AGENDA

Committee on Ways and Means
July 16, 2026 at 3:00 PM

Lansing City Hall, City Council Conference Room
124 W. Michigan Avenue, 10th Floor
To provide input or ask questions on any item that is listed on the agenda,
members of the public may contact the City Council at city.council@lansingmi.gov or (517) 483-4177 prior to the meeting.
To view the meeting live and participate in virtual public comment: https://www.lansingmi.gov/1212/Council-Committee-Meetings

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Council Member Carter, Chairperson
Council Member Spadafore, Vice Chairperson
Council Member Nevarez Martinez, Member

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
   A. May 21, 2026
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
   B. RESOLUTION - Grant Acceptance; United States Department of Transportation, Reconnecting Communities Program
   C. DISCUSSION - ORDINANCE - Repeal Chapter 886 Tax Exemptions - Multi Family Dwellings
   D. DISCUSSION - ORDINANCE - Add Chapter 886, Section 886.01-886.07; Service Charge of 4% of annual shelter rents for eligible housing development projects
6. **Other**
7. **Adjourn**

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 Ways and Means
Thursday, May 21, 2026 @ 3:00 p.m.
City Council Conference Room

CALL TO ORDER
Council Member Carter called the meeting to order at 3:00 pm

PRESENT
Council Member Tamera Carter, Chair
Council Member Peter Spadafore, Vice Chair
Council Member Deyanira Nevarez Martinez, Member- arrived at 3:01 p.m.

OTHERS PRESENT
Sherrie Boak, Council Legislative Office Manager
Greg Venker, OCA
Andy Kilpatrick, Public Service
Scott Cook, Public Service
Bill Brunner, Public Service
Emily Stevens, Parks and Recreation
Delvata Moses, HRCS
Council Member Kost
Rawley Van Fossen – arrived at 3:14: p.,

Minutes
MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES OF MAY 7, 2026 AS PRESENTED. MOTION CARRIED 2-0.

Public Comment
No public comment at this time.

Discussion/Action:
RESOLUTION – Grant Acceptance; Michigan Transportation Economic Development Fund on behalf of the Capital Region Airport Authority for Capital City Blvd.
MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FROM MICHIGAN TRANSPORTATION ECONOMIC DEVELOPMENT FUND.

Mr. Kilpatrick briefly stated the City is the fiduciary, and there will be an agreement and the resolution says that officially.

MOTION CARRIED 3-0.

RESOLUTION – Grant Acceptance; Ingham County Housing and Homeless Millage for ModPods for unhoused individuals
COUNCIL MEMBER SPADAFORE MOVED TO TAKE OFF THE TABLE. MOTION CARRIED 3-0.

Council Member Spadafore had proposed to table until budget was approved with the ModPod funds were in it.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR GRANT ACCEPTANCE FROM INGHAM COUNTY FOR THE MODPODS HOMELESS HOUSING. MOTION CARRIED 3-0.

RESOLUTION – GRANT ACCEPTANCE; MICHIGAN HUMANITIES COUNCIL TOURING GRANT
Ms. Stevens there will be fourth of July event with a kid friendly performer and this grant funds will cover the cost.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR GRANT ACCEPTANCE FROM MICHIGAN HUMANITIES COUNCIL TOURING. MOTION CARRIED 3-0.

PLACE ON FILE – Sole Source; Public Service Department notification on Hamlett Environmental Technologies as vendor for Stainless Steel Slide Gate for Ultraviolet Disinfection Channel No 4
Mr. Bruner explained the need for the sole source is for the gates that let in the water into the disinfection process and presented a rendering. There are currently gates and they have used this vendor before, at that time it was put out to bid and this contractor was the lowest bidder.

MOTION BY COUNCIL MEMBER SPADAFORE TO PLACE ON FILE. MOTION CARRIED 3-0.

ORDINANCE – Amending Chapter 218 to provide for the creation and semiannual update of a City Tax and Debt Dashboard
Council Member Carter noted this was the request from the Charter Commission, a public hearing was held with no further comments.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE ORDINANCE TO AMEND CHAPTER 218 FOR A SEMIANNUAL UPDATE OF CITY TAX AND DEBT DASHBOARD. MOTION CARRIED 3-0.

RESOLUTION – Introduce and Setting a Public Hearing; Amend Chapter 230, Adding Section 230.02; Allocate funding for Supportive Housing Services
Council Member Spadafore explained this was during the data center discussion, and from that there was discussion to parcel off funds for housing support, but since the data center did not occur, since HRCS does use a percentage of GF for basic human services, this is a proposal for 2.5% part of the 1.35% that is currently set aside. This is to reallocate and direct the resources, and idea behind the fund is to help people stay in safe housing. Ms. Moses stated it was $467,000 currently, confirmed by Mr. Venker. Council Member Spadafore stated he had discussions with EDP about their programs. Again the intention is to help people to stay in their housing, and discussions on focus with owner occupied. Council Member Nevarez Martinez referred to the statement in the ordinance on supportive housing. Council Member Spadafore stated they have time.

MOTION BY COUNCIL MEMBER SPADAFORE TO TABLE FOR FURTHER DISCUSSION UNTIL THE MEETING ON JUNE 18^{TH}.

Ms. Moses asked to be involved in the conversation.

MOTION CARRIED 3-0.

RESOLUTION – Introduce and Setting a Public Hearing; REPEAL Chapter 886 Tax Exemptions for Multifamily Dwelling Projects

Council Member Nevarez Martinez stated she is currently working on a 4% PILOT by right, and currently it is 10%, and everything that falls out of that comes to Council and is reviewed case by case. This would allow more to go through the process and not get bogged down through the Council process. This would be having 30% of their building affordable. In order to move that, this repeal has to occur first.

Mr. Venker stated there is a Chapter 886 on the books, related to Capital Commons fromj 1980, it is a long hold off, and Capital Commons is codified under another one. This does not undo the Capital Commons PILOT.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING TO REPEAL CHAPTER 886 FOR JUNE 22, 2026. MOTION CARRIED 3-0.

RESOLUTION – Introduce and Setting a Public Hearing; Add Chapter 886, Sections 886.01-886.07, Service Charge of Four Percent (4%) of Annual Shelter Rents for Eligible Housing Development Projects

Council Member Nevarez Martinez reiterated earlier statements made about this ordinance during the REPEAL agenda item, confirming this would be to create the 4% PILOT.

Mr. Venker stated on page 3 of the ordinance there are currently blanks, and he had sent a draft 6 to Council Member Nevarez Martinez shortly before this meeting. Council Member Nevarez Martinez confirmed it was still I discussion but has since been landed on 30%. Ms. Boak will forward Draft 6 when she obtains from the City Attorney.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING TO ADD CHAPTER 886 SECTIONS 886.01-886.07 FOR JUNE 22, 2026. MOTION CARRIED 3-0

PLACE ON FILE – Purchase Price Threshold, Fiscal Year 2026-2027

Council Member Carter noted this ordinance was approved in 2025, and in that amendment, this is an annual request from Finance, and can be increased by $1,000.

MOTION BY COUNCIL MEMBER SPADAFORE TO PLACE ON FILE. MOTION CARRIED 3-0.

OTHER

Council Member Carter asked the Committee if they were interested in cancelling the June 4^{th} meeting and it was concurred. Ms. Boak asked since Council Member Spadafore stated he will not be present at the June 18^{th} meeting either, if they wished to move the further discussion on Chapter 230 Section 230.02 to the July 2, 2026 Committee meeting.

ADJOURN
Adjourned at 3:24 pm
Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee on

LANSING CITY COUNCIL
FY26 GRANT INFORMATION FORM
(Required for all grant applications and acceptances)

PREFERRED REFERRAL DATE: 6/8/2026

GRANT NAME: Fiscal Year 2024 Reconnecting Communities Pilot Program – “Our Way for the Highway”

GRANT AGENCY: United States Department of Transportation

ASSISTANCE LISTING (CDFA): NA – CDFA does not manage RCP

DEPARTMENT: Public Service

CONTACT NAME: Nicole McPherson, City Engineer

CONTACT PHONE: 483-4456

GRANT PERIOD START: Upon Agreement signing (estimated 6/15/2026)

GRANT PERIOD END: 03/30/2029

APPLICATION DATE: September 2024

AWARD DATE: October 2025

TOTAL AMOUNT: $1,040,000 federal

ADMINISTRATIVE COST RECOVERY AMOUNT: TBD

SUMMARY OF GRANT PURPOSE AND ALLOWABLE USES:

Planning and community engagement regarding way to reconnect neighborhoods divided by the construction of I-496. The project will also look at ways to strengthen the connection between Downtown and REO Town

Continued on next page

PROJECTED ACCOUNT CODE DETAIL (OBJECT MINIMUM):

Account	Description	Amount
273.456300.80100.50xxx	Contractual Services	$1,040,000

MATCHING FUNDS ACCOUNT CODE DETAIL (IF APPLICABLE):

Account	Description	Amount
202.456300.80100.50xxx	Grant Match (20%)	$260,000

BY THE COMMITTEE ON WAYS AND MEANS
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing Public Service Department (the City) was awarded Reconnecting Communities Program (RCP) grant funding by the United States Department of Transportation for the development of solutions to reconnect residential areas separated by the construction of I-496; and

WHEREAS, the City submitted a proposal to the United States Department of Transportation in September of 2024; and

WHEREAS, the United States Department of Transportation Grant was the result of a competitive proposal process, and the City was notified that it was awarded grant funding in October of 2025; and

WHEREAS, the Safe Streets for All grant is funded through the Infrastructure Investment and Jobs Act (IIJA); and

WHEREAS, the United States Department of Transportation awarded the City $1,040,000 in federal funding with a required local match amount of $260,000 for a total project amount of $1.3 million; and

WHEREAS, the required local match will come from Act 51 Major Street funds; and

WHEREAS, project must be completed by March 2029; and

WHEREAS, The City may request reimbursement of costs incurred in the performance of the project after execution of the grant agreement and subject to the terms and conditions of the agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Lansing City Council approves acceptance of the Reconnecting Communities Program grant.

BE IT FINALLY RESOLVED, the Administration is authorized to receive the funds, create the necessary accounts, make necessary transfers for administration of the grant in accordance with the requirements of the grantor, and enter into any agreements necessary to accept the grant, subject to approval as to form by the City Attorney.

ORDINANCE NO. ___________

An ordinance of the City of Lansing, Michigan, to repeal Chapter 886 of the Lansing Codified Ordinances, Tax Exemptions for Multifamily Dwelling Projects, as the incentive and project described therein has expired and the Chapter is no longer needed.

THE CITY OF LANSING ORDAINS:

Section 1. That Chapter 886, of the Codified Ordinances of the City of Lansing, Michigan, including Sections 886.01-886.04, be and is hereby repealed in its entirety and shall be null and void of no effect.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions are repealed.

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

Section 4. This ordinance shall take effect on the 14th day after enactment, unless given immediate effect by City Council.

Proposed 4% PILOT Ordinance

PUBLIC HEARING – LANSING CITY COUNCIL

06/22/2026

Payment In Lieu Of Taxes (PILOT)

A PILOT is **not** a tax exemption.

Instead of paying traditional property taxes, qualifying affordable housing developments pay a **service charge** based on shelter rents.

The purpose is to make affordable housing financially feasible while ensuring the development still contributes revenue to the city.

Why Does Michigan Allow PILOTs?

Michigan authorizes PILOTs through the State Housing Development Authority Act.

The Legislature recognized that affordable housing often cannot be built without financial assistance.

A PILOT is one financing tool among many that helps close the funding gap.

What is LIHTC?

Low Income Housing Tax Credit

LIHTC is the federal government's primary affordable housing program.

Developments receive tax credits only if they:

✓ Meet affordability requirements

✓ Remain affordable

✓ Pass inspections

✓ Meet compliance standards

In Michigan, these projects are administered through MSHDA.

How LIHTC and PILOTs Work Together

The PILOT is **one piece** of the financing package.

Without it, many 4% developments simply cannot close their financing gap.

Partner	**Role**
Federal Government	Creates the Low-Income Housing Tax Credit (LIHTC) program.
MSHDA	Allocates tax credits, underwrites projects, and monitors compliance in Michigan.
Developer	Assembles financing, constructs the development, and must comply with affordability and maintenance requirements.
City of Lansing	Provides a local PILOT that helps close the financing gap for qualifying developments.

What this Ordinance Does

This ordinance creates a **by-right 4% PILOT** for developments that already meet objective requirements.

To qualify a development must:

- Use the 4% LIHTC program
- Reserve at least **30%** of units as affordable
- Meet all state and federal requirements
- Not already be receiving a PILOT on that property

If those standards are met, the City enters into the PILOT agreement.

What this Ordinance Does NOT Do

❌ It does not eliminate affordable housing standards

❌ It does not eliminate inspections

❌ It does not eliminate compliance monitoring

❌ It does not eliminate state oversight

❌ It does not eliminate federal oversight

❌ It does not apply to every affordable housing project

Safeguards

Every LIHTC development already has:

✓ Long-term affordability requirements

✓ Annual financial reporting

✓ Income certification

✓ Physical inspections

✓ Compliance monitoring

✓ Risk of losing tax credits for violations

This ordinance relies upon—not replaces—that oversight.

Maintenance Requirements

One concern I've heard is:

"What if developers don't maintain the property?"

LIHTC already requires:

- Replacement reserves
- Capital needs planning
- Ongoing maintenance
- Physical inspections
- Compliance monitoring

If these requirements are violated, developers risk enforcement actions and potential loss of program benefits.

Additional Safeguards in this Ordinance

The ordinance also requires annual reporting to the City, including:

- Annual audited accounting report
- Certified statement identifying affordable units
- Additional documentation if requested by the City Assessor

Projects that violate the agreement or change the development without approval can lose eligibility.

Who Does NOT Qualify?

❌ Developments with less than 30% affordable units

❌ Properties already receiving a PILOT

❌ Projects that change their scope without approval

❌ Projects seeking different terms than this ordinance provides (time, affordability requirements etc.)

Those projects would still require Council action or would not qualify under this ordinance.

Why Create a 4% PILOT if Lansing Already Has a 10% PILOT?

Current 10% PILOT

May be approved administratively after a complete application and mayoral support.

Developers must still submit a complete application to the City.

Available under Lansing's existing PILOT process.

PILOT requests below 10% currently require:• Committee review• Public hearing• Individual City Council approval

Approval process differs depending on the requested service charge.

Proposed 4% PILOT Ordinance

Establishes a predictable approval process for qualifying 4% LIHTC developments through ordinance.

Developers must still meet all eligibility requirements established by the ordinance.

Specifically applies to qualifying **4% LIHTC** developments reserving at least **30%** of units for low- or moderate-income households.

Council establishes the policy **once** through ordinance. Qualifying projects follow the objective standards established by Council rather than requiring a new ordinance for each project.

Creates a consistent, transparent process for qualifying 4% LIHTC projects while maintaining existing affordability and compliance requirements.

Michigan Cities Already Use Affordable Housing PILOTs

The question is not whether PILOTs exist. The question is how they are administered.

City	Approach	Reported Outcomes
Lansing (Proposed)	By-right for qualifying 4% LIHTC projects	Predictable pathway
Detroit	Fast Track administrative approval	2,400 units approved 6,000 in pipeline $1.2B+ investment
Grand Rapids	Standing ordinance	1,576 rental units supported
Muskegon	Formal PILOT policy	Standardized criteria
Kalamazoo	Established LIHTC process	Coordinates with MSHDA
Ferndale	Standing ordinance	Act 346 affordable housing

Detroit's Reported Results

- 2,400 affordable housing units approved
- 6,000 additional units in development
- More than $1.2 billion in planned investment

Key Takeaways

✓ Lansing is not inventing PILOTs.
✓ Michigan communities already use Act 346 PILOTs.
✓ Detroit demonstrates a streamlined approval model.

Sources: Lansing proposed ordinance; City of Detroit; City of Grand Rapids.

Why I Introduced This Ordinance

My goals are simple:

- Create predictability
- Encourage affordable housing production
- Reduce unnecessary political uncertainty
- Maintain affordability standards

Myth	Fact
This eliminates oversight	City, State and federal oversight remain.
This removes inspections	City and LIHTC inspections still occur.
Developers can ignore maintenance	Maintenance requirements are mandatory.
Every affordable housing project qualifies	Only qualifying 4% LIHTC projects meeting the ordinance's criteria qualify.
This is unprecedented	Michigan cities already use 4% PILOTs.

Myth vs. Facts

Questions

Thank you.

ORDINANCE NO. ___________

An ordinance of the City of Lansing, Michigan, to amend Chapter 886 of the Lansing Codified Ordinances, Sections 886.01-887.07, to authorize a property tax exemption for certain eligible properties in exchange for a service charge in lieu of taxes rate of four percent of annual shelter rents for up to 18 years, in conformity with the State of Michigan property tax exemption alternative, authorized under 1966 PA 346, as amended; specifically MCL 125.1415a, which permits a city to authorize by ordinance a rate below 10 percent of annual shelter rents.

THE CITY OF LANSING ORDAINS:

Section 1. That Chapter 886, Sections 886.01 through 886.07, of the Codified Ordinances of the City of Lansing, Michigan, be and is hereby enacted to read as follows:

CHAPTER 886 – SERVICE CHARGE OF FOUR PERCENT OF ANNUAL SHELTER RENTS FOR ELIGIBLE HOUSING DEVELOPMENT PROJECTS

886.01 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 or 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 or Moderate Income is a public necessity, and as the City will

be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose.

886.02 Definitions.

(a) Act means the State Housing Development Authority Act, being Public Act 346 of 1966, as amended.

(b) Agreement means the "Payment in Lieu of Taxes Agreement" entered into voluntarily between the City of Lansing administration and the Sponsor, identifying at least: the legal identity of the Sponsor; the legal and qualitative description of the Housing Development; the number of units in the Housing Development, and the anticipated years of commencement and conclusion of the period of tax exemption.

(b) Annual Shelter Rents means the total collections during an agreed annual period from all persons of low or moderate income, occupying the Housing Development representing rents for occupancy, which rental amounts shall be exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.

(c) Authority means the Michigan State Housing Development Authority.

(d) Housing Development or Development means a development that reserves at least 30% of the total housing units for persons of Low or Moderate Income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the Authority may determine will improve the quality of the development as it relates to housing for persons of low and moderate income; for purposes of this Chapter, the Development may not be located on property currently or previously receiving a tax exemption under the Act; for purposes of any Development utilizing the tax exemption

provided by this Chapter, the Development shall be identified and described in the Agreement.

(e) HUD means the Department of Housing and Urban Development of the United States Government.

(f) Low Income Housing Tax Credit Program means the program established by Section 42 of the United States Internal Revenue Code.

(g) Low or Moderate Income means low- or moderate-income eligibility under the Authority Act or rules.

(h) Mortgage Loan means a loan that is Federally-aided (as defined in Section 11 of the Act) or a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of a housing project and secured by a mortgage on the housing project.

(i) Sponsor means a person or other entity with a Housing Development which is financed or assisted pursuant to the Act. For purposes of any Development utilizing the tax exemption provided by this Chapter, the Sponsor shall be identified and described in the Agreement.

(j) Utilities means fuel, water, sanitary sewer and/or electrical service, which is paid for by the Housing Development.

886.03 Establishment of annual service charge.

(a)The City acknowledges that for Developments utilizing the tax exemption provided by this Chapter, and subject to the Authority's review and approval of an Agreement, Sponsor and the Authority will have established the economic feasibility of the

Housing Development in reliance upon the enactment and continuing effect of this section and upon the qualification of the units of housing in the Housing Development for exemption from all property taxes as established in this section.

(b) Subject to the conditions and requirements of this section and the Act, the units in the Housing Development for persons of Low or Moderate Income identified in the Agreement and the property on which they are constructed shall be exempt from all property taxes for not more than 18 years, commencing on January 1 of the year immediately following the first year that the Development has all necessary approvals and is legally occupiable.

(c) In lieu of all said property taxes on the units in the Housing Development, the Sponsor shall pay, and the City will accept, an annual service charge for public services in the sum equal to four percent of the Annual Shelter Rents.

(d) The exemption provided under this section shall commence when the Sponsor complies with Section 15a(2) of 1966 PA 346, as amended, codified as MCL 125.1415a(2), which provides: the owner of a housing project eligible for the exemption shall file with the local assessing officer (the City Assessor) a notification of the exemption, which shall be in an affidavit form as provided by the Authority. The completed affidavit form first shall be submitted to the Authority for certification by the Authority that the project is eligible for the exemption. The owner then shall file or cause to be filed the certified notification of the exemption with the local assessing officer before November 1 of the year preceding the tax year in which the exemption is to begin.

(e) In addition to the certification required pursuant to Subsection 886.03(d), the Sponsor shall provide the following documents and information, annually, in writing to the City Assessor, relating to the Housing Development for the preceding year in which the property tax exemption was in effect:

1. The annual audited accounting report for the payment in lieu of taxes; and

2. A certified statement identifying all the units rented to persons of Low or Moderate Income; and

3. If requested by the City, proof that the Housing Development units have not increased, decreased, or been altered in any form.

886.04 Limitation on the payment of the annual service charge.

Notwithstanding subsection 886.03, the service charge to be paid each year in lieu of taxes for the part of the Housing Development project that is tax exempt and occupied by other than Low or Moderate Income persons shall be equal to the full amount of the taxes that would otherwise be due and payable on that portion of the Housing Development project if the project were not tax exempt.

886.05 Payment of annual service charge.

The service charge in lieu of taxes, as established under this section, shall be payable in the same manner as general property taxes are payable to the City, except that the annual payment shall be made on or before July 1 of the year following the year upon which such charge is calculated. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206 as amended; MCL 211.1 et seq.)

886.06 Contractual effect.

Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third-party beneficiary under the contract, to provide tax exemption and accept payment in lieu of taxes as previously described, is effectuated by an Agreement for any Development utilizing the tax exemption provided by this Chapter.

886.07 Duration.

Any such Agreement entered into under this Chapter shall remain in effect and shall not terminate for 18 years, commencing with and including the first eligible tax year as described in Subsection 886.03, provided that the Sponsor complies with the requirements of the Act and this Chapter, and further provided that the Housing Development continues to be rented to Low or Moderate Income persons at rents determined under the low-income housing tax credit program, as the same maybe further amended or superseded, or there is an Authority-aided or Federally-aided mortgage on the Housing Development as provided in the Act, or the Authority or HUD has an interest in the property; but in no event beyond December 31 of the 18th consecutive year, once commenced. If: (a) the construction of the Housing Development project does not commence or the Sponsor fails to obtain a Mortgage Loan within two years from the date an Agreement is entered; or (b) transfer of title is not effectuated to Sponsor within two years from the date an Agreement is entered; or (c) if the Sponsor changes the scope or purpose of the number of units of housing within the Housing Development, identified in a specific Agreement, without the consent of the City, by and through its representatives, and in accordance with the requirements of the Lansing City Charter, and the Sponsor or other

responsible party does not cure the violation within 90 days after written notice is given to the Sponsor, then that specific Agreement shall automatically expire, terminate and be of no further effect.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions are repealed.

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

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