42.741853/-84.604979
Tax ID	040-058-000-011-00

Transaction Data

Tenant SF	10,000	Rent Escalation	2-3% per annum
Lease Status	Listing		
Term (mos.)	60	Rental Rates	
Lease Type	Mod. Gross	Quoted Avg \$/SF	\$15.00
Renewal Detail	Two 5-year terms		

Property Description

Gross Building SF	10,000	Usable Acres	5.00
Net Rentable SF	10,000	Flr. Area Ratio (FAR)	0.05
Year Built	1959	Land to Bldg Ratio	21.78
Building Quality	Average	Access	Adequate
Building Condition	Average	Visibility	Fair
Stories	1	Corner/Interior	Interior
Gross Acres	5.00		

Verification

Confirmed With Marketing brochure, assessment records
Confirmation Date 09-08-2018

Remarks

Former Blockbuster suite; property is located along a bus line; has pylon signage and ample parking. Space is being offered on a modified gross basis, with the tenant responsible for utilities.

Market Rent Analysis

The rental comparables are retail leases and surveys from the City of Lansing CBD and neighboring communities. The rent comparables ranged from \$6.00 per square foot to \$15.00 per square foot and have varying lease structures which include triple net (NNN) and modified gross. When necessary, adjustments were made for differences in the various elements of comparison, including lease structure, market conditions, location, size and other relevant factors. If the element in comparison is considered superior to that of the subject, I applied a negative adjustment. Conversely, a positive adjustment is applied if inferior. The lower end of the spectrum represents space in inferior market areas. The spaces toward the upper end of the range are ground-floor retail suites with prime locations with heavy pedestrian and vehicular. Considering the characteristics of the subject, the appraiser concluded that the base market rent is \$8.00 per square foot triple-net (NNN). Under this lease structure, the tenant pays a base rent and its pro rata share of real estate taxes, insurance, utilities and repairs and maintenance (inclusive of common area maintenance charges).

Income Analysis

The income analysis encompasses a review of the existing subject leases (if any) and comparison to market rent levels as established in the preceding analysis, as well as additional income sources, expense recoveries, and rent escalations. The sum of all income develops potential gross income (PGI).

The property operates as a public market with multiple vendors. It offers below-market leases on month-to-month terms and relies on government subsidies for operation. A general ledger report furnished by the property contact indicated credits from only two existing tenants in 2018: Hills Cheese and The Waterfront Restaurant. Quoted rental rates published in the Lansing City Market 2017-2018 Lease Packet lists rates from \$1.35 to \$1.45 per square foot. This is 83% below the estimated market rental rate of \$8.00. The due to the short-term nature of tenancy and below market rates, this analysis considers the subject property effectively vacant and values the improvements on a fee simple basis.

Potential Rental Income

Potential rental income during the first year of the analysis was projected at \$88,960 based on the market rent applied to entire space.

Expense Recoveries

The predominant lease structure indicated by the market data is a triple net lease structure with real estate taxes, property insurance, utilities, repairs & maintenance and common area maintenance expenses reimbursable. Stabilized expense recoveries total \$69,896.

Vacancy/Collection Loss

In this section, the market vacancy is analyzed. The application of vacancy loss develops effective gross income (EGI), discussed as follows. The historical vacancy for retail space in the Lansing MSA area and Central Lansing submarket is presented in the following table:

Historical Vacancy Levels

12 Month Period Ending	Lansing MSA Metro Market		Central Lansing Submarket	
	Retail - All Space	Freestanding Retail, Under 30,000 SF	Retail - All Space	Freestanding Retail, Under 30,000 SF Space
		Space Only		Only
Current	4.9%	3.6%	4.1%	5.7%
2018 Q2	4.3%	3.9%	4.0%	5.6%
2017 Q2	4.5%	5.2%	4.1%	7.5%
2016 Q2	6.0%	6.3%	6.3%	9.1%
2015 Q2	6.6%	6.9%	7.5%	9.7%
2014 Q2	7.5%	9.1%	8.8%	12.3%
Average	5.8%	6.3%	6.1%	8.8%

Given the subject's location and the market data presented, a stabilized vacancy of 10% was projected, which also takes into consideration the possibility for collection loss.

Effective Gross Income (EGI)

Effective gross income consists of the annual income from all sources remaining after vacancy and collection loss has been applied. The combination of revenue, vacancy, and collection loss estimates discussed in the prior sections indicated a stabilized effective gross income projection of \$142,970 for the subject property.

Expense Analysis

Operating expenses represent deductions from the effective gross income that are necessary to maintain the leasing operations of the property. The subject property leases are based on triple net lease structures with tenants reimbursing the following expenses: real estate taxes, property insurance, utilities, repairs & maintenance and common area maintenance. My analysis accounts for all expense categories, as the landlord will be responsible for all expenses during periods of vacancy.

Subject Expense History

To estimate expenses for the subject property, I reviewed the subject's operating history, which is presented in the following table:

Subject Operating Statements

Statement Type	Actual			Actual		
Period Ending	December-16			December-17		
Occupancy						
Revenue	Amount	PSF	% of EGI	Amount	PSF	% of EGI
Rental Income	\$79,888	\$7.18	79.6%	\$82,005	\$7.37	78.6%
Other Income	\$20,526	\$1.85	20.4%	\$22,263	\$2.00	21.4%
Effective Gross Income	\$100,414	\$9.03	100.0%	\$104,268	\$9.38	100.0%
Operating Expenses						
Real Estate Taxes			N/A			N/A
Property Insurance	\$1,805	\$0.16	1.8%	\$1,802	\$0.16	1.7%
Management Fees	\$70,024	\$6.30	69.7%	\$75,259	\$6.77	72.2%
Administrative	\$15,636	\$1.41	15.6%	\$28,115	\$2.53	27.0%
Utilities	\$56,297	\$5.06	56.1%	\$49,583	\$4.46	47.6%
Repairs & Maintenance	\$9,205	\$0.83	9.2%	\$13,946	\$1.25	13.4%
Total Operating Expenses	\$152,967	\$13.76	152.3%	\$168,705	\$15.17	161.8%
Net Operating Income	-\$52,553	-\$4.73	-52.3%	-\$64,437	-\$5.79	-61.8%

Expense Comparables

Expense comparables, as well as market data published by IREM were compared to the subject property historical expenses. The following is a summary of the comparable expense data:

Expense Comparables

	Expense Comp # 1			Expense Comp # 2			Expense Comp # 3			Expense Comp # 4		
Expense ID	387			380			194			92		
Location	East Lansing, Michigan			Adrian, Michigan			Marshall, Michigan			IREM Region V,		
Statement Type	Actual			Actual			Actual			Actual		
Period Ending	December-17			December-17			December-15			December-15		
Rentable Area	5,224 sf			4,015 sf			48,483 sf			10,000 sf		
	Amount	PSF	% of EGI	Amount	PSF	% of EGI	Amount	PSF	% of EGI	Amount	PSF	% of EGI
Effective Gross Income	\$94,939	\$18.17	100.0%	\$26,025	\$6.48	100.0%	\$268,547	\$5.54	100.0%	\$193,200	\$19.32	100.0%
Operating Expenses												
Real Estate Taxes	\$18,261	\$3.50	19.2%	\$3,413	\$0.85	13.1%	\$42,851	\$0.88	16.0%	\$29,200	\$2.92	15.1%
Property Insurance	\$2,380	\$0.46	2.5%	\$2,450	\$0.61	9.4%	\$4,814	\$0.10	1.8%	\$2,000	\$0.20	1.0%
Management Fees	\$4,795	\$0.92	5.1%				\$4,281	\$0.09	1.6%	\$9,400	\$0.94	4.9%
Administrative	\$4,818	\$0.92	5.1%	\$520	\$0.13	2.0%	\$0			\$0		
Utilities	\$3,782	\$0.72	4.0%	\$821	\$0.20	3.2%	\$8,221	\$0.17	3.1%	\$0		
Repairs & Maintenance	\$2,028	\$0.39	2.1%	\$1,908	\$0.48	7.3%	\$47,919	\$0.99	17.8%	\$17,200	\$1.72	8.9%
Total Operating Expenses	\$36,064	\$6.90	38.0%	\$9,112	\$2.27	35.0%	\$108,086	\$2.23	40.2%	\$60,800	\$6.08	31.5%

Reimbursable Expenses

Management Fees

The following table presents the subject historical expense and comparable expense data used to estimate management fees for the subject property and my stabilized estimate:

Management Fees	Per Sq. Ft.	% of EGI
Expense Comp # 1 - East Lansing, Michigan - Actual - 12/2017	\$0.92	5.1%
Expense Comp # 3 - Marshall, Michigan - Actual - 12/2015	\$0.09	1.6%
Expense Comp # 4 - IREM Region V, - Actual - 12/2015	\$0.94	4.9%
Subject Actual - 12/2016	\$6.30	69.7%
Subject Actual - 12/2017	\$6.77	72.2%
<i>Indicator Average</i>	<i>\$3.00</i>	<i>30.7%</i>
<i>Stabilized Estimate:</i>	<i>\$0.39</i>	<i>3.0%</i>

As a single-tenant net-leased property, management expenses are anticipated to be minimal. As such, the subject property has been stabilized near the lower portion of the comparable range at 3.0% of the effective gross income.

Administrative

The following table presents the subject historical expense and comparable expense data used to estimate administrative expense for the subject property and my stabilized estimate:

Administrative	Per Sq. Ft.	% of EGI
Expense Comp # 1 - East Lansing, Michigan - Actual - 12/2017	\$0.92	5.1%
Expense Comp # 2 - Adrian, Michigan - Actual - 12/2017	\$0.13	2.0%
Subject Actual - 12/2016	\$1.41	15.6%
Subject Actual - 12/2017	\$2.53	27.0%
<i>Indicator Average</i>	<i>\$1.25</i>	<i>12.4%</i>
<i>Stabilized Estimate:</i>	<i>\$0.20</i>	<i>1.6%</i>

As with the management expenses, administrative costs for a single-tenant, net leased building are anticipated to be minimal. I estimated the administrative expense near the lower end of the range presented by the expense comparables figures at \$0.20 per square foot.

Non-Reimbursable Expenses

Real Estate Taxes

In the Assessment and Tax Data section of this report, I explained despite the subject property's exemption status, it is encumbered by an on-going special assessment titled PSD – Principal Shopping District, which has averaged \$1,508 per annum over the preceding four years. The historical PSD assessments for the subject property are presented in the following table.

Principal Shopping District

Tax Season	Assessment	% Change
Winter 2014	\$1,497	---
Winter 2015	\$1,497	0.00%
Winter 2016	\$1,497	0.00%
Winter 2017	\$1,542	3.04%
Average	\$1,508	

The remaining real estate tax liability for the subject property is based on the SEV and TV, which are not indicated in the historical tax records. Therefore, a tax load has been applied to the base capitalization rate at the conclusion of this analysis.

Property Insurance

I estimated the property insurance expense near the lower end of the range presented by the subject historical expense and comparable expense figures, or \$0.15 per square foot. The following table presents the subject historical expense and comparable expense data used to estimate property insurance expense for the subject property and my stabilized estimate:

Property Insurance	Per Sq. Ft.	% of EGI
Expense Comp # 1 - East Lansing, Michigan - Actual - 12/2017	\$0.46	2.5%
Expense Comp # 2 - Adrian, Michigan - Actual - 12/2017	\$0.61	9.4%
Expense Comp # 3 - Marshall, Michigan - Actual - 12/2015	\$0.10	1.8%
Expense Comp # 4 - IREM Region V, - Actual - 12/2015	\$0.20	1.0%
Subject Actual - 12/2016	\$0.16	1.8%
Subject Actual - 12/2017	\$0.16	1.7%
<i>Indicator Average</i>	<i>\$0.28</i>	<i>3.0%</i>
<i>Stabilized Estimate:</i>	<i>\$0.15</i>	<i>1.2%</i>

Utilities

Utility expenses can vary greatly dependent upon a property's energy sources, efficiency, and type. I estimated the utilities expense in-line with the subject historical expense figures, or \$5.00 per square foot. The following table presents the subject historical expense data used to estimate utilities expense for the subject property and my stabilized estimate:

Utilities	Per Sq. Ft.	% of EGI
Expense Comp # 1 - East Lansing, Michigan - Actual - 12/2017	\$0.72	4.0%
Expense Comp # 2 - Adrian, Michigan - Actual - 12/2017	\$0.20	3.2%
Expense Comp # 3 - Marshall, Michigan - Actual - 12/2015	\$0.17	3.1%
Subject Actual - 12/2016	\$5.06	56.1%
Subject Actual - 12/2017	\$4.46	47.6%
<i>Indicator Average</i>	\$2.12	22.8%
<i>Stabilized Estimate:</i>	\$5.00	38.9%

Repairs & Maintenance

I estimated the repairs & maintenance expense near the lower end of the range presented by the subject historical expense and comparable expense figures, or \$1.00 per square foot. The following table presents the subject historical expense data used to estimate repairs and maintenance expense for the subject property and my stabilized estimate:

Repairs & Maintenance	Per Sq. Ft.	% of EGI
Expense Comp # 1 - East Lansing, Michigan - Actual - 12/2017	\$0.39	2.1%
Expense Comp # 2 - Adrian, Michigan - Actual - 12/2017	\$0.48	7.3%
Expense Comp # 3 - Marshall, Michigan - Actual - 12/2015	\$0.99	17.8%
Expense Comp # 4 - IREM Region V, - Actual - 12/2015	\$1.72	8.9%
Subject Actual - 12/2016	\$0.83	9.2%
Subject Actual - 12/2017	\$1.25	13.4%
<i>Indicator Average</i>	\$0.94	9.8%
<i>Stabilized Estimate:</i>	\$1.00	7.8%

Replacement Reserves

While I believe it is necessary to create a reserve for long-lived items, I have not estimated a reserve expense. The comparable sales indicated capitalization rates which have been derived without a reserve expense for long-lived items.

Total Expense Estimate Comparison

The total stabilized expense for the subject property was projected at \$76,409, or \$6.87 per square foot. Of this, \$66,561 or \$5.99 per square foot is reimbursable.

Stabilized Net Operating Income (NOI)

Net operating income consists of the income that remains after all operating expenses are deducted from effective gross income, but before mortgage debt service, and other non-periodic leasing and capital expenditures. The stabilized net operating income calculation is presented in the following table:

Stabilized Net Operating Income Schedule

Category	NRA		Per Sq. Ft.		Total	% of EGI
Potential Rental Income						
Medium Retail	11,120 sf	x	\$8.00	=	\$88,960	62.2%
Total Potential Rental Income	11,120 sf	x	\$8.00	=	\$88,960	62.2%
Potential Gross Non-Rental Income						
Expense Reimbursements			\$6.29		\$69,896	48.9%
Plus: Total Potential Gross Non-Rental Income			\$6.29		\$69,896	48.9%
Potential Gross Income (PGI)			\$14.29		\$158,856	111.1%
Less: Vacancy & Collection Loss @ 10.0%			\$1.43		\$15,886	11.1%
Effective Gross Income (EGI)			\$12.86		\$142,970	100.0%
Reimbursable Expenses						
Real Estate Taxes			\$0.14		\$1,508	1.1%
Property Insurance			\$0.15		\$1,668	1.2%
Utilities			\$5.00		\$55,600	38.9%
Repairs & Maintenance			\$1.00		\$11,120	7.8%
Total Reimbursable Expenses			\$6.29		\$69,896	48.9%
Non-Reimbursable Expenses						
Management Fees			\$0.39		\$4,289	3.0%
Administrative			\$0.20		\$2,224	1.6%
Total Non-Reimbursable Expenses			\$0.59		\$6,513	4.6%
Less: Total Operating Expenses			\$6.87		\$76,409	53.4%
Stabilized Net Operating Income (NOI)			\$5.99		\$66,561	46.6%

Direct Capitalization Analysis

The income capitalization approach to value is based on the premise that a direct relationship exists between the value of a property and the stabilized level of net income it is capable of generating. Direct capitalization is the process of converting a stabilized income stream into an estimate of value and is obtained by applying an overall capitalization rate (OAR) to the net operating income (NOI) before debt service. The direct capitalization rate is the ratio between a single year's net operating income expectancy and the total property price or value. Several techniques were employed in the determination of an appropriate overall capitalization rate for the subject. These are discussed below.

Overall Capitalization Rate (OAR)

Market comparables, investor surveys, and the band of investment technique were employed in order to estimate an appropriate overall capitalization rate for the subject.

Market Comparables

The overall capitalization rates exhibited by comparable sales are presented in the following table:

Market Overall Capitalization Rate (OAR) Comparables

Comp. No.	Date of Sale	Location	Year Built	Occupancy at Time of Sale	Actual OAR
1	N/A	750 North Cedar Street Lansing, Michigan	2005	100.0%	8.78%

Investor Surveys

The following table illustrates anticipated overall capitalization rates as published by the investor surveys:

Investor Surveys - Overall Capitalization Rates

Survey	Date	Rate Range	Average
RealtyRates.com - Freestanding Retail	2Q2018	5.24% to 13.91%	10.55%
Situs RERC - Midwest 2nd-Tier - Neigh/Comm Retail	1Q2018	6.30% to 9.50%	7.80%
Situs RERC - Midwest 3rd-Tier - Neigh/Comm Retail	1Q2018	7.00% to 10.50%	8.60%
PWC - Noninstitutional-Grade Strip Shopping Center	2Q2018	4.25% to 10.00%	7.90%
Average		5.70% to 10.98%	8.71%

Band of Investment Technique

Shown below are the assumptions and calculations involved in deriving an indication from the band of investment technique:

Band of Investment Technique

Mortgage Interest Rate	=	5.75%
Mortgage Term	=	25 years
Mortgage Ratio (M)	=	70.0%
Mortgage Constant (R_M)	=	0.07549
Equity Dividend Rate (R_E)	=	12.00%
Mortgage (LTV) Ratio (M)		
70.0%	x	0.07549
	=	0.05284
1 - Mortgage Ratio (1-M)		
30.0%	x	12.00%
	=	0.03600
Overall Rate (R_O)		= 8.88%

The overall capitalization rate indications are as follows:

- Stabilized Market Range: 8.78%
- Investors Survey Range: 7.80% to 10.55%
- Band of Investment: 8.88%

Overall Capitalization Rate Conclusion

Based on my analysis an overall capitalization rate near the middle of the presented data range, or 9.0% was used for the Fee Simple Interest.

Tax Load Factor

The subject's net operating income was projected without full consideration of real property tax expenses. In order to account for real estate taxes, a tax load factor was added to the base capitalization rate. The tax load factor is calculated by dividing the millage rate for the subject property by 2,000, which equates to 0.23. Once the millage rate is converted into a tax load factor, that amount is multiplied by the vacancy/collection loss factor (10%), as real estate tax expenses will only be incurred by the owner during periods of vacancy. This amount was added to the going-in overall capitalization rate of 9.0%, which resulted in a "loaded" capitalization rate of 9.23%.

Direct Capitalization Conclusions

As previously discussed, I estimated a stabilized occupancy of 90%. Using the estimated loaded capitalization rate of 9.23% indicated an as is fee simple market value indication of \$720,911, rounded to \$720,000.

Preliminary As Is Fee Simple Market Value Indication

The direct capitalization calculation is presented as follows:

Direct Capitalization Technique Value Indication

Stabilized Net Operating Income (NOI)		\$66,561
Divided by Overall Capitalization Rate	÷	9.23%
As Is Fee Simple Market Value Indication		\$720,911
	(Rounded)	\$720,000

Reconciliation

Summary of Value Indications

The indicated values from the approaches used and my concluded market values for the subject property are summarized in the following table.

Value Indications

Approach to Value	As Is
Cost	Not Developed
Sales Comparison	\$720,000
Income Capitalization	
Direct Capitalization	\$720,000

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	July 13, 2018
Value Conclusion	\$720,000
	\$64.75 psf

To reach a final opinion of value, I considered the reliability and relevance of each value indication based upon the quality of the data and applicability of the assumptions underlying each approach. Given the availability and reliability of data within the Sales Comparison Approach, I gave this approach primary weight in arriving at my final value conclusions. Furthermore, retail properties such as the subject property are typically purchased by an investor or owner-occupants, who primarily rely upon the methods employed by the Sales Comparison Approach.

Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of 6 to 12 months and 6 to 12 months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | The Oetzel-Hartman Group will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | The Oetzel-Hartman Group is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | The Oetzel-Hartman Group and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | The Oetzel-Hartman Group.

17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | The Oetzel-Hartman Group both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | The Oetzel-Hartman Group and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against The Oetzel-Hartman Group or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | The Oetzel-Hartman Group for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | The Oetzel-Hartman Group shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | The Oetzel-Hartman Group. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | The Oetzel-Hartman Group and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | The Oetzel-Hartman Group harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | The Oetzel-Hartman Group in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by The Oetzel-Hartman Group. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification

In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Licensing and Regulatory Affairs, P.O. Box 30018, Lansing, Michigan 48909. James T. Hartman, MAI, SGA, AI-GRS is currently licensed as a Certified General Real Estate Appraiser with the State of Michigan, Number 1201005950. Mr. Hartman is also licensed in the State of Indiana, the State of Ohio, and the State of Illinois.

James T. Hartman, MAI, SGA, AI-GRS is a member of the Society of Golf Appraisers (SGA). The Society of Golf Appraisers is an organization of real estate appraisers and consultants specializing in the valuation, market analysis, and feasibility analysis of golf courses and golf related properties.

The undersigned does hereby certify that to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- As of the date of this report, James T. Hartman, MAI, SGA, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- A thorough research project whose objective has been the discovery, confirmation, inspection, and analysis of data pertinent to this valuation situation has been completed.

- Jennifer E. Passmore, limited real estate appraiser with the State of Michigan, License Number 1201074733, provided significant real property appraisal assistance to the person signing this certification. Ms. Passmore assisted in the property inspection, neighborhood analysis and description, research and verification of comparable sales, approaches to value, and final reconciliation.
- The reported analyses, opinion, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.
- The appraiser signing this report is competent to complete the assignment. The appraiser has the knowledge and experience to complete the assignment competently or has disclosed the lack of knowledge and/or experience to the client, taken all steps necessary or appropriate to complete the assignment competently and has described in the report the lack of knowledge and/or experience and the steps taken to complete the assignment competently.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

This appraisal is not to be used by the addressee or any recipient as a part of a presentation of a real estate syndicate.

A real estate syndicate means a general or limited partnership, joint venture, unincorporated association or similar organization formed for the purpose of, and engaged in, investment for gain from an interest in real property, including but not limited to, a sale, exchange, trade or development of real property, on behalf of others, or, which is required to be registered with the United States Securities and Exchange Commission or any state regulatory agency, which regulates investments made as a public offering.



James T. Hartman, MAI, SGA, AI-GRS
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Addenda

Glossary
Subject Photos
Assessment Records
Qualifications of Appraisers
Information on Valbridge Property Advisors
Office Locations

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

- 1) In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
- 2) In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

- 1) The date on which the appraisal or review opinion applies. (SVP)
- 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

- 1) The time a property remains on the market.
- 2) The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. (Dictionary)

Gross Building Area (GBA)

- 1) Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
- 2) Gross leasable area plus all common areas.
- 3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

- 1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
- 2) The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
- 3) [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

- 1) A condition that is presumed to be true when it is known to be false. (SVP – Standards of Valuation Practice, effective January 1, 2015)
- 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2016-2017 ed.) (Dictionary)

Industrial Gross Lease

A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees). (Dictionary)

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value

because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Dictionary)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) (Dictionary)

Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$ (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value

with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *net net net lease*, or *fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

Photographs of Subject Property



Southern Elevation (Front)



Eastern Elevation



Northern Elevation (Rear)



Western Elevation (Facing Grand River)



Street View Facing Southwest Along City Market Drive



Street View Facing Northeast Along City Market Drive



Interior View – Retail Floor



Interior View – Retail Floor



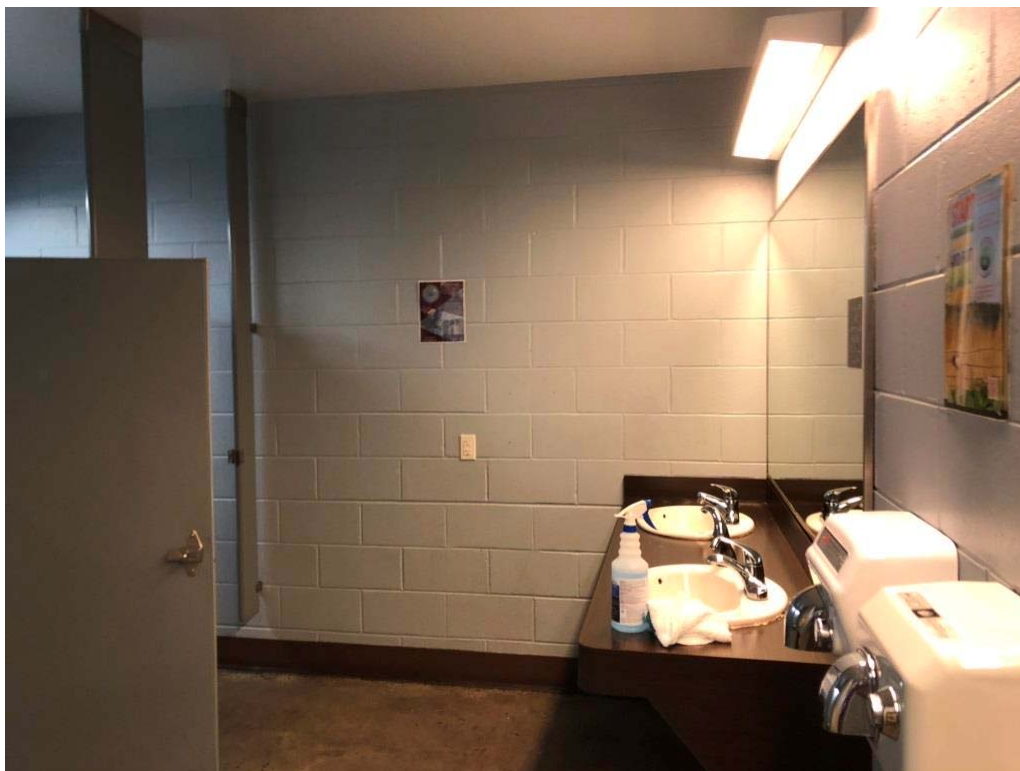
Interior View – Retail Floor



Interior View – Retail Floor



Interior View – Office Space



Interior View – Typical Restroom



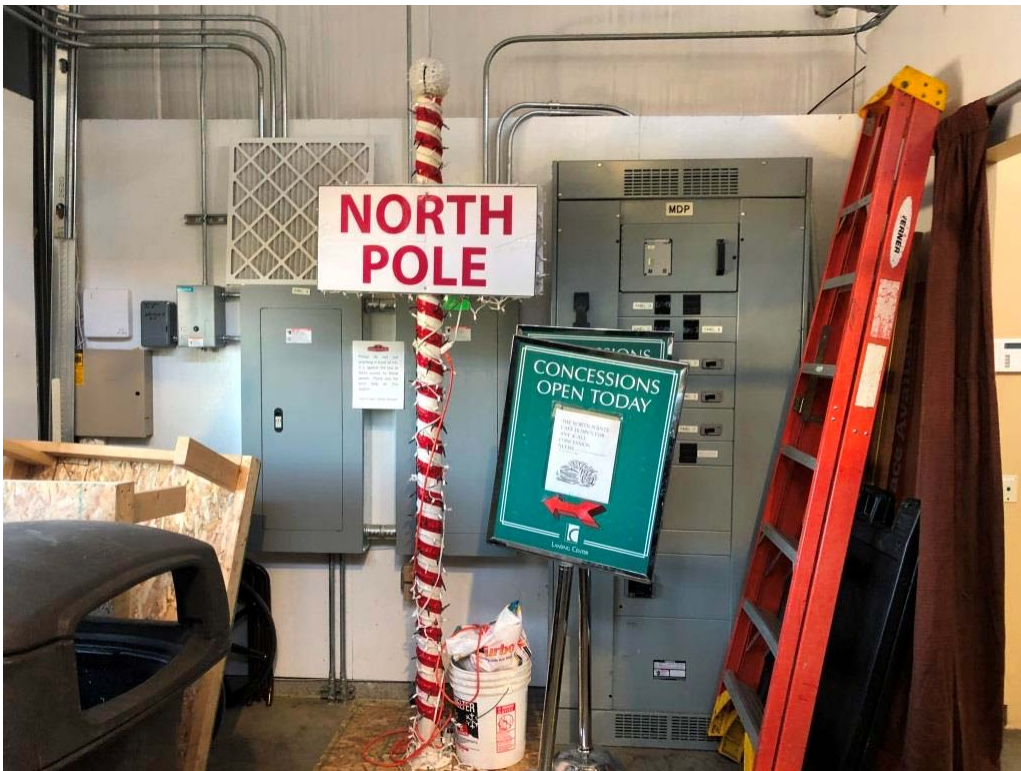
Interior View – Mechanicals



Exterior View – Mechanicals



Interior View – Mechanicals



Interior View – Mechanicals

Assessment records

325 CITY MARKET DR LANSING, MI 48933 (Property Address)
 Parcel Number: 33-01-01-16-253-002



Item 1 of 6 4 Images / 2 Sketches

Property Owner: CITY OF LANSING

Summary Information

- > Commercial/Industrial Building Summary
 - Yr Built: 2009
 - # of Buildings: 1
 - Total Sq Ft: 11,120
- > Property Tax information found
- > 7 Invoices Found, Amount Due: 0.00

- > Assessed Value: \$0 | Taxable Value: \$0
- > 29 Building Department records found

Owner and Taxpayer Information

Owner	CITY OF LANSING 124 W MICHIGAN AVE FL 8TH LANSING, MI 48933-1665	Taxpayer	CITY OF LANSING FINANCE DEPT 124 W MICHIGAN AVE LANSING, MI 48933
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General Information for Tax Year 2018

Property Class	EXEMPT - REAL	Unit	33 CITY OF LANSING - INGHAM
School District	LANSING	Assessed Value	\$0
MAP #	B -0245 -0018	Taxable Value	\$0
TOP TEN	Not Available	State Equalized Value	\$0
NEW PERMITS	Not Available	Date of Last Name Change	06/04/2018
USER ALPHA 3	Not Available	Notes	Not Available
Historical District	Not Available	Census Block Group	Not Available
TYPE CODE	Not Available	Exemption	No Data to Display

Principal Residence Exemption Information

Homestead Date 12/30/1997

Principal Residence Exemption	June 1st	Final
2018	0.0000 %	0.0000 %

Previous Year Information

Year	MBOR Assessed	Final SEV	Final Taxable
2017	\$0	\$0	\$0

2016		\$0	\$0	\$0
2015		\$0	\$0	\$0

Land Information

Zoning Code	<i>Not Available</i>	Total Acres	3.736
Land Value	\$0	Land Improvements	\$0
Renaissance Zone	No	Renaissance Zone Expiration Date	<i>No Data to Display</i>
ECF Neighborhood	M220-EAST DOWNTOWN-MISC	Mortgage Code	00805
Lot Dimensions/Comments	IRREGULAR SEE SKETCH	Neighborhood Enterprise Zone	No

Lot(s)	Frontage	Depth
No lots found.		
Total Frontage: 0.00 ft		Average Depth: 0.00 ft

Legal Description

COM 360 FT W OF NE COR LOT 1, TH S 00DEG 05MIN 21SCD W 323 FT, S 32DEG 43MIN 09SCD E 212.85 FT, SE'LY ON 451.57 FT RAD CURVE TO RT CHORD BEARING S 25DEG 08MIN 02SCD W 480.55 FT, S 07DEG 00MIN 46SCD E 12.59 FT, N 24DEG 26MIN 12SCD W 37.25 FT, N 89DEG 58MIN 20SCD W 140.91 FT TO GRAND RIVER, N'LY ALONG RIVER TO S R/W LINE OF SHIawassee ST, S 89DEG 58MIN 20SCD E 167.38 FT TO BEG; BLOCK 245 ORIG PLAT

Sale History

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liberty/Page
No sales history found.						

Building Information - 11120.00 sq ft Stores - Warehouse Food (Commercial)

Floor Area	11,120 sq ft	Estimated TCV	<i>Not Available</i>
Occupancy	Stores - Warehouse Food	Class	S
Stories Above Ground	1	Average Story Height	11 ft
Basement Wall Height	<i>Not Available</i>	Identical Units	<i>Not Available</i>
Year Built	2009	Year Remodeled	<i>Not Available</i>
Percent Complete	100%	Heat	Space Heaters, Gas with Fan
Physical Percent Good	83%	Functional Percent Good	100%
Economic Percent Good	100%	Effective Age	6 yrs

****Disclaimer:** BS&A Software provides BS&A Online as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

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Qualifications of Appraisers

James T. Hartman, MAI, SGA, AI-GRS

Senior Managing Director

Valbridge Property Advisors | The Oetzel-Hartman Group

Education:

Bachelor of Arts Degree
College of Business
Financial Administration
Michigan State University, East Lansing, MI

License:

In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Licensing and Regulatory Affairs, P.O. Box 30018, Lansing, Michigan 48909. James T. Hartman is currently licensed as a Certified General Real Estate Appraiser with the State of Michigan, License #1201005950, with the State of Indiana, License #CG40600034, with the State of Ohio, License #2007005970, and with the State of Illinois, License #553.002225.

Real Estate Appraisal Curriculum, Appraisal Institute:

Classes:

- Basic Valuation
- Real Estate Appraisal Principles
- Residential Valuation
- Standards of Professional Practice, Part A
- Standards of Professional Practice, Part B
- Standards of Professional Practice, Part C
- Income Capitalization, Part A
- Income Capitalization, Part B
- Case Studies in Real Estate Valuation
- Report Writing and Valuation Analysis
- Highest & Best Use and market Analysis
- Business Practices and Ethics
- 7-Hour National USPAP Update Course
- Valuation of Conservation Easements
- Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
- Review Theory – General
- Supervisory Appraiser/Trainee Course

Seminars:

- Demonstration Appraisal Report Writing
- Regulation of Financial Information Sharing & Information Brokering
- REITS and the Role of the Real Estate Professional
- Partial Interest Valuation – Divided
- Appraisal Symposium – Real Estate Underwriting
- Still Standing – The US Real Estate Market
- Michigan Appraising Licensing Law and Rules
- Appraisal Consulting: A Solutions Approach for Professionals
- Scope of Work: Expanding your Range of Services

Seminars: (continued)

Supervising Appraisal Trainees
Land Valuation Adjustments Workshop
Analyzing Distressed Real Estate
Market Analysis and the Site to Do Business
Valuation & Litigations Services SIG Kick-Off – SIG2006
Fair Housing
Introduction to International Valuation Standards
Environmental Solutions for Commercial RE Transactions
Spotlight on USPAP: Common Errors and Issues
Michigan Economy 2009
Appraising Convenience Stores
Michigan Economy 2010
Spotlight on USPAP – Appraisal Review
Analyzing Distressed Real Estate
Spotlight on USPAP: Agreement for Services-Instructions
Loss Prevention program for Real Estate Appraisers
Liability Issues for Appraisers Performing Litigation & Other Non-Lender Work
Small Hotel/Motel Valuation
Government and the Housing Market

Other Seminars/Courses:

Historic Preservation Conference: Incentives for Historic Preservation in Detroit - IPED
Michigan Tax Tribunal Contemporary Issues – Oakland University
LEED for New Construction and Major Renovations Technical Review Workshop - USGBC
Understanding the Impact of the Interagency Appraisal and Evaluation Guidelines for Appraisers and Lenders
Advanced Computer Applications for Appraisers – Valbridge Property Advisors
Fractional Interest Valuation – Valbridge Property Advisors

Appraisal Assignments:

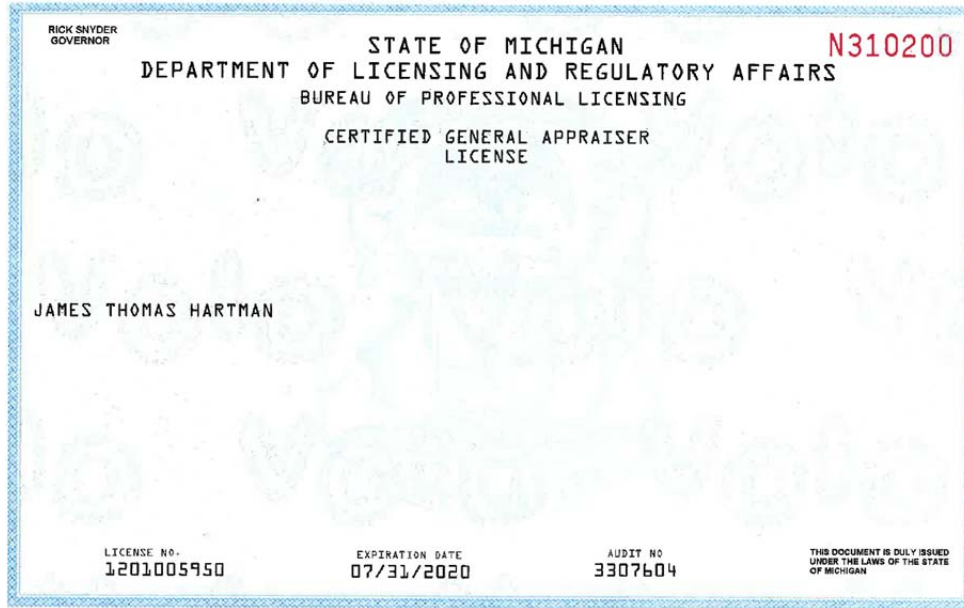
Performed a variety of appraisal assignments including appraisals of vacant land, subdivisions, industrial buildings, hotels, golf courses, resorts, shopping centers, manufactured home parks, elderly care facilities, condominium construction and conversion, restaurants, and office buildings.

Counseling Services:

Economic feasibility and market studies for golf courses, hotels, apartments, multi-tenant office buildings, multi-tenant shopping centers and elderly care facilities.

Professional Recognition:

2000-1	Advisory Board, West Michigan Branch, Great Lakes Chapter, Appraisal Institute
2001	Awarded MAI designation by the Appraisal Institute
2002	Vice-Chair, West Michigan Branch, Great Lakes Chapter, Appraisal Institute
2002	Public Relations Committee, Great Lakes Chapter, Appraisal Institute
2002	General Comprehensive Exam Subcommittee, Standard Setting Panel, Appraisal Institute
2003	Chair, West Michigan Branch, Great Lakes Chapter, Appraisal Institute
2003	Region III Representative Alternate, Great Lakes Chapter, Appraisal Institute
2004	Director, Great Lakes Chapter, Appraisal Institute
2004-17	General Comprehensive Exam Subcommittee, Appraisal Institute
2004	Real Estate Appraiser Exam Content Expert, Bureau of Commercial Services Department of Labor & Economic Growth, State of Michigan
2006	Secretary, Great Lakes Chapter, Appraisal Institute
2007	Treasurer, Great Lakes Chapter, Appraisal Institute
2008	Awarded SGA designation from The Society of Golf Appraisers
2008	Vice President, Great Lakes Chapter, Appraisal Institute
2008-9	Region III Representative, Great Lakes Chapter, Appraisal Institute
2009	President, Great Lakes Chapter, Appraisal Institute
2009-10	Vice Chairman, General Comprehensive Exam Panel, Appraisal Institute
2009	Awarded MRICS designation from the Royal Institution of Chartered Surveyors
2010	Past President (Board of Directors) Great Lakes Chapter, Appraisal Institute
2010	Region III Representative, Great Lakes Chapter, Appraisal Institute
2011-14	Chairman, General Comprehensive Exam Panel, Appraisal Institute
2014-15	Secretary, The Society of Golf Appraisers
2014	Awarded AI-GRS designation from Appraisal Institute
2014-17	Member, State of Michigan Board of Real Estate Appraisers
2016-17	President, Society of Golf Appraisers
2015-17	Vice Chairman, General Comprehensive Exam Panel, Appraisal Institute
2016-17	Vice Chairman, State of Michigan Board of Real Estate Appraisers



Jennifer E. Passmore

Appraiser

Valbridge Property Advisors | The Oetzel-Hartman Group

Education:

Michigan State University
Bachelor of Science in Urban Planning

License:

In Michigan, appraisers are required to be licensed/certified and are regulated by the Michigan Department of Licensing and Regulatory Affairs, P.O. Box 30018, Lansing, Michigan 48909. Jennifer E. Passmore is currently licensed as a Limited Real Estate Appraiser with the State of Michigan, License #1201074733.

Appraisal Assignments:

A variety of appraisal assignments including appraisals of residential, commercial, industrial, and mixed use properties for federally related mortgage transactions, private estates, and tax purposes.

Types of Assignments:

Single Family Residences	Apartments
2-4 Family Residences	Self-Storage Facilities
Convenience Stores/Gas Stations	Retail Buildings
Industrial/Warehouse	Shopping Centers
Office Buildings	Mixed-Use Development
Residential Subdivisions	Flex Space
Vacant Land	Going Concern

Valuation and Advisory Services for All Types of Property and Land

- Office
- Industrial
- Retail
- Apartments/multifamily/senior living
- Lodging/hospitality/recreational
- Other special-purpose properties

SPECIALTY SERVICES

- Portfolio valuation
- REO/foreclosure evaluation
- Real estate market and feasibility analysis
- Property and lease comparables, including lease review
- Due diligence
- Property tax assessment and appeal-support services
- Valuations and analysis of property under eminent domain proceedings
- Valuations of property for financial reporting, including goodwill impairment, impairment or disposal of long-lived assets, fair value and leasehold valuations
- Valuation of property for insurance, estate planning and trusteeship, including fractional interest valuation for gifting and IRS purposes
- Litigation support, including expert witness testimony
- Business and partnership valuation and advisory services, including partial interests



Valbridge
PROPERTY ADVISORS

OFFICE LOCATIONS

ALABAMA

Valbridge Property Advisors | Real Estate Appraisers, LLC
4732 Woodmere Boulevard
Montgomery, AL 36106
334-277-5077

ARIZONA

Valbridge Property Advisors | MJN Enterprises, Inc.
6061 E. Grant Road, Suite 121
Tucson, AZ 85712
520-321-0000

CALIFORNIA

Valbridge Property Advisors | Michael Burger & Associates
4915 Calloway Drive, Suite 101
Bakersfield, CA 93312
661-587-1010

Valbridge Property Advisors | Cummings Appraisal Group, Inc.
99 S. Lake Avenue, Suite 21
Pasadena, CA 91101
626-744-0428

Valbridge Property Advisors | Hulberg & Associates, Inc.
225 Crossroads Blvd., Suite 326
Carmel, CA 93923
831-917-0383

2813 Coffee Road, Suite E-2
Modesto, CA 95355
209-569-0450

One North Market Street
San Jose, CA 95113
408-279-1520

3160 Crow Canyon Place, Suite 245
San Ramon, CA 94583
925-327-1660

Valbridge Property Advisors | Penner & Associates, Inc.
1370 N. Brea Boulevard, Suite 255
Fullerton, CA 92835
714-449-0852

Valbridge Property Advisors | Ribacchi & Associates
10301 Placer Lane, Suite 100
Sacramento, CA 95827
916-361-2509

COLORADO

Valbridge Property Advisors | Bristol Realty Counselors
5345 Arapahoe, Suite 7
Boulder, CO 80303
303-443-9600

Valbridge Property Advisors | Mountain West
562 Highway 133
Carbondale, CO 81623
970-340-1016

CONNECTICUT

Valbridge Property Advisors | Italia & Lemp, Inc.
6 Central Row, Third Floor
Hartford, CT 06103-2701
860-246-4606

17 High Street, Suite 214
Norwalk, CT 06851
203-286-6520

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Valbridge Property Advisors | Armalavage Valuation, LLC
2240 Venetian Court
Naples, FL 34109
239-514-4646

Valbridge Property Advisors | Beaumont, Matthes & Church, Inc.
603 Hillcrest Street
Orlando, FL 32803
407-839-3626

Valbridge Property Advisors | Boyd, Schmidt & Brannum
2711 Poinsettia Avenue
West Palm Beach, FL 33407
561-833-5331

Valbridge Property Advisors | Broom, Moody, Johnson & Grainger, Inc.
121 West Forsyth Street, Suite 1000
Jacksonville, FL 32202
904-296-3000

Valbridge Property Advisors | Entroken Associates, Inc.
1100 16th Street N
St. Petersburg, FL 33705
727-894-1800

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Valbridge Property Advisors | Cantrell Miller, LLC
2675 Paces Ferry Road, Suite 145
Atlanta, GA 30339
678-844-4853

IDAHO

Valbridge Property Advisors | Auble, Jolicœur & Gentry, Inc.
1875 N. Lakewood Drive, Suite 100
Coeur d'Alene, ID 83814
208-292-2965

Valbridge Property Advisors | Mountain States Appraisal & Consulting, Inc.
1459 Tyrell Lane, Suite B
Boise, ID 83706
208-336-1097

INDIANA

Valbridge Property Advisors | Mitchell Appraisals, Inc.
820 Fort Wayne Avenue
Indianapolis, IN 46204
317-687-2747

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Valbridge Property Advisors | Shaner Appraisals, Inc.
10990 Quivira, Suite 100
Overland Park, KS 66210
913-451-1451

KENTUCKY

Valbridge Property Advisors | Allgeier Company
214 South 8th Street, Suite 200
Louisville, KY 40202
502-585-3651

LOUISIANA

Valbridge Property Advisors | Argote, Derbes, Graham, Shuffield & Tatje, Inc.
512 North Causeway Boulevard
Metairie, LA 70001
504-833-8234

7607 Fern Avenue, Suite 104
Shreveport, LA 71105
318-797-0543

MARYLAND

Valbridge Property Advisors | Lipman Frizzell & Mitchell LLC
6240 Old Dobbin Lane, Suite 140
Columbia, MD 21045
410-423-2300

MASSACHUSETTS

Valbridge Property Advisors | Bullock Commercial Appraisal, LLC
21 Muzzey Street, Suite 2
Lexington, MA 02421
781-652-0700

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Valbridge Property Advisors | The Oetzel-Hartman Group
2127 University Park Drive, Suite 390
Okemos, Michigan 48864
517-336-0001

MINNESOTA

Valbridge Property Advisors | Mardell Partners, Inc.
120 South 6th Street, Suite 1650
Minneapolis, MN 55402
612-253-0650

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Valbridge Property Advisors | Lubawy & Associates, Inc.
3034 S. Durango Drive, Suite 100
Las Vegas, NV 89117
702-242-9369

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Valbridge Property Advisors | Oxford Group
2740 Route 10 West, Suite 204
Morris Plains, NJ 07950
973-970-9333

2052 Route 35, Suite 104
Wall Township, NJ 07719
732-807-3113

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New York, NY 10001
212-268-1113

NORTH CAROLINA

Valbridge Property Advisors | John Bosworth & Associates, LLC
4530 Park Road, Suite 100
Charlotte, NC 28209
704-376-5400

Valbridge Property Advisors | Paramount Appraisal Group, Inc.
412 E. Chatham Street
Cary, NC 27511
919-859-2666

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Valbridge Property Advisors | Allgeier Company
9277 Centre Point Dr., Suite 350
West Chester, OH 45069
513-785-0820

Valbridge Property Advisors
1655 W. Market Street, Suite 130
Akron, OH 44313
330-899-9900

526 E. Superior Avenue, Suite 455
Cleveland, OH 44114
216-367-9690

OKLAHOMA

Valbridge Property Advisors | Walton Property Services, LLC
6666 South Sheridan Road, Suite 104
Tulsa, OK 74133
918-712-9992

PENNSYLVANIA

Valbridge Property Advisors | Barone, Murtha, Shonberg & Associates, Inc.
4701 Baptist Road, Suite 304
Pittsburgh, PA 15227
412-881-6080

Valbridge Property Advisors | Lukens & Wolf, LLC
150 S. Warner Road, Suite 440
King of Prussia, PA 19406
215-545-1900

SOUTH CAROLINA

Valbridge Property Advisors | Atlantic Appraisals, LLC
800 Main Street, Suite 220
Hilton Head Island, SC 29926
843-342-2302

1250 Fairmont Avenue
Mt. Pleasant, SC 29464
843-884-1266

Valbridge Property Advisors | Robinson Company
610 N. Main Street
Greenville, SC 29601
864-233-6277

TENNESSEE

Valbridge Property Advisors | R.K. Barnes & Associates, Inc.
112 Westwood Place, Suite 300
Brentwood, TN 37027
615-369-0670

Valbridge Property Advisors | C & I Appraisal Services, Inc.
6750 Poplar Avenue, Suite 706
Memphis, TN 38138
901-753-6977

Valbridge Property Advisors | Meridian Realty Advisors, LLC
701 Broad Street, Suite 209
Chattanooga, TN 37402
423-285-8435

213 Fox Road
Knoxville, TN 37922
865-522-2424

TEXAS

Valbridge Property Advisors | Dugger, Canaday, Graft, Inc.
111 Soledad, Suite 800
San Antonio, TX 78205
210-227-6229

Valbridge Property Advisors | The Gerald A. Teel Company, Inc.
Two Energy Square
4849 Greenville Avenue, Suite 1495
Dallas, TX 75206
214-446-1611

974 Campbell Road, Suite 204
Houston, TX 77024
713-467-5858

Valbridge Property Advisors
2731 81st Street
Lubbock, TX 79423
806-744-1188

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Valbridge Property Advisors | Free and Associates, Inc.
260 South 2500 West, Suite 301
Pleasant Grove, UT 84062
801-492-9328

1100 East 6600 South, Suite 201
Salt Lake City, UT 84121
801-262-3388

20 North Main, Suite 304
St. George, UT 84770
435-773-6300

VIRGINIA

Valbridge Property Advisors | Axial Advisory Group, LLC
656 Independence Parkway, Suite 220
Chesapeake, VA 23320
757-410-1222

7400 Beaufort Springs Drive, Suite 300
Richmond, VA 23225
804-672-4473

5107 Center Street, Unit 2B
Williamsburg, VA 23188
757-345-0010

WASHINGTON

Valbridge Property Advisors | Allen Brackett Shedd
18728 Bothell Way, NE, Suite B
Bothell, WA 98011
425-450-4040

2927 Colby Avenue, Suite 100
Everett, WA 98201
425-258-2611

419 Berkeley Avenue, Suite A
Fircrest, WA 98466
253-274-0099

506 Second Avenue, Suite 101
Seattle, WA 98104
206-209-3016

Valbridge Property Advisors | Auble, Jolicœur & Gentry, Inc.
7601 West Clearwater Ave., Suite 320
Kennewick, WA 99336
509-221-1540

324 N. Mullan Road
Spokane Valley, WA 99206
509-747-0999

WISCONSIN

Valbridge Property Advisors | Vitale Realty Advisors, LLC
12660 W. North Avenue
Brookfield, WI 53005
262-782-7990

CORPORATE OFFICE

2240 Venetian Court
Naples, FL 34109

239-325-8234 phone
239-325-8356 fax

valbridge.com

Simmons PROPERTIES

530 E. Grand River Road
Williamston, MI 48895
517-655-5400

Open Call for Request for Information (RFI)
For the Reuse and Reactivataion of the Lansing City Market
August 2018

City of Lansing
The Department of Economic Development and Planning
316 N. Capitol Avenue
Ste. D-1
Lansing, MI 48933
ATTN: Brian McGrain, Director
(517) 483-4060
Brian.McGrain@lansingmi.gov

Submission from Simmons Properties, LLC

- A. Transmittal: Lead Entity is Simmons Properties, LLC. Contacts: President of Simmons Properties is Scott Simmons who can be reached at scott@glelevators.com or 517-719-6466. Vice President of Operations is Patrice Drainville who can be reached at info@glelevators.com or 810-625-9404.
- B. Project Understanding and Approach to the Project
 - a. Simmons Properties, LLC, as the only remaining tenant in the market at 325 City Market Drive for 9 years, has a large interest in seeing the further development of this property. Simmons Properties, LLC has a successful bar and grill in the Market building boasting the only riverfront bar and grill in Lansing, MI. Simmons Properties wants to see the space that they have invested much time, money, and dedication into throughout the nine years of tenancy succeed. Throughout the term of the lease, Simmons Properties has volunteered to help out other tenants with integrating the businesses together to succeed. Simmons Properties has had a large interest in seeing other tenants in the market succeed.
 - b. Simmons Properties, LLC's concept is to restore the space in the building at the City Market. The idea would be to keep the Waterfront Bar & Grill and to get a fresh set of vendors into the market such as a BBQ restaurant, a gift shop, a coffee shop, a kayak and bike rental, a barber shop, a nail salon, entertainment space and other vendors that would make the market an interest to the residents around the downtown area. Simmons Properties, LLC would be **interested in listening to the public views** on what vendors they would be interested in seeing in the market so that it attracts more customers.
 - c. Space would be drawn out for each vendor who wanted to rent and rent would be based on the vendor's needs. Rent would be charged by Simmons Properties in order to sustain the payment made to the city for the lease.
 - d. Simmons Properties, LLC would manage the vendors and be responsible for the ultimate monthly payment and management of the space.
- C. Proposal:
 - a. Simmons Properties would propose the following to lease the building.

- i. Lease would be \$15,000 a month paid to the City of Lansing. The cost of utilities, maintenance, and groundskeeping will also be absorbed by Simmons Properties.
- ii. All utilities would be paid by Simmons Properties, LLC to each utility provider.
- iii. All building and outdoor maintenance would be the responsibility of Simmons Properties, LLC except for the public streets and sidewalks that would be maintained responsibly by the City of Lansing
- iv. The back parking lot (formerly the City Market Parking for Patrons only) and the front parking lot (formerly the City Market Parking for Patrons only) would be leased with the building for the above mentioned price. Simmons Properties would be responsible for policing these parking lots for unauthorized parking.
- v. The City Lot across from the City Market would allow for 25 spots to be dedicated to the building to be included in the above mentioned lease price.
- vi. Build outs for vendors will be the responsibility of the vendor and will not be denied permitting by the City of Lansing for un-reasonable causes.

D. Financial Approach

- a. Simmons Properties, LLC will be solely financially responsible for the upkeep and lease payments of the building. Simmons Properties, LLC has successfully managed 6 restaurants, numerous commercial buildings, numerous residential properties, and an elevator installation, modernization, maintenance, service and repair company for over a decade.

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

WHEREAS, the City of Lansing is the owner of a structure and real property located at 325 Riverfront Drive (formerly "City Market Drive"), Lansing, MI 48912, collectively known as the New Lansing City Market (the "Market"); and

WHEREAS, the City has negotiated a long term lease for possession and operation of the Market, for greater than 5 years, with Lansing Shuffleboard and Social Club, LLC, (the "Lessee") wherein Lessee will use the Market as a food hall and events space while continuing to provide City Parks and Recreation related activities for the benefit of the public, including, but not limited to, vending refreshments, providing public entertainment, community events, and space for public gatherings; and

WHEREAS, a certain Lease Agreement signed by the Lessee was placed on file with the Lansing City Clerk pursuant to Section 208.08 of the Codified Ordinances, on September 12, 2020, and has been on file for a period greater than thirty days; and

WHEREAS, pursuant to Section 208.08 of the Codified Ordinances a duly noticed public hearing to consider whether to approve or reject the Lease Agreement was held on November 9, 2020, and at least one week has passed since the public hearing.

NOW THEREFORE, BE IT RESOLVED, that the Lansing City Council hereby approves Lease Agreement filed with the City Clerk on September 12, 2020, between the City of Lansing and Lansing Shuffleboard and Social Club, LLC for lease of the New Lansing City Market to; and

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



Andy Schor, Mayor

APPLICATION FOR PAYMENT IN LIEU OF TAXES (PILOT)

PROJECT NAME:	Walter French
PILOT PERIOD REQUESTED:	2023 - 2039 Years (Should match term of qualifying mortgage)
NUMBER OF PARCELS IN PROJECT:	2 Parcels
APPLICATION TYPE: (Check all that apply)	☒ NEW PROJECT ☐ RESTRUCTURE OF PROJECT FINANCING ☐ CHANGE IN OWNERSHIP

A. OWNERSHIP INFORMATION

NAME OF OWNERSHIP ENTITY:	Capital Area Housing Partnership (as funding is received this will change to: 1900 Cedar Development, LLC/ Walter French LDHA LP)
TYPE OF OWNERSHIP:	☒ LIMITED DIVIDEND HOUSING ASSOCIATION ☐ QUALIFIED NONPROFIT HOUSING CORPORATION ☐ CONSUMER HOUSING COOPERATIVE ☒ OTHER: (DESCRIBE) current nonprofit – will change at funding

DEVELOPER/SPONSOR:	Capital Area Housing Partnership
DEVELOPER ADDRESS:	600 W Maple Suite D, Lansing, MI 48906

CONTACT PERSON:	Rawley Van Fossen	Mikki Droste
TELEPHONE:	517.332.4663	517.256.0286
EMAIL:	rawley@capitalareahousing.org	mikki@housinglinks.net

B. CITY APPROVALS NEEDED

PLANNING BOARD	☐ YES ☐ NO ☒ NOT APPLICABLE
	STATUS:
ZONING BOARD OF APPEALS	☐ YES ☒ NO ☐ NOT APPLICABLE
	STATUS: Was previously rezoned for mixed use/multifamily



Andy Schor, Mayor

HISTORIC DISTRICT COMMISSION	☐ YES ☒ NO ☐ NOT APPLICABLE
	STATUS:
OTHER:	STATUS:
EXPECTED PROJECT START DATE:	September 2022
EXPECTED PROJECT COMPLETION DATE:	December 2023

C. PROJECT INFORMATION

Project Address:	1900 S Cedar
General Location (e.g. cross streets)	Cedar/Mt. Hope
Is Project located in a Renaissance Zone?	☐ Yes ☒ No
Is Project located in a Neighborhood Enterprise Zone?	☐ Yes ☒ No
Is Ownership Entity able to demonstrate site control?	☒ Yes ☐ No

Note: Project is not eligible for PILOT if Ownership Entity is not able to demonstrate site control. Site control is demonstrated through ownership, purchase/option agreement, etc. Contact the Community Development Department with questions regarding sufficient documentation.

Provide a complete description of the project including the parties involved, necessary background information, number of parking spaces being provided, and any special certification (e.g. LEED) the project will target. (Provide attachment if necessary)



Andy Schor, Mayor

If project financing is being restructured, detail all physical improvements to the project completed within the last five (5) years and any planned improvements. (Provide as attachment if necessary)

D. BUILDING INFORMATION

Building Type (e.g. single/multi-family, number of floors)	Old school, 3 story
Total Number of Units:	76
Number of Rent Restricted Units:	76
Number of Market Rate Units:	0
Total Number of Barrier-Free Units:	8
Target Demographic(s)	seniors, families, persons with disabilities/homelessness

Transitional Housing for Homeless Project	☐ Yes ☒ No
Emergency Shelter Project	☐ Yes ☒ No
Targeted Income (% of Area Median Income)	30% - 80%
Residential Space Square Footage:	139,000 approx
Non-Residential (N/R Space):	☒ Yes ☐ No
Square Footage (of N/R Space):	30,000 approx
Use (of N/R Space):	Community, commercial
Neighborhood District:	

Describe how the project will fit into the neighborhood: As Walter French is a very visible anchor in the neighborhood, the redevelopment of this building/site is a vast improvement over the vacant, deteriorating condition of the site as has been the state it has been in for prior years. Mixed residential/commercial use of the space creates a good segway between the surrounding commercial/retail and residential uses on each side of the site.

Provide neighborhood feedback regarding any proposed new construction: No new construction, though a neighborhood meetings and tours have been held and project support was voiced from those who participated.



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E. UNIT INFORMATION

Unit Type	Number of Units	Average Unit Size (sq. ft.)	Projected Monthly Rent per Unit (including utility allowances)	
			Restricted Rate	Market Rate
Rent Restricted Units				
0- Bedroom	<u>0</u>			
1- Bedroom	<u>39</u>	<u>650</u>	<u>451-949</u>	<u>n/a</u>
2- Bedroom	<u>31</u>	<u>900</u>	<u>541-1137</u>	<u>n/a</u>
3- Bedroom	<u>6</u>	<u>1250</u>	<u>626-1311</u>	<u>n/a</u>
4- Bedroom				
5- Bedroom				
Subtotal	<u>76</u>	<u>estimated</u>		

Provide a description of the units in the project:

The project will include 76 units that will follow the configuration of previous classrooms to allow for the historic renovation of the building. Large windows, high ceilings and large units will make units marketable.

Unit Type	Number of Units	Average Unit Size (sq. ft.)	Projected Monthly Rent per Unit (including utility allowances)
Market Rate Units			
0- Bedroom			
1- Bedroom			
2- Bedroom			
Subtotal			
Total	0		



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F. PROJECT FINANCING

Federally-aided Mortgage, Advance, or Grant	☐ Yes	☒ No
Name of Loan/Credit Program	Term of Financing	Amount
		\$

State-aided Mortgage, Advance, or Grant	☒ Yes	☐ No
Name of Loan/Credit Program	Term of Financing	Amount
Taxable Loan	40 year/4.25% Mtg	\$1,816,957
HOME Gap Funding	Cash share loan	\$363,028
		\$

City-aided Mortgage, Advance, or Grant	☒ Yes	☐ No
Name of Loan/Credit Program	Term of Financing	Amount
CDBG	30 year	\$600,000
		\$

Low Income Housing Tax Credits (LIHTC)	☒ Yes	☐ No
Name of Loan/Credit Program	Term of Financing	Amount
MSHDA LIHTC/Cinnaire – 4%		\$1,399,343
Historic Tax Credits/Cinnaire		\$2,810,258
MSHDA LIHTC/Cinnaire – 9%		\$13,048,695

LIHTC Application Date: 9% - 2/1/21; 4% Gap 12/1/2020	
LIHTC Status:	Application in process for October funding round
Initial Use Commitment in LIHTC Application:	15 Years
Extended Use Commitment in LIHTC Application:	30 Years
Total Length of Affordability Commitment in LIHTC Application:	45 Years



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Contact Person for Qualifying Federal or State Financing:	MSHDA/Chad Benson
Phone Number:	517.335.9874
Email:	bensonc@michigan.gov

Description and status of other (private) financing:	Commitment In process
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Description why PILOT is necessary:	Rent affordability, competitive points to bring LIHTC. PILOT request at 6% of 76 units. A 10% PILOT was approved in 2019. Since that time the project costs have increased and the committed HOME/CDBG funds from the City of Lansing were reduced, requiring a lower PILOT. The difference between a 10% and 6% PILOT is approximately \$441,789 in increased hard debt to the project. As CAHP has provided the maximum commitment of funding allowed by MSHDA at \$1.3 million, the project requires the additional hard debt to be feasible.
Funding to project	

G. ADDITIONAL INFORMATION

Attach the following required documents to this application.

- ☒ Ownership Entity Organizational Documents
- ☒ Description of Project
- ☒ Legal Description of property (electronic version should be available on request)
- ☒ Evidence of Site Control
- ☒ Statement of Development Team Experience (be specific)
- ☒ Sources and Uses Statement (indicate if the funding is committed or pending)
- ☒ Operating Proforma (highlighting PILOT contribution to project)
- ☐ Financing Mortgage
- ☐ Financing Note
- ☐ Financing or Development Agreement/Copy of Regulatory Agreement
- ☒ Location Map of Project Parcels
- ☒ Property Manager Portfolio (of properties)
- ☐ PILOT "Savings Worksheet" (template provided by Development Office)
- ☐ Other Attachment (Describe)



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Provide explanation below if any required documents are unavailable at the time of this application.

Financing mortgage/note/regulatory agreement are not available prior to award of funding and/or closing on financing.

The applicant is responsible for providing written notification to the Development Office of any change in the information contained in this application or its attachments as soon as the applicant becomes aware of the change.

The Development Office reserves the right to request additional information and/or supporting documentation related to this application

The undersigned hereby attests that to the best of his or her knowledge the information presented herein, including the attachments, is true and correct.

A handwritten signature in blue ink, reading "Rawley Van Fossen", is written over a horizontal line.

Date: 11-3-2020

Signature of Authorized Representative

Name: Rawley Van Fossen

Title: CAHP, Executive Director

1900 S Cedar Development, LLC, General Partner, Manager

401

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**MICHIGAN DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
CORPORATION, SECURITIES, AND LAND DEVELOPMENT BUREAU**

Date Received			(FOR BUREAU USE ONLY)
JUN 20 2019			
Name THOMAS L. LAPKA Address 605 S. CAPITOL AVE City LANSING State MICHIGAN Zip Code 48933			
			TranInfo: 1 23730027-2 06/18/19 Chk#: 11329 Amt: \$10.00 ID: MALLORY LAPKA SCOTT & SELIN PLLC FILED EFFECTIVE DATE: JUN 21 2019

Document will be returned to the name and address you enter above

CERTIFICATE OF LIMITED PARTNERSHIP
For use by Domestic Limited Partnership
 (Please read information and instructions on the last page)

ADMINISTRATOR
CORPORATIONS DIVISION

Pursuant to the provisions of Act 213, Public Acts of 1982, the undersigned person(s) execute the following Certificate:

Section 1

The name of the limited partner is:

WALTER FRENCH LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP

Section 2

The general character of its business is: The purpose of the Partnership is to acquire, construct, rehabilitate, develop, improve, maintain, own, operate, lease, dispose of and otherwise deal with the Project in accordance with the Project Documents, any applicable Regulations and provisions of the Partnership Agreement. The Partnership has been organized exclusively to provide housing facilities for families of low and moderate income, or for persons whose income does not exceed limits established in Act No. 346 of Public Acts of 1966 of the State of Michigan, as amended, (the "Housing Act") and Section 42 of the Internal Revenue Code of 1986, as amended, and for social, recreational, commercial and communal facilities as may be necessary to serve and improve a residential area in which Authority-aided or federally-aided housing is located or is planned to be located, thereby, enhancing the viability of the housing. The Partnership shall not engage in any other business or activity.

Section 3

- a. The address of the office at which the limited partnership records are kept is: **600 W. Maple, Ste D., Lansing MI 48906**
- b. The name of the agent for service of process is: **Rawley Van Fossen**
- c. The address of the agent for service is: **600 West Maple, Suite D, Lansing MI 48906**

Section 4

The power of a limited partner to grant the right to become a limited partner to an assignee of any part of the partnership interest, and the terms and conditions of the power, are as follows:

Upon the admission of the Investor Limited Partner to the Partnership the Initial Limited Partner shall withdraw and it shall have no further interest in the Partnership except to the extent of its interest as a General Partner. No Limited Partner's interest may be sold.

Section 5

- a. Describe the times or events when a **general partner** may terminate membership in the limited partnership, and the

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terms and conditions of the termination.

If there is only one General Partner, it shall not have the right to retire or withdraw voluntarily from the Partnership without the prior written consent of the Limited Partners. If there is more than one General partner, it shall have the right to retire or voluntarily withdraw from the Partnership with the prior written consent of all other General Partners, provided that the Partnership has received an opinion of counsel (which counsel may be counsel to the Partnership) to the effect that the withdrawal will not affect the classification of the Partnership as a partnership by the Internal Revenue Service under the Code, Treasury Regulations thereunder or administrative guidelines or interpretations related thereto.

b. Describe the times or events when a **limited partner** may terminate membership in the limited partnership. Include the amount or method of determining any distribution the limited partner is entitled to receive upon termination of their membership.

A Limited Partner may terminate membership in the event of termination and dissolution of the Partnership pursuant to Article VII of the Partnership Agreement. A Limited Partner shall have the right to withdraw its capital account upon the termination of the Partnership as provided in the Partnership Agreement; provided, however, that no part of the capital account of any Limited partner shall withdraw unless all liabilities of the Partnership, except liabilities to Partners on account of their contributions have been paid to or unless the Partnership has the assets sufficient to pay them. Upon termination and dissolution of the Partnership, the then General Partners or General Partner shall proceed to the liquidation of the Partnership, and the proceeds of such liquidation shall be applied and distributed in accordance with the provisions of the Article VIII of the Partnership Agreement.

Section 6

The right of the limited partner to receive distributions of property, including cash, from the limited partnership, other than indicated in 5(b), is:

Distributions to the Limited Partnership(s) from cash flow shall be made in accordance with their respective capital accounts. The net cash proceeds resulting from the refinancing of any mortgage on, or sale, exchange, condemnation (or similar eminent taking), casualty or other disposition of all or any substantial part of the Partnership property or from the liquidation of the Property of the Partnership following a dissolution of the Partnership, shall be distributed and applied as set forth in the Partnership Agreement.

Section 7

The right of the limited partner to receive, or a general partner to make to a limited partner, distributions of property, which include a return of all or any part of the limited partner's contribution, other than indicated in 5(b), is:

None.

Section 8

The times or events at which the limited partnership is to be dissolved and its affairs wound up are:

The term of the Partnership shall be until December 31, 2075, unless the Partnership shall terminate upon the happening of any of the following events:

1. The bankruptcy, death, dissolution or adjudication or incompetence of a sole General Partner, subject to the Partnership Agreement;
2. The satisfaction of payment of an amount due to the Partnership pursuant to the sale of the last remaining Partnership asset;
3. The election by the General Partner pursuant to the Partnership Agreement;
4. The happening of any other event causing the dissolution of the Partnership under the laws of the State of Michigan and not otherwise addressed specifically on this Agreement.

Dissolution of the Partnership shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the Partnership's certificate of limited partnership shall have been cancelled and the assets of the Partnership have been distributed as provided herein. Notwithstanding the dissolution of the Partnership, prior to the termination of the Partnership, the business of the Partnership and the affairs of the Partners, as such, shall continue to be governed by this Agreement.

Section 9

The right of the remaining general partner(s) to continue the business upon the event of withdrawal of a general partner is:

In the event of death, dissolution, retirement or adjudication of bankruptcy, or incompetency (hereinafter collectively referred to as "an event of termination") of any General Partner, the Partnership shall dissolve unless if at the time of the event termination, there is at least one other General Partner, then the remaining General Partner(s) shall continue the business of the partnership and shall give notification to the Limited Partners and make and file those amendments necessary to reflect the termination of the General Partner.

Section 10

Enter any other matters the partners may desire to include. If additional space is required, attach Supplement O. Attached are 0 page(s) of Supplement O.

Michigan State Housing Development Authority Provisions

1. **Supervision of Authority.** Notwithstanding any other provisions of this Agreement, the operations of the Partnership may be supervised by the Authority or by any other governmental body as the Authority directs and the Partnership shall enter into agreements with the Authority or with the governmental body as the Authority from time to time requires. The Agreements shall provide for regulation by the Authority or the governmental body of the planning, development and management of the housing development undertaken by the Partnership and the disposition of the property and franchises of the Partnership.
2. **Right to Appoint Managing Agent.** The Authority shall have the power to appoint a managing agent of the Partnership and its members, who may be an officer, employee, or agent of the Authority, and such managing agent shall have complete power to act as agent and attorney-in-fact for the Partnership and its members, in connection with any assets or liability of the Partnership, to fulfill any obligations the Partnership may have to the Authority if:
 - (a) The Partnership has received a loan or advance as provided in Act No. 346 of the Public Acts of 1966 of the State of Michigan, as amended (the "Housing Act") and the Authority determines that the loan or advance is in jeopardy of not being repaid.
 - (b) The Partnership has received a loan or advance as provided for in the Housing Act and the Authority determines that the proposed housing development for which the loan or advance was made is in jeopardy of not being constructed.
 - (c) The Authority determines that some part of the net income or net earnings of the Partnership, in excess of that permitted by other provisions of the Housing Act, shall inure to the benefit of any private individual, firm, corporation, partnership, trust or association.
 - (d) The Authority determines that the Partnership is in violation of any agreements entered into with the Authority providing for regulation by the Authority of the planning, development and management of any housing development undertaken by the Partnership or the disposition of the property and franchises of such Partnership.
 - (e) The Authority determines that the Partnership is in violation of its rules as promulgated under Section 22 of the Housing Act.
3. **Return.** By acceptance of a beneficial interest in said Partnership or by executing this Agreement, every member of the Partnership shall be deemed to have agreed that he, she or it at no time shall receive from the Partnership, any return in excess of the face value of the investment attributable to his, her or its respective interest plus cumulative dividend payments at a rate as the Authority determines to be reasonable and proper, computed from the initial date on which money was paid or property delivered in consideration for the interest, and that upon the dissolution of the Partnership, any surplus in excess of such amounts shall be paid to the Authority or to any other regulating governmental body as the Authority directs. As used in this paragraph, "surplus" shall not be deemed to include any increase in assets of the Partnership by reason of reduction of a mortgage, by amortization or similar payments or realized from the sale or disposition of any assets of the Partnership to the extent such surplus can be attributed to any increase in market value of any real property or tangible personal property occurring during the period the assets were owned and held by the Partnership. Any payment to a person having a beneficial interest in the Partnership shall not be deemed a "return" to such person if the funds with which such payment is made are funds contributed to the Partnership by persons purchasing a beneficial interest in the Partnership.
4. **Authority's Reliance on Continuing Effect of Provisions.** Notwithstanding any other provisions of this Agreement,

the Partners of the Partnership agree that the Authority may rely upon the continuing effect of this Agreement in form as approved by the Authority and, by the execution of this Agreement, such Partners agree not to amend, alter or change the provisions of this Agreement without the prior written consent of an Authorized Officer of the Authority.

Except as otherwise defined, all capitalized words and phrases used in this certificate of Limited Partnership (other than the full names and addresses of the Partners and governmental subdivisions and agencies) shall have the meanings set forth in the Partnership Agreement.

The responses to Section 4 through 9 above are all subject to the specific terms of the Partnership Agreement which is on file in the office of the Partnership.

Section 11

Complete one section for each partner (general and limited). General partners must be listed first followed by limited partners.

Item 1 - The type of partner must be either general or limited. The Certificate must include a definition of the title of the classification for any partner identified as other than general or limited.

Item 2 - Partner names of individuals must appear in the last name, first name, middle initial sequence. Partner names of trusts should be the trust name excluding the name of the trustee or trustees.

Item 3 - Indicate the business or residence address of the partner. The address should include the street number and name, city, state and ZIP code.

ITEMS 4 & 5 - LIMITED PARTNERS ONLY - ONE OR BOTH MUST BE COMPLETED

Item 4 - If applicable, indicate the amount of cash previously contributed. If contributions have been made in the form of property or services, indicate the agreed dollar value of the contribution in the "other \$ _____" space and complete Item 6.

Item 5 - If applicable, indicate the amount of cash to be contributed in the future and complete Item 7. If there are future contributions in the form of property or services, indicate the agreed dollar value of the contribution in the "other \$ _____" space and complete Items 6 and 7.

Item 8 - This certificate must be signed and dated by all partners (general and limited) named in the certificate. A partner may sign by attorney in fact.

Name of person or organization remitting fees:

MALLORY, LAPKA, SCOTT & SELIN, PLLC

Preparer's name and business telephone number:

Thomas L. Lapka

(517) 482-0222

SUPPLEMENT P

(This form replaces former Supplements P and L)
(Please read instructions on reverse side before completing form)

Limited Partnership Name: WALTER FRENCH LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP

Supplement to: Certificate of Limited Partnership

1. Type of Partner ☒ General ☐ Limited	2. Partner Name: 1900 Cedar Development, LLC
3. Address (No., Street, City, State, ZIP Code) 600 West Maple, Suite D, Lansing MI 48906	
4. Contributions Previously Made (Limited Partners Only) Cash \$ _____ Other \$ _____	5. Future Contributions to be Made (Limited Partners Only) Cash \$ _____ Other \$ _____
6. Description of Contributions Other than Cash: (Include all property or services contributed or to be contributed) NONE	
7. Times or Event Requiring Future Contributions: (Cash, Property or Services) NONE	
8. Signature: By: Capital Area Housing Partnership, its sole member By:  Rawley Van Fossen, Executive Director	
1. Type of Partner ☐ General ☒ Limited	2. Partner Name: Capital Area Housing Partnership
3. Address (No., Street, City, State, ZIP Code) 600 West Maple, Suite D, Lansing MI 48906	
4. Contributions Previously Made (Limited Partners Only) Cash \$ <u>10.00</u> Other \$ _____	5. Future Contributions to be Made (Limited Partners Only) Cash \$ _____ Other \$ _____
6. Description of Contributions Other than Cash: (Include all property or services contributed or to be contributed) NONE	
7. Times or Event Requiring Future Contributions: (Cash, Property or Services) NONE	
8. Signature:  Rawley Van Fossen, Executive Director	
9. Date: May 1, 2019	

Walter French



76 Residential Rental Units Adaptive Re-Use of Walter French Academy Lansing, Michigan November 2, 2020

EXECUTIVE SUMMARY

- Project Type:** The adaptive re-use of this building will include residential housing, with target clientele to include seniors, families and persons with special needs. Spaces previously used as the gym and auditorium will be renovated for non-housing use.
- Owner:** Limited Partnership: Walter French LDHA LP
General Partner: 1900 Cedar Development, LLC
- Location:** 1900 S Cedar, Lansing, MI 48910
The development is located on the very visible corner of Mt. Hope/Cedar in Lansing.
- Building Description:** The property was built as the Walter French Junior High School in 1925. In 2014 it was included in National Register of Historic Places for both its distinctive architectural characteristics and its significant contribution to the broad patterns of history. It is a three-story brick building that sustained interior fire damage in 2016 and 2019. The building currently retains much of the configuration of the school it was designed as.
- The Capital Area Housing Partnership is working with the Lansing Board of Water & Light to include Walter French in a demonstration program for power generation as a part of the adaptive reuse of this building.

Rental Unit Mix:	<u>Unit Type</u>	<u>Percent of</u>	<u>9%</u>	<u>4%</u>	<u>Rents per</u>
	<u>Bedrooms</u>	<u>Median</u>	<u>Units</u>	<u>Units</u>	<u>Month</u>
	1 Bedroom	30% - 120%	27	12	\$344-\$747
	2 Bedroom	30% - 120%	20	11	\$411-\$901
	3 Bedroom	30% - 80%	5	1	\$665-\$1,142
			52	24	

PROPOSED DEVELOPMENT TEAM

Outlined below are the team members assembled to develop, design, construct, manage and finance this mixed use development.

Owner:	Walter French LDHA LP
General Partners:	1900 Cedar Development, LLC
Developers:	Capital Area Housing Partnership Rawley Van Fossen, Executive Director Mikki Droste, Consultant
Architect:	Quinn Evans Ann Dilcher, AIA, LEED AP, Principal
General Contractor:	Rohde Construction Chad White, Vice President
Property Management:	Continental Management Gary Offenbacher, Executive Vice President
LIHTC Syndicator:	Cinnaire Tom Edmiston, Sr. Vice President
Historic Tax Credit Syndicator:	Cinnaire Tom Edmiston, Sr. Vice President
Lender:	MSHDA/TBD
FHLB Member Bank:	TBD
Legal Counsel:	Mallory, Lapka, Scott & Selin Thomas L Lapka
Title Insurance:	Cinnaire Title Services Steve Smith, Executive Director
Environmental Services:	PM Environmental & Engineering Services Jaclyn Schafer, Regional Manager
Support Service Providers:	Advent Housing Clinton, Eaton, Ingham Community Mental Health
Other Financing/Partners:	City of Lansing, Development Partner Investment/LEAP (EPA grant for Phase I) Lansing Board of Water & Light Lansing Housing Commission (Rent vouchers)

DEVELOPMENT SUMMARY

Capital Area Housing Partnership intends to redevelop the now vacant and underutilized property located at 1900 South Cedar in Lansing. The development will include the historic restoration and adaptive reuse of the existing school adding 76 affordable housing units in the space previously used as classroom/office space. The proposed unit mix includes 46 one-bedroom, 24 two-bedroom and 6 three-bedroom units. 8 units will meet barrier free standards. Nineteen units will be reserved for persons of the highest need in the area and supportive services provided via partnerships with Advent Housing, CMH and other area providers.

Energy efficiency and green design are planned. A partnership with the Lansing Board of Water & Light will provide power generation on the site that will increase affordability of both the development and the ongoing operations of the building.

The walk-score rating for the site is 70, labeling it 'very walkable' and the site is within ¼ mile of an 80 walkscore as required to achieve maximum scoring. Shopping, entertainment, schools, parks and medical facilities are within 1 mile of the property, increasing its desirability for residential tenants.

Common/Community/Commercial use of the previous gyms, auditorium and cafeteria is in the design phase with ongoing conversations with BWL and several mid-Michigan community service agencies in need of collaboration and office space.

General Partners, 1900 Cedar Development LLC and Capital Area Housing Partnership bring a long history of affordable housing development, management and community collaboration.

1900 Cedar Development, LLC/Capital Area Housing Partnership is a nonprofit Community Housing Development Organization (CHDO) and a Community Based Development Organization (CBDO) that has been providing affordable housing opportunities for 26 years in mid-Michigan, including the LIHTC funded Deerpath Apartments, Marsh Point Apartments, Bailey Center in East Lansing and is in the process of completing the renovation of Walnut Manor, extending the life of 32 affordable/permanent supportive housing units. A strong understanding of federal funding regulations and a staff and board with development, property management and compliance experience will be valuable to the development and ongoing prosperity of this project.

Additional programs offered by the Capital Area Housing Partnership in the mid-Michigan market include home-buyer assistance (down payment and rehabilitation), home-owner rehabilitation, development of affordable single-family housing for home-owners, education and counseling for home-buyers and an employee down payment assistance program administered for progressive local employers.

ECONOMIC IMPACT – JOB CREATION

The economic impact of building new housing, according to an April 2015 report from the Housing Policy Department National Home Builders Association in the report named “The Economic Impact of Home Building in a Typical Local Area”, is listed below.

Using the below computations, the estimated one-year impact, or short term job creation for Walter French will be 116 local jobs. Annually recurring impacts, or long-term job creation equals 32 local jobs.

Multifamily Construction

The estimated one-year impacts of building 100 rental apartments in a typical local area include

- \$11.7 million in local income,
- \$2.2 million in taxes and other revenue for local governments, and
- 161 local jobs.

These are local impacts, representing income and jobs for residents of the typical metropolitan area or nonmetropolitan county, and revenue for all jurisdictions within the local area. They are also one-year impacts that include both the direct and indirect impact of the construction activity itself, and the impact of local residents who earn money from the construction activity spending part of it within the local area's economy.

The additional, annually recurring impacts of building 100 rental apartments in a typical local area include

- \$2.6 million in local income,
- \$503,000 in taxes and other revenue for local governments, and
- 44 local jobs.

These are ongoing, annual local impacts that result from the new apartments becoming occupied, and the occupants paying taxes and otherwise participating in the local economy year after year. They also represent impacts that have been reduced to account for the natural vacancy rate that tends to prevail in multifamily properties (see page 23 of the Technical Documentation).

The full report can be found at:

https://www.nahbclassic.org/fileUpload_details.aspx?contentTypeID=3&contentID=243689&subContentID=645614&channelID=311

Issued Through:
CINNAIRE TITLE SERVICES, LLC
1118 S. Washington
Lansing, MI 48910
517-482-8555

Legal Description

Agents for: **OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

ALTA COMMITMENT

SCHEDULE A

COMMITMENT NO. 702827a

1. Effective Date: **February 21, 2020, AT 8:00 am**
2. Policy or policies to be issued: **AMOUNT**
 - (a) **OWNERS POLICY** **\$21,000,000.00**
Proposed Insured:
Walter French Limited Dividend Housing Association Limited Partnership
 - (b) **MORTGAGEE POLICY**
Proposed Insured: **(W/O STD. EXCEPTIONS)**

3. The estate or interest in the land described or referred to in this Commitment and covered herein is **Fee Simple** and title thereto is at the effective date hereof vested in:

Capital Area Housing Partnership

4. The land referred to in this commitment is situated in the County of Ingham, State of Michigan, is described as follows:

Parcel 1:

That part of Assessor's Plat No. 46, on Northeast 1/4 of Section 28, T4N, R2W, City of Lansing, Ingham County, Michigan, recorded in Liber 12 of Plats, Page 7, Ingham County Records, beginning on the South Right of Way line of Mt. Hope Avenue, 43.0 feet South of the North Section line, at a point 100.0 feet Easterly of the West line of Lot 5 of said Assessor's Plat No. 46, running thence along said right of way line North 89°11'30" East 593.67 feet to a point of curvature; thence Southeasterly 53.53 feet along the arc of a 30 foot radius curve to the right whose chord bears South 39°41'30" East 46.71 feet to the Westerly right of way line of Cedar Street; thence along said Westerly line the following five courses, South 11°25'30" West 118.66 feet; thence Southerly 197.93 feet along the arc of a 917.22 foot radius curve to the left whose chord bears South 5°14'25" West 197.53 feet to a point of tangency; thence South 0°56'30" East 5.43 feet; thence South 10°34'39" West 22.18 feet; thence South 0°56'30" East 83.05 feet; thence South 89°08' West 403.42 feet; thence South 350.30 feet; thence West 268.84 feet; thence North 648.14 feet; thence North 89°11'30" East 100.0 feet; thence North 0°53' West 162.0 feet to the point of beginning.

Address:

1900 S. Cedar St, Lansing, MI 48910

Parcel 2:

Lot 57, Chittenden's Subdivision City of Lansing, according to the recorded plat thereof, Ingham County Records.

QUIT CLAIM DEED

Louis J. Eyde Family, LLC, a Michigan limited liability company, successor by conversion to Louis J. Eyde Limited Family Partnership, a Michigan limited partnership and George F. Eyde Family, LLC, a Michigan limited liability company, successor by conversion to George F. Eyde Limited Family Partnership, a Michigan limited partnership, whose address is 300 South Washington Square, Suite 400, Lansing, Michigan 48933 (collectively, "Grantor"), quit claims to CAPITAL AREA HOUSING PARTNERSHIP, a Michigan nonprofit corporation, whose address is 1290 Deerpath Lane, East Lansing, Michigan 48823 ("Grantee"), whatever right, title and interest Grantor has in and to that certain real property situated the City of Lansing, County of Ingham, State of Michigan described on Exhibit A attached hereto and made a part hereof subject to all building and use restrictions, easements and rights of way and all matters of record.

Grantor grants to Grantee the right to make 100% of remaining division(s) under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farmland or farm operations. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

There being no consideration for this instrument, it is exempt from transfer tax under MCL 207.505(a), MCL 207.505(k), MCL 207.505(l), MCL 207.526(a), MCL 207.526(m) and MCL 207.526(n).

[Signature pages and acknowledgements follows.]

Dated as of this 27th day of December, 2017.

LOUIS J. EYDE FAMILY, LLC, a Michigan
limited liability company

By: Louis J. Eyde Manager, LLC
Its: Manager

By: [Signature]
Print Name: Samuel C. Eyde,
Authorized Representative

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

2017 The foregoing instrument was acknowledged before me this 27th day of December,
2016 by Samuel C. Eyde, as Authorized* of Louis J. Eyde Manager, LLC, a Michigan limited
liability company, as manager of the Louis J. Eyde Family, LLC, a Michigan limited liability
company (the "Company") on behalf of the Company.

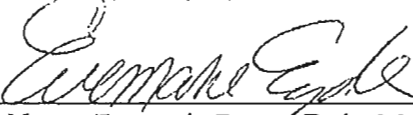
* representative

JASON GOLDIE
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF CLINTON
My Commission Expires August 30, 2022
Acting in the County of Ingham

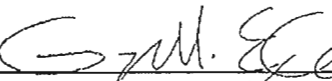
[Signature]
Jason Goldie
Notary Public, State of
Clinton County, Michigan
Acting in the County of Ingham
My Commission Expires: 8-30-2022

[Signature page and acknowledgement continues on next page]

GEORGE F. EYDE FAMILY, LLC, a Michigan
limited liability company

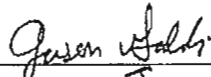
By: 
Print Name: Evemarie Francis Eyde, Manager
Francis

-and-

By: 
Print Name: George Matthew Eyde, Manager

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

²⁰¹⁷ The foregoing instrument was acknowledged before me this 27th day of December,
²⁰¹⁶ by Evemarie Francis Eyde and George Matthew Eyde, as managers of the George F. Eyde
Family, LLC, a Michigan limited liability company (the "Company") on behalf of the Company.


Jason Goldie

JASON GOLDIE
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF CLINTON
My Commission Expires August 30, 2022
Acting in the County of Ingham

Notary Public, State of
Clinton County, Michigan
Acting in the County of Ingham
My Commission Expires: 8-30-2022

When Recorded Return To:	Send Subsequent Tax Bills To:	Drafted By:
Capital Area Housing Partnership 1290 Deerpath East Lansing, MI 48933 Attn: Mikki Droste	Capital Area Housing Partnership 1290 Deerpath East Lansing, MI 48933 Attn: Mikki Droste	Peter J. Kulick (P61513) 215 S. Washington Square, Suite 200 Lansing, Michigan 48933 Tel: (517) 371-1730

Exhibit A

LEGAL DESCRIPTION

The real property located in the City of Lansing, Ingham County, Michigan, legally described as follows:

PARCEL 1:

That part of Assessor's Plat No. 46, on the Northeast 1/4 of Section 28, T4N, R2W, City of Lansing, Ingham County, Michigan, recorded in Liber 12 of Plats, Page 7, Ingham County Records, beginning on the South right of way line of Mt. Hope Avenue, 43.0 feet South of the North Section line, at a point 100.0 feet Easterly of the West line of Lot 5 of said Assessor's Plat No. 46, running thence along said right of way line North 89°11'30" East 593.67 feet to a point of curvature; thence Southeasterly 53.53 feet along the arc of a 30 foot radius curve to the right whose chord bears South 39°41'30" East 46.71 feet to the Westerly right of way line of Cedar Street; thence along said Westerly line the following five courses, South 11°25'30" West 118.66 feet; thence Southerly 197.93 feet along the arc of a 917.22 foot radius curve to the left whose chord bears South 5°14'25" West 197.53 feet to a point of tangency; thence South 0°56'30" East 5.43 feet; thence South 10°34'39" West 22.18 feet; thence South 0°56'30" East 83.05 feet; thence South 89°08' West 403.42 feet; thence South 89°11'30" West 268.84 feet to the West line of said Lot, thence along said West line North 0°53' West 297.42 feet; thence North 89°11'30" East 100.0 feet; thence North 0°53' West 162.0 feet to the point of beginning; ALSO Lot 65 of Chittenden's Subdivision of a part of the Northwest 1/4 of the Northeast 1/4 of Section 28, T4N, R2W, City of Lansing, Ingham County, Michigan, recorded in Liber 5 of Plats, Page 7, Ingham County Records. Contains 7.03 Acres.

PARCEL 2:

Lot 57, Chittenden's Subdivision of a part of Northwest 1/4 of Northeast 1/4 of Section 28, Town 4 North, Range 2 West, City of Lansing, Ingham County, Michigan, also commencing at a point 100.00 feet East and 469.70 feet South of Southeast corner of Teel Avenue and Mt. Hope Avenue, Lansing and running thence East 268.84 feet; thence South 350.30 feet, more or less, to the South line of Lot 5 of Assessor's Plat No. 46, Lansing; thence West 268.84 feet and thence North 350.30 feet, more or less to the place of beginning, being a part of Lot 5 of Assessor's Plat No. 46 on the Northeast 1/4 of Section 28, Town 4 North, Range 2 West, City of Lansing, Ingham County, Michigan.

Parcel ID: _____ (Parcel 1)

Parcel ID: _____ (Parcel 2)

Street Address: 1900 S. Cedar Street, Lansing, Michigan 48910 (Parcel 1)

Street Address: 8 Teel Court, Lansing, Michigan 48910 (Parcel 2)

LANSING 528810

Walter French Academy Historic Rehab
52 Unit PSH Development

9%

UNIT DESCRIPTION	Income Target (AMI)	# of Bedrooms	# of Units	Utility Allowance	Net Rent	Gross Rent	Monthly Rent	Annual Rent	
One Bedroom LHC	30%	1	3	74	720	794	2,160	25,920	0.90
One Bedroom PSH	60%	1	12	74	720	794	8,640	103,680	7.20
One Bedroom	40%	1	3	74	720	794	2,160	25,920	1.20
One Bedroom	40%	1		74	528	602	-	-	
One Bedroom	50%	1		74	678	752	-	-	
One Bedroom	60%	1	2	74	739	813	1,478	17,736	1.20
One Bedroom	80%	1	7	74	949	1,023	6,643	79,716	5.60
Two Bedroom LHC	30%	2	6	90	892	982	5,352	64,224	1.80
Two Bedroom PSH	60%	2	7	90	892	982	6,244	74,928	4.20
Two Bedroom LHC	40%	2	1	90	892	982	892	10,704	0.40
Two Bedroom	40%	2		90	632	722	-	-	
Two Bedroom	50%	2		90	812	902	-	-	
Two Bedroom	60%	2	1	90	885	975	885	10,620	0.60
Two Bedroom	80%	2	5	90	1,137	1,227	5,685	68,220	4.00
Three Bedroom LHC	30%	3	4	108	1,176	1,284	4,704	56,448	1.20
Three Bedroom PSH	60%	3		108	1,176	1,284	-	-	
Three Bedroom	40%	3		108	726	834	-	-	
Three Bedroom	50%	3		108	935	1,043	-	-	
Three Bedroom	60%	3		108	1,018	1,126	-	-	
Three Bedroom	80%	3	1	108	1,311	1,419	1,311	15,732	0.80
							46,154	553,848	29.10

Bedrooms -

30% Area Median Income
40% AMI
50% AMI
60% AMI
80% AMI

MAX County Rent 04/1/20			
1	2	3	Voucher Rents
451	541	625	794
602	722	834	982
752	902	1,043	1,284
903	1,083	1,251	
1,204	1,444	1,669	

Family Size -

30% Area Median Income
40% AMI
50% AMI
60% AMI
80% AMI

Income Limits - 04/1/20				
1	2	3	4	5
16,860	19,260	21,660	24,060	26,010
22,480	25,680	28,880	32,080	34,680
28,100	32,100	36,100	40,100	43,350
337,250	38,520	43,320	48,120	52,020
44,960	51,360	57,760	64,160	69,360

Bedrooms -

Heating - Gas
Cooking - Gas
Hot Water - Gas
Electricity
Service Charge - Gas
Service Charge - Electric
Total

Utility Allowance - MSHDA 1/1/20				
0	1	2		3
	20.00	23.00		27.00
	2.00	3.00		4.00
	5.00	7.00		10.00
	26.00	36.00		46.00
	12.00	12.00		12.00
	9.00	9.00		9.00
-	74.00	90.00		108.00

	# of Units	% of Units	AMI	Points
30% units	13	33.33%	30%	23.33
40% units	4	10.26%	40%	4.10
50% units			50%	-
60% units	3	7.69%	60%	
60% - PSH Units	19	48.72%	80%	
Market				-
	39	100%		27.44

Walter French Academy Historic Rehab
52 Unit PSH Development

	Total	Per Unit	24 units 4%	Total
Audit Fees	4,968		2,232	7,200
Accounting	276		124	400
Legal	828		372	1,200
Total Professional Fees	6,072	117		
Office Expenses	8,280		3,720	12,000
Leasing Agent Expense	37,950		17,050	55,000
Total Administrative	46,230	889		
Electricity	20,000		5,940	24,000
Water/Sewer	42,780		16,500	62,000
PSH Utilites	39,798			39,798
Gas/Heat	12,000		-	12,000
Total Utilities	114,578	2,203		
Maintenance	27,600		12,400	40,000
Janitorial Supplies & Salaries	10,350		4,650	15,000
Maintenance supplies	8,280		3,720	12,000
Repair Contracts/Work	5,175		2,325	7,500
Exterminating	2,208		992	3,200
Rubbish Removal	5,106		2,273	7,400
Security	828		372	1,200
Grounds Maintenance	5,106		2,294	7,400
Snow Removal	6,900		3,100	10,000
	71,553	1,376		
MSA				
PILOT	24,577		11,533	36,110
Insurance	20,368		10,032	30,400
Replacement Reserves	19,500		9,000	28,500
Total Escrows	64,445	1,239		
Total Marketing and Leasing	1,608	31	792	2,400
Total Property Management Fee	27,768	534	12,816	40,584
Other -	-			
Other - Investor services fee	4,500		3,500	10,000
Total Other Fees	4,500	87		
Misc. Expense -				
Misc. Expense				
Total Miscellaneous Expenses	-			
Total Operating Expenses/Unit	336,754	6,476	125,737	465,292
			5,239	6,122

Total Rent Potential	553,848
Less Vacancy	(38,769)
Less Utilities	(114,578)
Net Collected Rents	400,501
PILOT %	6%
PILOT %	24,030

Walter French Academy Historic Rehab
52 Unit PSH Development

SOURCES OF FUNDS	Rate	Term	Proposed Amount		
1st Mortgage	4.82000%	12,470	40	2,651,372	
LP Capital Contribution	120.0%	9.00%	0.8700	13,048,695	
HOME MSHDA	1,500,000			-	
City					
Historic Credits	1,961,627		0.8700	1,706,615	
Owner investment					
Deferred Developer Fees				88	
TOTAL SOURCES OF FUNDS				17,406,770	
Funding Surplus<Gap>:				(0)	0.0%

APPLICATION OF FUNDS	Per Unit	Total Residential	9.00%	Historic Basis	Non-depr
ACQUISITION COSTS					
Land Purchase - Vacant	-	-	-	-	-
Demo	-	-	-	-	-
Subtotal	-	-	-	-	-
CONSTRUCTION/REHABILITATION COSTS					
Site work	52	13,942	725,000	225,000	500,000
New structures		196,650	10,225,800	5,750,000	-
General requirements		11,969	622,366	424,999	-
Builder overhead		4,229	219,903	150,166	-
Builder profit		12,940	672,902	459,509	-
Building Permits		345	17,940	17,940	-
Bond Premium		464	24,150	24,150	-
Tap Fees		2,017	104,880	104,880	-
Gym and Auditorium		-	-	-	-
Cost Certification		113	5,865	4,800	-
Subtotal		242,669	12,618,806	6,936,444	500,000
Construction Contingency	8.00%	23,914	1,243,505	693,644	-
Cost increases needed	0.00%	-	-	-	-
Subtotal		266,583	13,862,311	7,630,088	500,000
PROFESSIONAL FEES & OTHER SOFT COSTS					
Design Architect		10,923	568,000	568,000	-
Engineering		796	41,400	41,400	-
Soil Borings/Geotechnical/Soils Engineering		106	5,520	5,520	-
Environmental Study		159	8,280	8,280	-
Survey (Boundary/Topo/As-Built)		80	4,140	4,140	-
Hazard Insurance		239	12,420	-	-
Property Taxes		796	41,400	-	-
Market Study		166	8,625	-	-
Accounting/Audit		152	7,925	7,925	-
Appraisal		80	4,140	-	-
Cost Certification		106	5,520	5,520	-
Real Estate Attorney		796	41,400	41,400	-
Furniture, Furnishings & Equipment		1,592	82,800	-	-
Developer Fees		28,846	1,500,000	1,500,000	-
Subtotal		44,838	2,331,570	2,178,045	-
FINANCING COSTS					
Construction Loan Interest		8,115	422,000	372,000	50,000
Title Insurance		332	17,250	17,250	-
Loan Fees		385	20,000	9,000	11,000
Lender Loan & Legal Fees		398	20,700	18,000	2,700
Subtotal		9,230	479,950	416,250	63,700
TAX CREDIT & SYNDICATION COSTS					
Tax Credit Fees - MSHDA - 6%		1,746	90,805	-	90,805
Tax Credit Fees - MSHDA - Application		48	2,500	-	2,500
Compliance Fees		694	36,100	-	36,100
Syndication Fee		385	20,000	-	20,000
Supervising Architect		154	8,000	8,000	-
Subtotal		3,027	157,405	8,000	149,405
START-UP COSTS, RESERVES & ESCROWS					
Marketing/Rent-Up Expenses		780	40,534	-	40,534
Rent Up Reserve		-	-	-	-
Operating Assurance Reserves	Months - 6.07	5,385	280,000	-	280,000
Other Reserve: Support Services		4,904	255,000	-	255,000
Subtotal		11,068	575,534	-	575,534
TOTAL APPLICATION OF FUNDS		334,746	17,406,770	16,118,131	9,808,133
			15,908,770	16,118,131	1,885,821
			Historic Basis	(1,961,627)	20%
				14,156,505	1,961,627
			Boost	120.0%	358,919
				16,987,805	3,462,113

Walter French Academy Historic Rehab
52 Unit PSH Development

		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15
Rent	102%	553,848	564,925	576,223	587,748	599,503	611,493	623,723	636,197	648,921	661,900	675,138	688,640	702,413	716,461	730,791
Vacancy	7%	38,769	39,545	40,336	41,142	41,965	42,805	43,661	44,534	45,424	46,333	47,260	48,205	49,169	50,152	51,155
Net Rent		515,079	525,380	535,888	546,606	557,538	568,688	580,062	591,663	603,497	615,567	627,878	640,436	653,244	666,309	679,635
Accounting & Audit	103%	5,244	5,401	5,563	5,730	5,902	6,079	6,262	6,449	6,643	6,842	7,047	7,259	7,477	7,701	7,932
Legal	103%	828	853	878	905	932	960	989	1,018	1,049	1,080	1,113	1,146	1,181	1,216	1,252
Administrative Expenses	103%	46,230	47,617	49,045	50,517	52,032	53,593	55,201	56,857	58,563	60,320	62,129	63,993	65,913	67,890	69,927
Utilities	103%	114,578	118,015	121,556	125,202	128,959	132,827	136,812	140,916	145,144	149,498	153,983	158,603	163,361	168,262	173,310
Maintenance	103%	71,553	73,700	75,911	78,188	80,534	82,950	85,438	88,001	90,641	93,360	96,161	99,046	102,017	105,078	108,230
PILOT		24,030	24,442	24,860	25,284	25,715	26,152	26,595	27,045	27,501	27,964	28,434	28,910	29,393	29,883	30,380
Insurance	103%	20,368	20,979	21,608	22,257	22,924	23,612	24,320	25,050	25,802	26,576	27,373	28,194	29,040	29,911	30,808
Replacement Reserves	100%	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Marketing & Leasing	103%	1,608	1,656	1,706	1,757	1,810	1,864	1,920	1,978	2,037	2,098	2,161	2,226	2,293	2,361	2,432
Property Management	103%	27,768	28,601	29,459	30,343	31,253	32,191	33,156	34,151	35,176	36,231	37,318	38,437	39,591	40,778	42,002
Investor Services Fee	103%	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048	6,229	6,416	6,608	6,807
Total Expenses		336,207	345,399	354,861	364,600	374,625	384,945	395,567	406,501	417,756	429,341	441,267	453,543	466,180	479,189	492,580
NOI		178,872	179,981	181,027	182,005	182,912	183,744	184,496	185,163	185,741	186,225	186,611	186,892	187,064	187,120	187,056
Funding from ODR																
Total Cash Available		178,872	179,981	181,027	182,005	182,912	183,744	184,496	185,163	185,741	186,225	186,611	186,892	187,064	187,120	187,056
Loan Payment		(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)	(149,644)
Net Cash to Partnership		29,227	30,337	31,382	32,361	33,268	34,099	34,851	35,518	36,097	36,581	36,966	37,248	37,419	37,476	37,411
DCR		1.20	1.20	1.21	1.22	1.22	1.23	1.23	1.24	1.24	1.24	1.25	1.25	1.25	1.25	1.25
Loan Amount/Def Dev Fee		88	29,315	59,652	91,034	123,395	156,663	190,763	225,614	261,132	297,229	333,810	370,776	408,024	445,443	482,919
Interest Expense	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment Amount		29,227	30,337	31,382	32,361	33,268	34,099	34,851	35,518	36,097	36,581	36,966	37,248	37,419	37,476	37,411
Loan Balance		29,315	59,652	91,034	123,395	156,663	190,763	225,614	261,132	297,229	333,810	370,776	408,024	445,443	482,919	520,330
Operating Assurance Reserves		280,000	282,800	285,628	288,484	291,369	294,283	297,226	300,198	303,200	306,232	309,294	312,387	315,511	318,666	321,853
Interest Earned	1.00%	2,800	2,828	2,856	2,885	2,914	2,943	2,972	3,002	3,032	3,062	3,093	3,124	3,155	3,187	3,219
Amount Used		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Balance Forward		282,800	285,628	288,484	291,369	294,283	297,226	300,198	303,200	306,232	309,294	312,387	315,511	318,666	321,853	325,071
Cash Flow to LP ife of Project		29,227	59,564	90,946	123,307	156,575	190,674	225,526	261,044	297,141	333,722	370,688	407,936	445,355	482,831	520,242

Existing Reserve Analysis		
DCE Interest:	Current Owner's Reserves:	0
Insurance:	Reserves Transferred in to Project	0
Taxes:	Taxins Escrows transferred to project	0
Rep. Reserve:		
ORC:		
DCE Principal:		
Other:		

Development Walter French 4

Financing Tax Exempt

MSHDA No. 3966

Step Notice of Intent to Apply

Date #####

Type Adaptive Reuse

Instructions

Income Limits for

Ingham County

(Effective April 1, 2020)

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
30% of area median	16,860	19,260	21,660	24,060	26,010	27,930
40% of area median	22,480	25,680	28,880	32,080	34,680	37,240
50% of area median	28,100	32,100	36,100	40,100	43,350	46,550
60% of area median	33,720	38,520	43,320	48,120	52,020	55,860

Rental Income

Unit	No. of Units	Unit Type	Bedrooms	Baths	Net Sq. Ft.	Contract Rent	Utilities	Total Housing Expense	Gross Rent	Current Section 8 Contract Rent	% of Gross Rent	% of Total Units	Gross Square Feet	% of Total Square Feet	TC Units Square Feet	Unit Type	Max Allowed Housing Expense
30%	Area Median Income Units																
30%	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
	Occupancy																
A	2	Apartment	1	1.0	600	720	74	794	17,280	794	7.0%	8.3%	1,200	6.7%	1,200	High HOME	451
B	1	Apartment	2	1.5	850	892	90	982	10,704	982	4.3%	4.2%	850	4.8%	850	High HOME	541
C		Apartment	3	2.0	1,250	1,176	108	1,284	0	1,284	0.0%	0.0%	0	0.0%	0		N/A
D							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
E							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
F							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
G							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
H							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
I							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
J							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
									27,984	3,060	11.3%	12.5%	2,050	11.5%	2,050		
60%	Area Median Income Units																
	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
	Occupancy																
A	10	Apartment	1	1.0	600	739	74	813	88,680	794	35.8%	41.7%	6,000	33.7%	6,000		903
B	7	Apartment	2	1.5	850	885	90	975	74,340	982	30.0%	29.2%	5,950	33.4%	5,950		1,083
C	0	Apartment	3	2.0	1,250	1,018	108	1,126	0	1,284	0.0%	0.0%	0	0.0%	0		1,251
D							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
E							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
F							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
G							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
H							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
I							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
J							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
									163,020	3,060	65.8%	70.8%	11,950	67.1%	11,950		
80%	Area Median Income Units																
	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
	Occupancy																
A		Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B	3	Apartment	2	1.5	850	1,137	90	1,227	40,932	982	16.5%	12.5%	2,550	14.3%	2,550		1,444
C	1	Apartment	3	2.0	1,250	1,311	108	1,419	15,732	1,284	6.4%	4.2%	1,250	7.0%	1,250		1,669
D							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
E							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
F							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
G							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
H							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
I							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
J							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
									56,664	3,060	22.9%	16.7%	3,800	21.3%	3,800		
	Area Median Income Units																
	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
	Occupancy																
A		Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B		Apartment	2	1.5	850		90	0	0	982	0.0%	0.0%	0	0.0%	0		N/A
C		Apartment	3	2.0	1,250		108	0	0	1,284	0.0%	0.0%	0	0.0%	0		N/A
D							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
E							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
F							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
G							0	0	0		0.0%	0.0%	0	0.0%	0		N/A

D		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
E		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
F		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
G		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
H		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
I		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
J		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									0	3,060	0.0%	0.0%	0	0.0%	0		

Area Median Income Units
Tenant AMI Restriction (if different from rent restriction)
MSHDA Project Based Voucher Units
Occupancy

A	Apartment	1	1.0	600	74	0	0	794	0.0%	0.0%	0	0.0%	0	N/A
B	Apartment	2	1.5	850	90	0	0	982	0.0%	0.0%	0	0.0%	0	N/A
C	Apartment	3	2.0	1,250	108	0	0	1,284	0.0%	0.0%	0	0.0%	0	N/A
D	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
E	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
F	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
G	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
H	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
I	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
J	0	0	0.0	0	0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
Mgrs							0	3,060	0.0%	0.0%	0	0.0%	0	

Total Tenant Units 24
Manager Units 0
Income Average 59.58%
Set Aside 100.00%

Gross Rent Potential 247,668
Average Monthly Rent 860
Gross Square Footage 17,800

HOME Units SF/Total Units SF 11.5%
HOME Units/# Total Units 12.5%

Within Range
Within Range

Utility Allowances

Tenant-Paid Tenant-Paid Tenant-Paid Owner-Paid

Annual Non-Rental Income
Misc. and Interest 250
Laundry 1,500
Carports
Other:
Other: 1,750

	Electricity	A/C	Gas	Water/ Sewer	Other	Total	Ovende
A						0	74
B						0	90
C						0	108
D						0	
E						0	
F						0	
G						0	
H						0	

Total Income	Annual	Monthly
Rental Income	247,668	20,639
Non-Rental Income	1,750	146
Total Project Revenue	249,418	20,785

H		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
I		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
J		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0	N/A
							0	3,060	0.0%	0.0%	0	0.0%	0			
	Area Median Income Units															
	Tenant AMI Restriction (if different from rent restriction)															
	MSHDA Project Based Voucher Units															
	Occupancy															
A	Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B	Apartment	2	1.5	850		90	0	0	982	0.0%	0.0%	0	0.0%	0		N/A
C	Apartment	3	2.0	1,250		108	0	0	1,284	0.0%	0.0%	0	0.0%	0		N/A
D	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
E	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
F	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
G	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
H	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
I	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
J	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
						0	3,060	0.0%	0.0%	0	0.0%	0				
	Area Median Income Units															
	Tenant AMI Restriction (if different from rent restriction)															
	MSHDA Project Based Voucher Units															
	Occupancy															
A	Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B	Apartment	2	1.5	850		90	0	0	982	0.0%	0.0%	0	0.0%	0		N/A
C	Apartment	3	2.0	1,250		108	0	0	1,284	0.0%	0.0%	0	0.0%	0		N/A
D	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
E	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
F	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
G	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
H	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
I	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
J	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
						0	3,060	0.0%	0.0%	0	0.0%	0				
	Area Median Income Units															
	Tenant AMI Restriction (if different from rent restriction)															
	MSHDA Project Based Voucher Units															
	Occupancy															
A	Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B	Apartment	2	1.5	850		90	0	0	982	0.0%	0.0%	0	0.0%	0		N/A
C	Apartment	3	2.0	1,250		108	0	0	1,284	0.0%	0.0%	0	0.0%	0		N/A
D	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
E	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
F	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
G	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
H	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
I	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
J	0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
						0	3,060	0.0%	0.0%	0	0.0%	0				
	Area Median Income Units															
	Tenant AMI Restriction (if different from rent restriction)															
	MSHDA Project Based Voucher Units															
	Occupancy															
A	Apartment	1	1.0	600		74	0	0	794	0.0%	0.0%	0	0.0%	0		N/A
B	Apartment	2	1.5	850		90	0	0	982	0.0%	0.0%	0	0.0%	0		N/A
C	Apartment	3	2.0	1,250		108	0	0	1,284	0.0%	0.0%	0	0.0%	0		N/A

Development Walter French 4
 Financing Tax Exempt
 MSHDA No. 3966
 Step Notice of Intent to Apply
 Date 10/26/2020
 Type Adaptive Reuse

Mortgage Assumptions:

Debt Coverage Ratio 1.1
 Mortgage Interest Rate 4.250%
 Pay Rate 4.250%
 Mortgage Term 40 years
 Income from Operations No

Instructions

Total Development Income Potential

	Per Unit	Total
Annual Rental Income	10,320	247,668
Annual Non-Rental Income	73	1,750
Total Project Revenue	10,392	249,418

Total Development Expenses

Vacancy Loss	7.00% of annual rent potential	722	17,337
Management Fee	534 per unit per year	534	12,816
Administration		917	22,000
Project-paid Fuel		165	3,960
Common Electricity		248	5,940
Water and Sewer		688	16,500
Operating and Maintenance		1,333	32,000
Real Estate Taxes		0	
Payment in Lieu of Taxes (PILOT)	5.66% Applied to: All Units	481	11,543
Insurance		418	10,032
Replacement Reserve	375 per unit per year	375	9,000
Other: Marketing		33	792
Other: Investor Service		146	3,500

Initial Inflation Factor	Beginning in Year	Future Inflation Factor
2.0%	6	2.0%
2.0%	6	2.0%
Future Vacancy		
	6	7.0%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	6	3.0%
3.0%	6	3.0%
3.0%	6	3.0%
3.0%	1	3.0%
5.0%	1	5.0%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	1	3.0%

Total Expenses	58.30%	6,059	145,419
Base Net Operating Income		4,333	103,999
Part A Mortgage Payment	37.91%	3,939	94,544
Part A Mortgage		75,707	1,816,957
Non MSHDA Financing Mortgage Payment		0	
Non MSHDA Financing Type:		0	
Base Project Cash Flow (excludes ODR)	3.79%	394	9,454

Override

Cash Flow Projections

[illegible]

Cash Flow Projections

Development: Walter French 4

Financing Tax Exempt
MSHDA No. 3965
Step Notice of Intent to Apply
Date 10/26/2020
Type Adaptive Reuse

Initial Inflation
Starting in Yr
Future Inflation

	1	2	3	4	5	6	7	8	9	10
Income										
Annual Rental Income	247,688	252,621	257,674	262,827	268,084	273,445	278,914	284,493	290,183	295,986
Annual Non-Rental Income	1,750	1,785	1,821	1,857	1,894	1,932	1,971	2,010	2,050	2,091
Total Project Revenue	249,418	254,406	259,494	264,684	269,978	275,378	280,885	286,503	292,233	298,078
Expenses										
Vacancy Loss	7.0%	6	7.0%							
Management Fee	3.0%	1	3.0%	18,398	18,766	19,141	19,524	19,914	20,313	20,719
Administration	3.0%	1	3.0%	12,816	13,200	13,597	13,997	14,399	14,803	15,209
Project-paid Fuel	3.0%	1	3.0%	22,000	23,340	24,781	26,269	27,057	27,889	28,705
Common Electricity	3.0%	6	3.0%	3,960	4,079	4,201	4,327	4,451	4,571	4,691
Water and Sewer	3.0%	6	3.0%	5,940	6,118	6,302	6,491	6,686	6,886	7,093
Operating and Maintenance	3.0%	6	3.0%	16,500	16,995	17,505	18,030	18,571	19,128	19,702
Real Estate Taxes	3.0%	1	3.0%	32,000	32,960	33,949	34,967	36,016	37,097	38,210
Payment in Lieu of Taxes (PILOT)	5.0%	1	5.0%	0	0	0	0	0	0	0
Insurance	11.54%	11,758	11,978	12,202	12,430	12,661	12,897	13,137	13,382	13,630
Replacement Reserve	3.0%	1	3.0%	10,032	10,333	10,643	10,962	11,291	11,630	11,979
Other:	3.0%	1	3.0%	9,000	9,270	9,548	9,835	10,130	10,433	10,745
	3.0%	1	3.0%	792	816	840	865	891	918	946
	3.0%	1	3.0%	3,500	3,605	3,713	3,825	3,939	4,057	4,179
Subtotal: Operating Expenses				145,419	149,478	153,653	157,946	162,362	166,904	171,576
Debt Service										
Debt Service Part A				94,544	94,544	94,544	94,544	94,544	94,544	94,544
Debt Service Conventional/Other Financing				0	0	0	0	0	0	0
Total Expenses				239,964	244,022	248,197	252,491	256,907	261,449	266,120
Cash Flow/(Deficit)				9,454	10,384	11,298	12,194	13,071	13,929	14,765
Cash Flow Per Unit				394	433	471	508	545	580	615
Debt Coverage Ratio on Part A Loan				1.10	1.11	1.12	1.13	1.14	1.15	1.16
Debt Coverage Ratio on Conventional/Other Financing				N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	3%									
Average Cash Flow as % of Net Income										

Operating Deficit Reserve (ODR) Analysis

Maintained Debt Coverage Ratio (Hard Debt)	1.00
Maintained Operating Reserve (No Hard Debt)	250
Initial Deposit	0
Total Annual Draw to achieve 1.0 DCR	0
Total Annual Deposit to achieve Maintained DCR	0
Total 1.0 DCR and Maintained DCR	0
Interest	0
Ending Balance at Maintained DCR	0
Maintained Cash Flow Per Unit	394
Maintained Debt Coverage Ratio on Part A Loan	1.10
Maintained Debt Coverage Ratio on Conventional/Other	N/A
Standard ODR	0
Non-standard ODR	0

Operating Assurance Reserve Analysis

Required in Year:	1
Initial Deposit	111,983
Initial Balance	111,983
Interest Income	3,359
Ending Balance	115,342

Deferred Developer Fee Analysis

Initial Balance	425,874
Dev Fee Paid	9,454
Ending Balance	416,419
Repaid in yr #N/A	

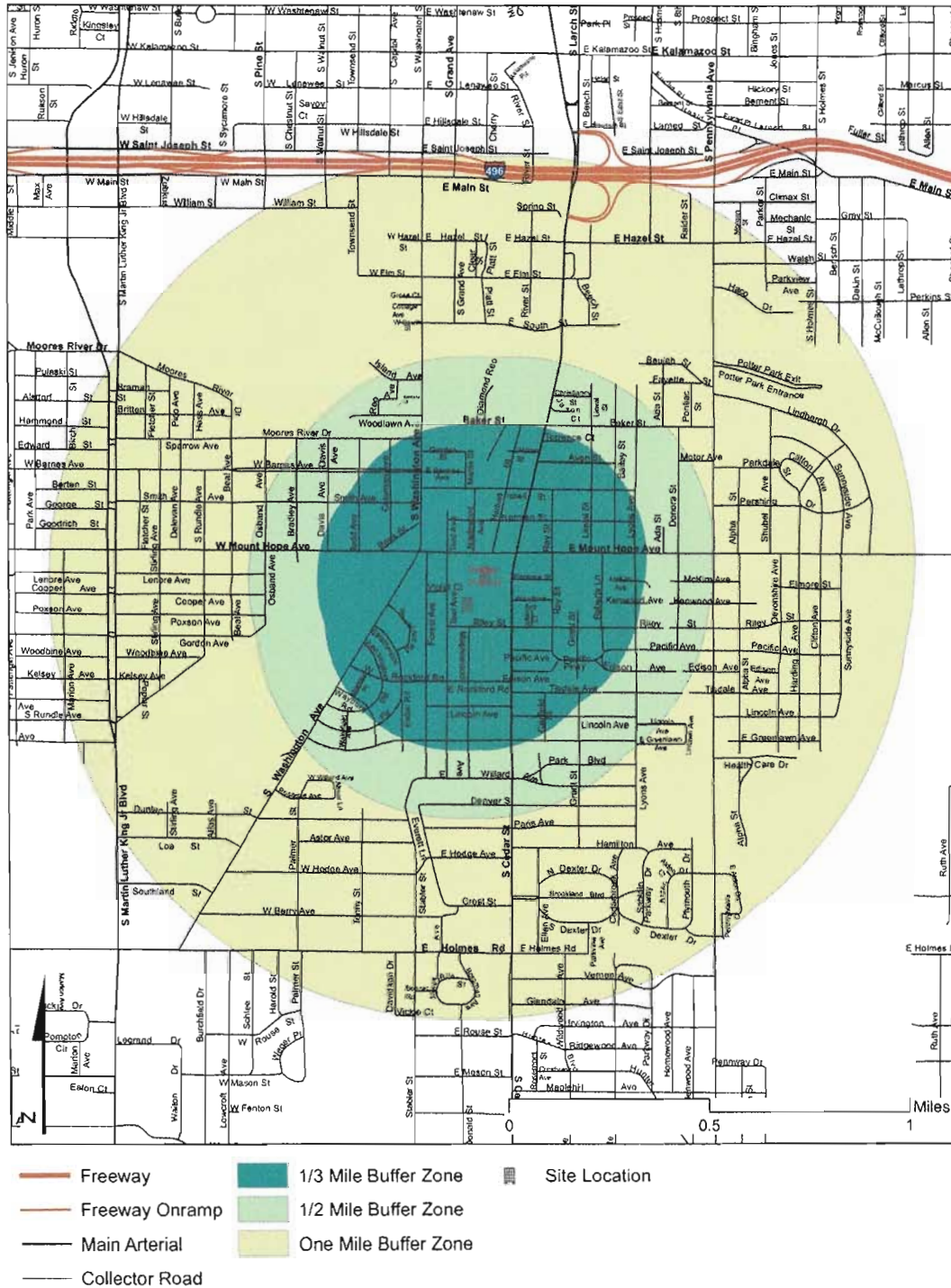
Mortgage Resource Fund Loan

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

CAHP Site Buffer Zones

Walter French Academy

1900 S Cedar Street, Lansing, MI 48910





Company Profile, Management

Continental Management, LLC

About Continental Management, LLC

Founded in 2003 as a fully-integrated property management company, the executive staff of Continental Management has a total of over 100 years of experience in the affordable housing industry. As a proven leader in the industry, Continental Management combines fresh, progressive management strategies with modern communications in order to provide affordable housing and maximize investment return in tandem with insuring long-term property appreciation. While maintaining an emphasis on profitability, residents are still at the heart of Continental Management's goals and business practices.

Our Vision

Our team is committed to providing quality service to our residents and clients. Continental Management's primary objective is to provide the best possible living environment for every resident, creating a sense of ownership and pride, and to continually enhance the surrounding neighborhoods where communities are located. This is done by creating new job opportunities and use of local vendors, through construction and renovation efforts, as well as extra tax revenues to the community at large. Continental Management's on-site professionals provide daily service to residents and demonstrate the company's commitment to quality through their dedicated management of the properties. Continental Management's services also include performance-based fee management, consulting, marketing, statistical research, maintenance, and energy management.

Award-Winning Management

Continental Management has been recognized by several organizations for providing quality management. Some of our awards include:

- Management Company of the Year-Detroit Metropolitan Apartment Association (DMAA)
- Excellence in Education-Property Management Association of Michigan (PMAM)
- Top Workplaces 2010, 2011, 2012, 2013, & 2014 -Detroit Free Press

Community Impact

With an emphasis on community impact and customer service, Continental Management is a key contributor to the revitalization of the communities it serves. Continental Management has provided community safety programs in conjunction with the local police departments, neighborhood clean-ups, community dinners, scholarships, paid internships for students. We also support community organizations that benefit the neighborhoods we serve. This culture of service motivates staff to not only help in their communities, but to serve one another as partners, friends, and mentors.

Commitment to Quality & Education

Continental Management can attribute much of its success to the extensive training in good business practices it provides for all of its employees. Three of the company's trainers have earned the prestigious National Apartment Association-Advanced Instructor Trainer (AIT) designation. We also encourage and support training through the NAA affiliates and other trade organizations.

What Makes Us Different?

Continental Management has a wealth of in-house expertise, which allows us to provide training programs and specialized services that other companies typically outsource. Most training and education is taught by our five National Apartment Association certified Advanced Instructor Trainers. We provide training in fair housing, customer service, risk management, leasing, outreach, compliance, inspections, legal processing, leadership, and finance. Continental Management also has several specialized departments. We offer legal services, security management, landscaping, facilities team and compliance management. This allows Continental Management to reduce operating costs by decreasing the expense of outside vendors and consultants.

16 Years of Business. A Lifetime of Impact

It is our continued duty to invest in people first and to foster a community where employees can grow personally and professionally. In 16 years, the company has grown exponentially and continues to provide exceptional service to clients and residents. Our progressive business practices will continue to drive higher occupancies, resident renewals and referrals.

Executive Profiles

Timothy Van Pelt Fox, President

Since 1995 Timothy Van Pelt Fox has been involved with the operations and growth of MHT Housing, Inc. In 2004 he became president and owner, continuing to lead the company & establishing a new property management company, Continental Management, LLC. His expert knowledge in the development process, tax credit industry, understanding of municipal approvals, construction, acquisition/rehabilitation requirements, and conceptualization of development possibilities has been the catalyst in developing new construction tax credit units and the rehabilitation of existing multifamily & senior apartments. Along with his corporate involvement, Mr. Fox is committed to community service, dedicating time & resources to neighborhood clean-up projects, coordinating dinners for those in need, & contributing to student scholarships. Mr. Fox received his Bachelor of Arts degree in Economics and Business from Olivet College in Olivet, MI.

Gary Offenbacher, Executive Vice President

Gary Offenbacher has more than 35 years experience in property management. Prior to joining Continental Management, LLC Mr. Offenbacher was VP of Demar Construction and Standard Federal Savings Bank in Maryland where he oversaw 1,200 apartment units and the construction/lease up of 700 apartment units. He then became a Senior Regional Manager for a property management company where he was responsible for a portfolio of 3,000 apartment units in Southeast Michigan. He then held the position of Executive Vice President of Lockwood Management until 2006 when he arrived at Continental Management, LLC. Today Mr. Offenbacher is responsible for all aspects of property and asset management, including, leasing, compliance, training, budgeting, human resources, and capital improvements. Mr. Offenbacher has a Bachelor of Science degree from Frostburg State University in Maryland and Master of Business Administration from Marymount University in Arlington, VA. Mr. Offenbacher is Past President of IREM Chapter 5, The DMAA and the Property Association of Michigan. He also currently serves on the Board of IREM Chapter 5.

Brian Gallaher, Chief Financial Officer

As Chief Financial Officer, Brian A. Gallaher oversees all financial matters for Continental Management's entire portfolio of properties, including financial reporting, audits and taxes. Mr. Gallaher also plays a key role as underwriter in the financial planning of new projects and acquisitions along with securing investors and negotiation of partnership agreements. Prior to coming to Continental Management in 2004, Mr. Gallaher was the Controller for a large Midwest management company, located in Milford, Michigan, where he was responsible for all aspects of accounting and finance for 92 properties. Mr. Gallaher received his Bachelor of Business Administration in Accounting from Eastern Michigan University, in Ypsilanti, Michigan. He continued on to complete his Master of Science in Corporate Finance at Walsh College, located in Troy, Michigan, graduating Cum Laude.

Tom Lydick, Controller

Tom Lydick has been employed in the development, construction, and property management industries for more than 30 years. He joined Continental Management, LLC in January of 2010 and serves as the controller. He is responsible for all aspects of financial analysis, financial reporting for the company, and oversees the accounting department staff. Mr. Lydick has a Bachelor of Science degree in accounting and a Masters in Business Administration in finance from the University of Detroit. He is a registered CPA, and also holds a real estate license and is a certified financial planner.

Property / # of Units			Address	
630 Lofts/Cottage 36	39 Units/29 Units		630 Cottageview Drive Traverse City, MI 49684 Grand Traverse County	
	Tax Credit			
Adams Senior Village	120 Units	Tax	2001 Kaley	Westland, MI 48186
	Credit/Senior		Wayne County	
Agnes Street Apartments	24 Units		9141 Agnes	Detroit, MI 48124 Wayne
	Tax Credit		County	MAILING ADDRESS: Village Park
Ambrose Ridge	84 Units	Senior Tax	1501 Woodworth NE	Grand Rapids, MI 49525
	Credit		Kent County	
Apple Ridge	56 Units		2231 Flower Street	
	Tax Credit		Kalamazoo, MI 49001	
			Kalamazoo County	
Arthur Antisdel Apartments	(aka Cass Communities)		1584 Elmhurst	Detroit, MI 48206 Wayne
	41 Units PBV			County
Artworks	26 Units		600 W Clay Ave	Muskegon MI 49440
	Tax Credit		Muskegon County	
Aspen Hills Apartments	70 Units	Section 8/Tax Credit	1291 Oak Terrace Dr.	Traverse City, MI 49686
			Grand Traverse County	
The Avenue Apartments	10 Units		1300 Madison SE	Grand Rapids, MI 49507
	Tax Credit / Home		MAILING ADDRESS:	1167 Madison SE
			Grand Rapids, MI 49507	Kent County
Baker Lofts I & II	43/44 Units	Tax Credit	40 Logan St	Grand Rapids, MI 49503
			Kent County	
Baldwin Villas	65 Units	Tax	122 Warwick Drive	Pontiac, MI 48340
	Credit		Oakland County	
Beacon Square Apts	& Townhomes	40 Units	101 Mechanic St & 460 Auburn Ave	
	Tax Credit		Pontiac, MI 48342	Oakland County
			MAILING ADDRESS: Colonial Meadows	
Bellemere Senior Apartments	88 Units Tax		14824 Greenfield	Detroit, MI 48227
	Credit		Wayne County	
Benjamin Manor	81 Units		141 Manchester Parkway	Highland Park,
	Tax Credit/NSP/PBV		MI 48203	Wayne County
Benton Harbor Hope VI	70 Units	Tax Credit	406 Pipestone Street	Benton Harbor, MI 49022
			Berrien County	
Brentwood II Apartments	48 Units		1180 Brentwood Street	Belding, MI 48809
	Section 8/Tax Credit			

Brookwood	60 HOME Units		3622 Hess Ave.	Saginaw, MI 48601
	Tax Credit		Saginaw County	
Brunson Hill Homes	48 Units	Tax Credit	406 Pipestone Rd.	Benton Harbor, MI 49022
			Berrien County	
Calumet	104 Units	Section 8	4387 Third	Detroit, MI 48201
			Wayne County	
Camelot Hills	102 Units	Section 8	601 Sadie Court	Lansing, MI 48906
			Ingham County	
Campus Creek Apartments and Cottages	248 Beds		14135 Bull Dog Lane	Big Rapids, MI 49307
(80 Units)/	66 Units	Student Housing	Mecosta County	
Centerline Park Towers	300 Units		8033 E. Ten Mile Road	Centerline, MI 48015
	Tax Credit/Section 8		Macomb County	
Chapel Hill Townhouses	12 Units	Tax Credit	9368 Yosemite Street	Detroit, MI 48204
			Wayne County	MAILING ADDRESS
				Robert Thomas
Chase Run	160 Units	Tax Credit	3726 S. Isabella Rd.	Mt. Pleasant, MI 48858
			Isabella County	
Clear Creek/Indiana Development	64 units	Tax Credit	1001 Clear Creek Trail	N. Manchester, IN 46962
			Wabash County	
Colonial Meadows	82 Units	Tax	1246 E Walton Blvd	Pontiac, MI 48340
	Credit - SENIOR		Oakland County	
Colony Arms	(AKA River Crest)	161 Units	9333 E. Jefferson Ave.	Detroit, MI 48214
	Section 8		Wayne County	
Colony House	33 Units	Market	313 W. Chicago St	Coldwater, MI 49036
Conner Creek	48 Units		4661 E Outer Drive	Detroit, MI 48234
	Tax Credit/Senior		Wayne County	
Core City Estates I	50 Units		1928 W. Alexandrine	Detroit, MI 48208
	Tax Credit		Wayne County	MAILING ADDRESS: 3540
			Harrison	Detroit, MI 48208
Core City Estates II	66 Units		1928 W. Alexandrine	Detroit, MI 48208
	Tax Credit		Wayne County	MAILING ADDRESS: 3540
			Harrison	Detroit, MI 48208

Core City West Village Tax Credit 59 Units	1928 W. Alexandrine Wayne County Harrison Detroit, MI 48208 MAILING ADDRESS: 3540 Detroit, MI 48208
Dauner Haus Dauner Haus II 151 Units 41 Units Section 8 Tax Credit	400 Dauner Haus St (I) Fenton, MI 48430-1503 500 Dauner Haus St (II) Genessee County
Day Star Estates 48 Homes Tax Credit	13021 E. Forest County Detroit, MI 48215 MAILING ADDRESS: Lakewood Manor Wayne
Dearborn Town Center Senior Tax Credit 77 Units	4550 Calhoun St. Wayne County Dearborn MI, 48126
Deerpath 126 Units Section 8	1290 Deerpath Lane East Lansing, MI 48823
Delhi Stratford Place Senior Tax Credit/PBV 96 Units	2385 Cedar Park Drive Ingham County Holt, MI 48842
Dickerson Manor 66 Units Senior Tax Credit	722 Emerson Detroit, MI 48215 Wayne County
Elaine Apartments 33 Units Section 8	101 E Michigan Ave Jackson County Jackson, MI 49201
Field Street I & II Tax Credit 21/28 Units	231 E. Grand Blvd. Wayne County Detroit, MI 48207 MAILING ADDRESS: Prince Hall
Gabrielle Section 8 Senior/Family 336 Units	14201 Second Avenue Wayne County Highland Park, MI 48203
Genesis Villas 89 Units Credit Tax	91 Harper Detroit, MI 48202 Wayne County
9100 on Gratiot 36 Units Credit Tax	9100 Gratiot Wayne County Detroit MI 48213
Glendale Buena Vista Home 93 Units	2 East Buena Vista Wayne County Highland Park, MI 48203
Gray Street I & II 10/24 Units Tax Credit	12801 Kercheval Wayne County Detroit, MI 48215
Green Meadows 48 Units Tax Credit	900 Northmeadow Dr Otsego County Gaylord, MI 49735
Greenwood Village 48/48 Units Tax Credit I & II	300 Village Green Blvd Hillsdale County Hillsdale, MI 49242

Harbor Bluffs	52 Units	Tax Credit	406 Pipestone Street Benton Harbor, MI 49022 Berrien County
Heritage Park	66 Units Credit	Tax	8550 Heritage Place Wayne County MAILING ADDRESS: 3540 Harrison Detroit, MI 48208
Highland Manor	48 Units Tax Credit/PBV		20 Sears Ave. Highland Park, MI 48203 Wayne County
Hillside I & II	56/104 Units	Tax Credit	501 Valley Ridge Petoskey, MI 49770 Emmett County
Hope Senior	50 Units Senior Tax Credit		210 W. Drahner Rd. Oxford, MI 48371 Oakland County
Jefferson Meadows	83 Units Credit Senior	Tax	13101 Freud Street Detroit, MI 48215 Wayne County
Jefferson Square	180 Units Credit/Section 8	Tax	541 Dickerson Detroit, MI 48215 Wayne County
Jennings Senior Living	46 Units Senior Tax Credit		7815 E Jefferson Ave Detroit, MI 48214 Wayne County
Kendall Homes	38 Units	Tax Credit	19416 Charleston Detroit, MI 48203 Wayne County
Klingman Lofts I 42 Units	41 units Klingman Lofts II Tax Credit		400 Ionia St SW Kent County Grand Rapids, MI 49503 MAILING ADDRESS: Baker Lofts
Lakewood Manor	30 Units	PBV	14200 Kercheval Detroit, MI 48215 Wayne County
Lighthouse Village	48 Units Credit/Home	Tax	400 Duncan Ave Cheboygan, MI 49721 Cheyboygan County
Loomis	30 Units Tax Credit Senior		200 Loomis
Luddington	30 Units Tax Credit		225 Luddington
McDonald Square	180 Units	Section 8	2900 East Vernor Detroit, MI 48207 Wayne County
Meetinghouse at Fidelity	30 Units Senior Tax Credit		162 Pipestone Street Berrien County MAILING ADDRESS: River Terrace

Mill Pond Manor Apartments Section 8	58 Units		614 N. 2nd Ave	Brighton, MI 48116	Livingston County
Mitchell Street Condos	13 Homes Credit	Tax	20 Sears Ave.	Highland Park, MI 48203	Wayne County
Morningside Commons	64 Units Credit/Home	Tax	14200 Kercheval Wayne County	Detroit, MI 48215 MAILING ADDRESS: Lakewood Manor	
Newman Court Apts Section 8	172 Units		630 Kettering Ave	Pontiac, MI 48340	Oakland County
Norman Towers	109 Units	Tax Credit	810 W. Elm Ave	Monroe, MI 48162	Monroe County
Nortown I	50 Units Home Tax Credit		20017 Van Dyke	Detroit, MI 48234	Wayne County
Oakhill Vlg/Townhomes	203 Units Student Housing/Market		1010 Marguerite Ave	Muskegon, MI 49442	
Oakwood Senior Apartments Senior Home	40 Units		14825 Nehls	Eastpointe, MI 48021	Macomb County
Pablo Davis	75 Units	Senior/Tax Credit	9200 W Vernor Hwy	Detroit, MI 48209	Wayne County
Palmer Court Townhomes Tax Credit	173 Units		5721 St. Antoine Street 48202	Detroit, MI	Wayne County
Park Place	165 Units	Tax Credit	2932 Marshall Ave, SE	Grand Rapids, MI 49508	Kent County
Parkview Place	199 Units Credit/Section 8	Tax	1401 Chene	Detroit, MI 48207	Wayne County
Penrose Village I & II Tax Credit	36/36 Units		19416 Charleston	Detroit, MI 48203	Wayne County
Pilgrim Meadows	30 Units	Tax Credit	3843 Puritan	Detroit, MI 48238	Wayne County
Pilgrim Village	22 Units	Tax Credit	15949 Quincy Wayne County	Detroit, MI 48238 MAILING ADDRESS: Pilgrim Meadows	
Prince Hall	156 Units Credit	Tax	2199 Prince Hall Drive	Detroit, MI 48207	Wayne County
Renaissance Tax Credit	56 Units		129 South Edith St	Pontiac, MI 48342	Oakland County

Reuben Daniels	50 Units	Tax Credit	1718 Sanford St Saginaw County	Saginaw, MI 48601 MAILING ADDRESS: Vista Villa
Ridgewood Vista	150 Units	Section 8	5000 Ponderosa Drive Jackson County	Jackson, MI 49201-8817
River Terrace	270 Units 8 Senior/Family	Section	200 River Terrace Drive Berrien County	Benton Harbor, MI 49022
Riverside Apartments	67 Units Credit	Tax	1800, 1801, 1830, 1730 Magnolia MI 48208 ADDRESS: 3540 Harrison	Detroit, Wayne County MAILING ADDRESS: Detroit, MI 48208
Robert Thomas	49 Units	Tax Credit	5121 West Chicago Wayne County	Detroit, MI 48204
Roberts III Apartments	197 Units 236/HOME	RAP	3901 Grand River Wayne County	Detroit, MI 48208
Roosevelt Park Lofts	21 Units Tax Credit / Home		1363 Grandville Ave SW 49503 Kent County 1167 Madison SE	Grand Rapids, MI MAILING ADDRESS: Grand Rapids, MI 49507
Royal Oak Tower	200 Units Credit Senior	Tax	20800 Wyoming Oakland County	Ferndale, MI 48220
San Juan	11 Units Credit/Home	Tax	7418 Puritan Wayne County	Detroit, MI 48238 MAILING ADDRESS Pilgrim Meadows
Sarah Garrett Homes	35 Home Units Tax Credit/PBV		5148 Yemans Wayne County	Hamtramck, MI 48212 MAILING ADDRESS: Highland Manor
Shiloh Commons	125 Units Tax Credit		3209 Buick St Genesee County	Flint MI 48505
Silver Creek	111 Units Tax Credit		25617 Valley Creek Drive #100 Flat Rock, MI 48134	Wayne County
South Hill	120 Units	Section 8	585 Gwendolyn Blvd. Oakland County	Milford, MI 48381

Southtown Square	(aka Madison Square) Section 8	44 Units	1167 Madison Ave SE 49507 ADDRESS: 1167 Madison SE Rapid, MI 49507	Grand Rapids, MI Kent County Grand Kent County
Springwells Village	24 Units	Tax Credit	9200 W Vernor Hwy Wayne County	Detroit, MI 48209
Thurgood Marshall Homes	Tax Credit	72 Units	406 Pipestone Rd. Berrien County	Benton Harbor, MI 49022
University Club	120 Units	Tax Credit/Home	4707 Anthony Wayne Dr. Wayne County	Detroit, MI 48201
Uptown Village	Tax Credit / Home	24 Units	950 Wealthy Street SE Kent County Madison SE	Grand Rapids, MI 49506 MAILING ADDRESS: 1167 Grand Rapids, MI 49507 Kent County
Van Dyke Center	200 Units	Section 8 Senior	8100 Gratiot Wayne County	Detroit, MI 48213-2970
Village at Irving Park	Tax Credit	39 Units	115 West Street Calhoun County	Battle Creek, MI 49037
Village of Royal Oak	Tax Credit Senior	147 Units	3442 Devon Road Oakland County	Royal Oak, MI 48073
Village Park	NSP/PBV	57 Units	1085 Van Dyke Wayne County	Detroit, MI 48214
Vista Villa	100 Units Credit/Home	Tax	3622 Hess Ave. Saginaw County	Saginaw, MI 48601
Walnut Grove Apartments	Section 8/Tax Credit	80 Units	875 Sheffield SW Kent County	Grand Rapids, MI 49503
Wellington I & II	45/46 Units Credit	Tax	59 Sewerd St Wayne County	Detroit MI 48202
Wildwood Apartments	Tax Credit/PBV	229 Units	5995 N. Wildwood Street Wayne County	Westland, MI 48185

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

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Lansing that a public hearing be set for Monday, December 14, 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 establishing a Payment in Lieu of Taxes (PILOT) for Walter French Apartments.

BE IT FINALLY RESOLVED, due to COVID-19, the public hearing may be held electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website or phone number and Meeting ID provided on the December 14, 2020, meeting agenda.

**CITY OF LANSING
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the City Council of the City of Lansing will hold a public hearing at 7:00 p.m. during the City Council Meeting, via ZOOM Conferencing, Meeting ID **882 5906 2610**, on Monday, December 14, 2020 at 7:00 p.m. in the City Council Chambers, 10th Floor Lansing City Hall, 124 W. Michigan Ave., Lansing, MI for the purpose of considering:

An Ordinance of the City of Lansing, Michigan, to amend the Code of Ordinances of the City of Lansing by adding a new Section 888.32 for the purposes of providing for an extension of a service charge in lieu of taxes for seventy-six (76) low income multi-family dwelling units in a project known as the Walter French Apartments, pursuant to the provisions of The State Housing Development Authority Act of 1966, As Amended.

Note: Michigan Director of Health and Human Services Robert Gordon's Order of October 9, 2020 regarding Gather Prohibition and Face Covering, as well as states of emergency declared by the Mayor and approved by City Council have led to a closure of City Hall to public at this time due to COVID-19. Public observation and participation may be facilitated electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public.

Members of the public wishing to participate in the meeting may do so by logging into or calling into the meetings using the website <https://us02web.zoom.us/j/88259062610> or phone number 312 626 6799 and Meeting ID **882 5906 2610**. Michigan Public Act 228 of 2020 provides for authorization of remote participation in public meetings and hearings.

For more information, please call Lansing City Council at 517-483-4177. If you are interested in this matter, please attend the public hearing or send a representative. Written comments will be accepted between 8 a.m. and 5 p.m. on City business days if received before 5 p.m., 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
www.lansingmi.gov/Clerk

www.facebook.com/LansingClerkSwope

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF LANSING BY ADDING A NEW SECTION 888.32 FOR THE PURPOSES OF PROVIDING FOR A SERVICE CHARGE IN LIEU OF TAXES FOR SEVENTY-SIX (76) LOW INCOME MULTI-FAMILY DWELLING UNITS IN A PROJECT KNOWN AS WALTER FRENCH, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

SECTION 1. That Chapter 888 of the Code of Ordinances of the City of Lansing, Michigan be amended to add a new Section 888.32 to read as follows:

888.32 WALTER FRENCH

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

1 NECESSITY, AND AS THE CITY WILL BE BENEFITED AND IMPROVED BY SUCH
2 HOUSING, THE ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN
3 REAL ESTATE TAX EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC
4 PURPOSE.

5 (B) *DEFINITIONS.*

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

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

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

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

PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS WALTER
FRENCH, AND CONSISTS OF SEVENTY-SIX (76) UNITS OF RENTAL HOUSING
LOCATED WITHIN LANSING AT:

THAT PART OF ASSESSOR'S PLAT NO. 46, ON THE NORTHEAST $\frac{1}{4}$ OF SECTION
28, T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED
IN LIBER 12 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS, BEGINNING ON
THE SOUTH RIGHT OF WAY LINE OF MT. HOPE AVENUE, 43.0 FEET SOUTH
OF THE NORTH SECTION LINE, AT A POINT 100.0 FEET EASTERLY OF THE
WEST LINE OF LOT 5 OF SAID ASSESSOR'S PLAT NO. 46, RUNNING THENCE
ALONG SAID RIGHT OF WAY LINE NORTH $89^{\circ}11'30''$ EAST 593.667 FEET TO A
POINT OF CURVATURE; THENCE SOUTHEASTERLY 53.53 FEET ALONG THE
ARC OF A 30 FOOT RADIUS CURVE TO THE RIGHT WHOSE CHORD BEARS
SOUTH $39^{\circ}41'30''$ EAST 46.71 FEET TO THE WESTERLY RIGHT OF WAY LINE
OF CEDAR STREET; THENCE ALONG SAID WESTERLY LINE THE
FOLLOWING FIVE COURSES, SOUTH $11^{\circ}25'30''$ WEST 118.66 FEET; THENCE
SOUTHERLY 197.93 FEET ALONG THE ARC OF A 917.22 FOOT RADIUS CURSE
TO THE LEFT WHOSE CHORD BEARS SOUTH $5^{\circ}14'25''$ WEST 197.53 FEET TO
A POINT OF TANGENCY; THENCE SOUTH $0^{\circ}56'30''$ EAST 5.43 FEET; THENCE
SOUTH $10^{\circ}34'39''$ WEST 22.18 FEET; THENCE SOUTH $0^{\circ}56'30''$ EAST 83.05 FEET;
THENCE SOUTH $89^{\circ}08'$ WEST 403.42 FEET; THENCE SOUTH 350.30 FEET;
THENCE WEST 268.84 FEET; THENCE NORTH 648.14 FEET; THENCE NORTH
 $89^{\circ}11'30''$ EAST 100.0 FEET; THENCE NORTH $0^{\circ}53'$ WEST 162.0 FEET TO THE
POINT OF BEGINNING; ALSO LOT 65 OF CHITTENDEN'S SUBDIVISION OF A

PART OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 28, T4N,
R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED IN
LIBER 5 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS.

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

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

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

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

(9) "*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.

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

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

7 (C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

8 (1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY
9 HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF CAMELOT HILLS IN
10 RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS
11 SECTION AND UPON THE QUALIFICATION OF THE ONE HUNDRED TWO (102)
12 UNITS OF HOUSING IN THE HOUSING DEVELOPMENT FOR EXEMPTION
13 FROM ALL PROPERTY TAXES AS ESTABLISHED IN THIS SECTION, AND
14 PROVIDED THAT PREVAILING WAGE IS PAID FOR ALL WORK PERFORMED
15 AT THE HOUSING DEVELOPMENT AFTER THE ENACTMENT OF THIS
16 SECTION.

17 (2) SUBJECT TO THE CONDITIONS AND REQUIREMENTS OF THIS SECTION AND
18 THE ACT, THE SEVENTY-SIX (76) UNITS IN THE HOUSING DEVELOPMENT
19 FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS WALTER
20 FRENCH AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL
21 BE EXEMPT FROM ALL PROPERTY TAXES FOR NOT MORE THAN TWENTY
22 (20) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2023.

1 (3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE SEVENTY-SIX (76) UNITS IN
2 THE HOUSING DEVELOPMENT, THE SPONSOR SHALL PAY, AND THE CITY
3 WILL ACCEPT, AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES, IN
4 THE SUM EQUAL TO, SIX PERCENT (6%) OF THE DIFFERENCE BETWEEN THE
5 ANNUAL SHELTER RENTS ACTUALLY COLLECTED AND UTILITIES.

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

19 (5) IN ADDITION TO THE CERTIFICATION REQUIRED PURSUANT TO
20 SUBSECTION (C)(4), THE SPONSOR SHALL PROVIDE FOR THE HOUSING
21 DEVELOPMENT ANNUALLY IN WRITING TO THE CITY ASSESSOR FOR THE
22 PRECEDING YEAR IN WHICH THE PROPERTY TAX EXEMPTION WAS IN
23 EFFECT:

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

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

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

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

13 (D) *LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.*

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

21 (E) *PAYMENT OF ANNUAL SERVICE CHARGE.* THE SERVICE CHARGE IN LIEU OF
22 TAXES, AS ESTABLISHED UNDER THIS SECTION, SHALL BE PAYABLE IN THE

1 SAME MANNER AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY,
2 EXCEPT THAT THE ANNUAL PAYMENT SHALL BE MADE ON OR BEFORE JULY
3 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH SUCH CHARGE IS
4 CALCULATED.

5 (F) *CONTRACTUAL EFFECT*. NOTWITHSTANDING THE PROVISIONS OF SECTION
6 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT BETWEEN THE CITY
7 AND THE SPONSOR WITH THE AUTHORITY AS THIRD-PARTY BENEFICIARY
8 UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND ACCEPT PAYMENT
9 IN LIEU OF TAXES AS PREVIOUSLY DESCRIBED, IS EFFECTUATED BY THE
10 ENACTMENT OF THIS SECTION.

11 (G) *DURATION*. THIS SECTION SHALL REMAIN IN EFFECT AND SHALL NOT
12 TERMINATE FOR TWENTY (20) YEARS, COMMENCING WITH AND INCLUDING
13 TAX YEAR 2023, PROVIDED THAT THE SPONSOR COMPLIES WITH THE
14 REQUIREMENTS OF THE ACT AND THIS SECTION, AND FURTHER PROVIDED
15 THAT THE HOUSING DEVELOPMENT CONTINUES TO BE RENTED TO LOW OR
16 MODERATE INCOME PERSONS AT RENTS DETERMINED UNDER THE LOW
17 INCOME HOUSING TAX CREDIT PROGRAM, AS THE SAME MAYBE FURTHER
18 AMENDED OR SUPERSEDED, OR THERE IS AN AUTHORITY-AIDED OR
19 FEDERALLY-AIDED MORTGAGE ON THE HOUSING DEVELOPMENT AS
20 PROVIDED IN THE ACT, OR THE AUTHORITY OR HUD HAS AN INTEREST IN THE
21 PROPERTY; BUT IN NO EVENT BEYOND DECEMBER 31, 2042. IF THE SPONSOR
22 CHANGES THE SCOPE OR PURPOSE OF THE SEVENTY-SIX (76) UNITS OF
23 HOUSING WITHIN THE DEVELOPMENT WITHOUT THE CONSENT OF THE CITY

1 OF LANSING, BY AND THROUGH ITS REPRESENTATIVES, AND IN ACCORDANCE
2 WITH THE REQUIREMENTS OF THE LANSING CITY CHARTER, OR IF THE
3 PREVAILING WAGE IS NOT PAID FOR ALL WORK PERFORMED AT THE HOUSING
4 DEVELOPMENT AFTER ENACTMENT OF THIS SECTION AND THE SPONSOR OR
5 OTHER RESPONSIBLE PARTY DOES NOT CURE THE VIOLATION AFTER NOTICE
6 IS GIVEN AS PROVIDED IN THE MANNER CONSISTENT WITH THE METHOD
7 CONTAINED IN SECTION 206.18(b) OF THESE CODIFIED ORDINANCES, THEN
8 THIS SECTION SHALL AUTOMATICALLY EXPIRE AND BE OF NO EFFECT.

9 SECTION 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules
10 inconsistent with the provisions hereof are hereby repealed as they pertain to Walter French at the
11 time this exemption commences.

12 SECTION 3. Should any section, clause or phrase of this ordinance be declared to be
13 invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other
14 than the part so declared to be valid.

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

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file:///S:/Attorney_Staff/ORDINANCES/PILOT Ordinances/Camelot Hills

Approved as to form:

James D. Smiertka, City Attorney
Dated: _____

PILOT Calculation For Walter French

	10% PILOT Calculation	6% PILOT Calculation	Current Taxes
Gross Rents - 76 units	821,932	821,932	
Less Vacar 8%	(65,755)	(65,755)	
Less Landlord Paid Utilities	(63,798)	(63,798)	
Less Water & Sewer	(58,040)	(58,040)	
Net Collected Rents	634,339	634,339	
PILOT Percentage	10%	6%	Summer, 2020 Winter, 2019
PILOT Payment 2023	\$ 63,434	\$ 38,060	\$21,586

The project is able to obtain a mortgage for \$441,789 with the difference in cost savings between a 10% PILOT and a 6% PILOT. This offsets the reduction in HOME/CDBG funds committed by the City of Lansing as well as some of the rising project costs

CAHP has committed owner capital of \$1,324,908. Because this amount is the maximum allowed fee deferment for MSHDA LIHTC funding the additional mortgage funding is mandatory

Total project costs currently estimated to be \$24,014,649



WALTER FRENCH

A Strategic Investment
in Lansing

HISTORY

- Walter French Academy
 - Built – 1925 to serve as an elementary/junior high school for the Lansing School District
 - Grades 1-9 1925-1950
 - Grade 7-9 1950 – 1981
 - 1983 - purchased by the Eydes
 - 1996 – Opened as Charter School – Walter French Academy of Business and Technology
 - 1996 – 1999 – middle/high school
 - 1999 – 2004 – K-12
 - 2006 – lost sponsor (Central Michigan University) and closed
 - 2010 – National Register of Historic Places
 - December, 2017 – Eydes donate property to CAHP at the request of the City of Lansing - to avoid demolition

1976 EAGLE ALBUM



WALTER FRENCH JUNIOR HIGH
LANSING, MICHIGAN

OUR 50TH . . . AMERICA'S 200TH

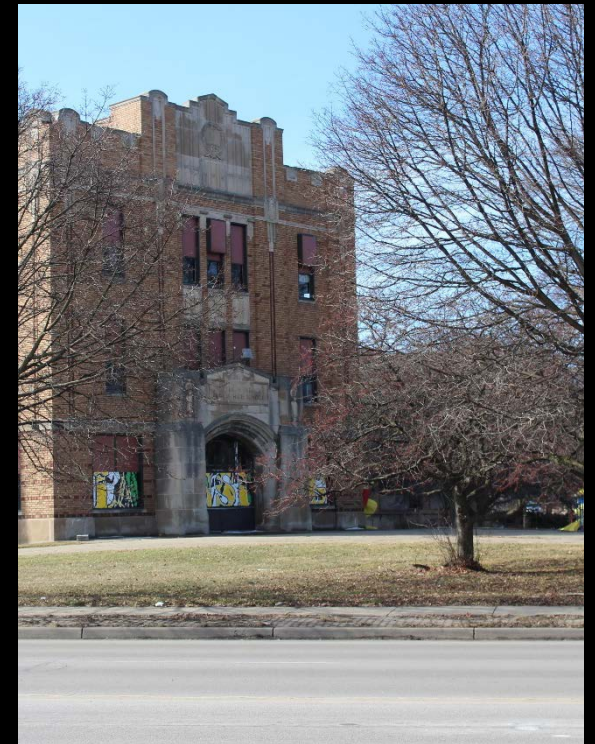
INVESTMENT IN LANSING - HOUSING

- Apartments for:
 - Persons holding essential jobs earning up to \$25 per hour.
 - Businesses who need employees at wage levels between minimum wage & \$25 per hour
 - Very low income – Persons at highest risk of not finding stable housing in Lansing (30/40% AMI/PSH).



WALTER FRENCH - HISTORIC RENOVATION

- Currently proposed renovation will include 76 units of affordable housing with a set aside of units designed to include supportive services.
- 30,000 square feet of office, commercial, community space will be available in the space previously used as gyms, locker rooms and an auditorium
- Partners to date include
 - Cinnaire
 - Quinn Evans
 - Lansing BWL
 - Lansing Housing Commission
 - City of Lansing
 - Haven House, CMH, Advent House
 - LEAP
 - REO Town
 - Baker/Donora Neighborhood



WALTER FRENCH – DRAFT SITE PLAN

- Removal of most recently added gym space allows for green/courtyard area at back of building
- Parking designed to meet the needs of both residential and commercial space
- 1-acre parcel to the south of the parking lot planned as power co-generation in partnership with the Lansing Board of Water & Light



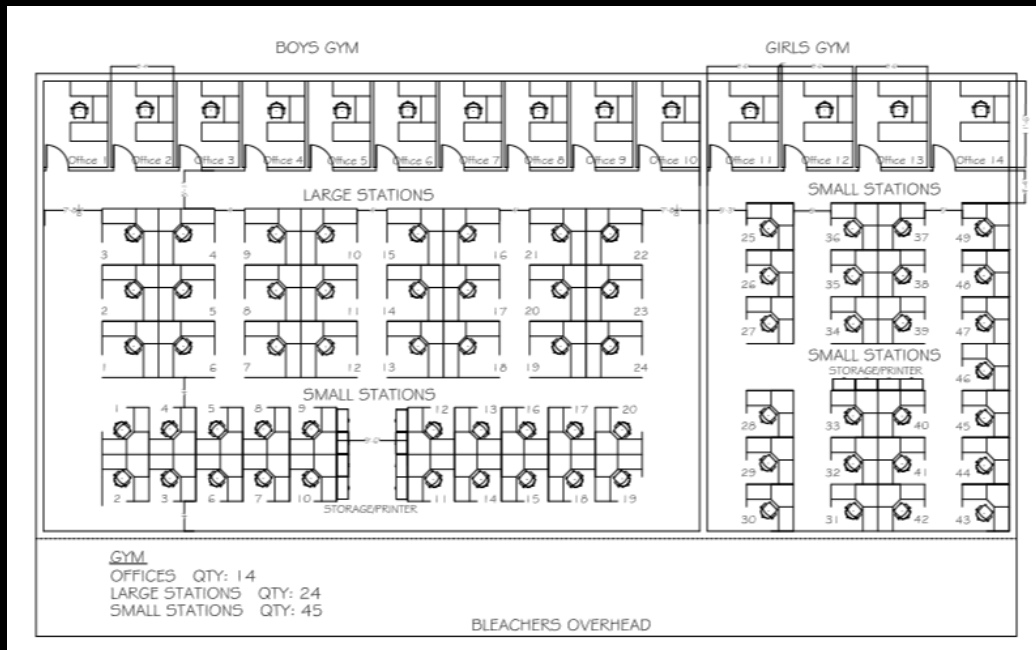
WALTER FRENCH – SECOND FLOOR DRAFT DESIGN



WALTER FRENCH – THIRD FLOOR DRAFT DESIGN



WALTER FRENCH – THE GYM



Sample office space layout for current gym





STRATEGIC INVESTMENT - WALTER FRENCH

- Provides social/economic impact in the community –Prominent corner, removing blight, adjacent to Baker/Donora neighborhood of, historic building
- Unique financing utilized to renovate building to include LIHTC, Historic Tax Credits, HOME, CDBG, PILOT, BWL, LHC
- Coordinates with overall community revitalization/ neighborhood plan
- Includes significant municipal, state and private funding commitments - City HOME/PILOT/CDBG, Property donation by Eydes, LEAP/EPA grant for Phase I, LHC vouchers, BWL power investment

PROJECT FINANCING OPTIONS IN DISCUSSION

Funding Source	4% LIHTC	9% LIHTC	Commercial – 30,000 sq.ft.
Unit Mix	24	52	N/A
LIHTC Funding	4%	9%	No
HTC Funding	Yes	Yes	Yes
Perm Loan	MSHDA	TBD	TBD
Developer Investment	Yes	Yes	Yes
Gap/FHLB Funding	Gap	FHLB	MEDC
City of Lansing	Yes	Yes	No
BWL/Other	Yes	Yes	Yes
LHC/MSHDA – rent vouchers	Yes	Yes	N/A
Other			