

AGENDA

Committee on Development and Planning AGENDA FOR JANUARY 26, 2022 AT 3:30 PM



UPDATED 1/25/2022 a.m.

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.

Based on the recommendations from the Centers for Disease Control (CDC)
City Council is requesting members of the public, City Staff and Council Members
wear face coverings at meetings of the City Council and their Committees.

Council Member Garza, Chairperson
Council Member Spitzley, Vice Chairperson
Council Member Jackson, Member

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
 - A. Decembe 21, 2021
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
 - B. ORDINANCE- Amend Chapter 1218 to conform to the Soil Erosion and Sedimentation Control Act Michigan Codified Law 324.9101
 - C. RESOLUTION - OPRA District; 1102 South Washington Avenue, Reo Ventures, LLC
 - D. RESOLUTION - OPRA District; 224 S. Washington Sq., filed by 1247 Center Street LLC
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.



MINUTES
Committee on Development and Planning
Tuesday, December 21, 2021@ 4:30 p.m.
City Council Conference Room

CALL TO ORDER

Council Member Spitzley called the meeting to order at 4:30 p.m.

PRESENT

Council Member Spitzley, Chair
Council Member Garza, Vice-Chair
Council Member Hussain, Member- excused

OTHERS PRESENT

Sherrie Boak, Council Staff
Greg Venker, OCA
Lisa Hagen, OCA
Susan Stachowiak, EDP
Steven Langtry
Risa Langtry
Fred Wortzel, National Federation of the Blind of Michigan (NFB)
Ody Norkin, National Federation of the Blind of Michigan (NFB)

MINUTES

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM DECEMBER 7, 2021 AS PRESENTED. MOTION CARRIED 2-0.

PUBLIC COMMENT

No public comment at this time.

Discussion/Action

RESOLUTION – Set a Public Hearing; SLU-2-2021, 5411 Wise Road; New Board of Water and Light Electrical Power Station

Ms. Stachowiak confirmed there is already a station on the property, but since this is government owned property they wanted to hold a public hearing that would be required by a SLU. Ms. Stachowiak noted that a public hearing was held at the Planning Board, they expanded further than the required 300', and the property abuts a park and not residential property.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR SLU-2-2021 FOR FEBRUARY 14, 2022. MOTION CARRIED 2-0.

Other

Mr. Wortzel spoke on issues and concerns with the crossing at Clemens and Michigan Avenue providing examples where the signal timing is not sufficient enough to push the button and make it across the street. He confirmed they have spoken to Patrick Landry and Andy Kilpatrick with public service but are not satisfied with their responses.

Ms. Langtry spoke on issues she personally has encountered the intersection of Clemens and Michigan Avenue.

Mr. Norkin spoke on his conversations with Mr. Kilpatrick and that he was not happy with the responses on how they can fix the cross walks to assist the blind. He asked for a total street intersection conversation. He was told by Mr. Kilpatrick the intersection was on an agenda to address however they were not provided any details or timeline.

Council Member Spitzley acknowledged the Langtry, Mr. Wortzel and Mr. Norkin and stated that the information and inquiry would best be handled by the City Council Committee on City Operations and possibly the Equity Diversity and Inclusion Committee. She also noted that confirmation needs to be made as to if the area is an MDOT intersection or completely the City's responsibility. Ms. Boak was asked to make sure the topic was discussed with the 2022 Committee's mentioned and the four people present were invited to the meeting where the discussion begins.

Adjourn

Adjourned at 4:51 p.m.

Submitted by Sherrie Boak

Recording Secretary, Lansing City Council

Approved by the Committee on December 21, 2021

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND THE
LANSING CODIFIED ORDINANCES BY AMENDING CHAPTER 1218 SECTIONS
1218.01 THROUGH 1218.99 ~~REGARDING SOIL EROSION~~ TO CONFORM TO THE
REQUIREMENTS OF mcl 324.9101, ET SEQ, THE "SOIL EROSION AND
SEDIMENTATION CONTROL" ACT AND APPLICABLE STATE REGULATIONS.

*(describe nature of Chapter/Section being amended because it's what is used by Clerk
for publication.)*

THE CITY OF LANSING ORDAINS:

Section 1. That Chapter 1218, Section .01 through .99, of the Codified
Ordinances of the City of Lansing, Michigan, be and are hereby amended to read as
follows:

1218.01. - Definitions.

As used in this chapter:

Certification means a signed, written statement by the City Engineer that specific
constructions, inspections or tests required by this chapter have been performed and
that such comply with the applicable requirements of this chapter.

City Engineer means the City Engineer or his or her authorized representative.

Earth change means a human-made change in the natural cover or topography of land,
including cut and fill activities, which may result in or contribute to soil erosion or
sedimentation of the waters of the state and adjacent properties. Earth change does not
include the practice of plowing and tilling of the soil for the purpose of crop production.

1 *Designated agent* means a person who has written authorization from the land owner to
2 sign the application and secure a SESC permit in the land owner's name.

3 ~~*Land owner* means the person who owns or holds the recorded easement on the~~
4 ~~property or who is engaged in construction in a public right-of-way in accordance with~~
5 ~~Sections 13, 14, 15, and 16 of Act No.~~
6 ~~368 of the Public Acts of 1925, as amended, being §§ 247.183, 247.184, 247.185 and~~
7 ~~247.186 of the~~
8 ~~Michigan Compiled Laws.~~

9 **LANDOWNER MEANS A PERSON WHO FULFILLS 1 OR MORE OF THE**
10 **FOLLOWING REQUIREMENTS:**

11 (i) **THE PERSON OWNS OR HOLDS A RECORDED EASEMENT**
12 **ON THE PROPERTY.**

13 (ii) **THE PERSON IS ENGAGED IN CONSTRUCTION IN A**
14 **PUBLIC RIGHT-OF-WAY IN ACCORDANCE WITH SECTIONS**
15 **13, 14, 15, AND 16 OF 1925 PA 368, MCL 247.183, 247.184,**
16 **247.185, AND 247.186.**

17 (iii) **THE PERSON IS ENGAGED IN A PROJECT THAT**
18 **MEETS ALL OF THE FOLLOWING CONDITIONS:**

19 (A) **THE PROJECT IS RELATED TO 1 OR MORE ROADS,**
20 **HIGHWAYS, SIDEWALKS, TRAILS, DRIVEWAYS, PARKING**
21 **AREAS, FORMS OF PUBLIC TRANSIT, FORMS OF**
22 **NONMOTORIZED TRANSPORTATION, OR BOATING, INCLUDING**

1 ALL STRUCTURES, IMPROVEMENTS, FEATURES, AND LANDS
2 RELATED TO THE PROJECT.

3 (B) ONE OR MORE STATE AGENCY OR LOCAL UNIT OF
4 GOVERNMENT OWNS, EXERCISES JURISDICTION OVER, OR
5 HOLDS A RECORDED EASEMENT ON THE PROPERTY IN THE
6 AREA WHERE THE EARTH CHANGE WILL OCCUR.

7 (C) ALL STATE AGENCIES OR LOCAL UNITS OF
8 GOVERNMENT THAT OWN, EXERCISES JURISDICTION OVER,
9 OR HAVE A RECORDED EASEMENT ON THE PROPERTY IN THE
10 AREA WHERE THE EARTH CHANGE WILL OCCUR GRANT A
11 PERMIT OR WRITTEN AUTHORIZATION TO THE PERSON THAT
12 SPECIFIES WHERE THE EARTH CHANGE IS ALLOWED TO
13 OCCUR.

14 (D) NO STATE AGENCY OR LOCAL UNIT OF GOVERNMENT
15 THAT OWNS, EXERCISES JURISDICTION OVER, OR HOLDS A
16 RECORDED EASEMENT IN THE AREA WHERE THE EARTH
17 CHANGE WILL OCCUR HAS CONTROL OVER THE PROJECT
18 DURING CONSTRUCTION. THE CONTROL PROHIBITED BY THIS
19 SUBPARAGRAPH INCLUDES, BUT IS NOT LIMITED TO, PAYING
20 FOR OR HAVING A FINANCIAL INTEREST IN THE PROJECT
21 DURING CONSTRUCTION OR DIRECTING CONTRACTORS AND
22 OTHER INDIVIDUALS ENGAGED IN CONSTRUCTION WORK. THE

CONTROL PROHIBITED BY THIS SUBPARAGRAPH DOES NOT
CONSIST SOLELY OF ESTABLISHING CONSTRUCTION
REQUIREMENTS OR CONDUCTING INSPECTIONS.

Nonerosive velocity means a speed of water movement which is not conducive to the development of soil erosion.

PART 91 MEANS PART 91 OF 1994 PA 451, MCL 324.9101 TO 324.9123.

Permit (ALSO SESC PERMIT) means a State prescribed permit CONTAINING INFORMATION AS REQUIRED BY R 323.1707 AND issued TO THE LANDOWNER by the City Engineer to authorize work to be performed under this chapter. THIS DOES NOT INCLUDE BUILDING, SEWER OR RIGHT-OF-WAY PERMITS.

Sediment means solid particulate matter, including both mineral and organic matter that is in suspension in water, is being transported or has been removed from its site of origin by the actions of wind, water, or gravity and has been deposited elsewhere.

SESC MEANS SOIL EROSION AND SEDIMENTATION CONTROL.

Soil erosion means the wearing away of land by the action of wind, water, gravity or a combination of wind, water or gravity.

Waters of the State means the Great Lakes and their connecting waters, inland lakes and streams as defined in the rules promulgated by the Michigan Department of ENVIRONMENT, GREAT LAKES, AND ENERGY ~~Environmental Quality~~ or its successors, and wetlands regulated under MCL 324.30301, et seq.

1218.02. - Enforcement by Department of Public Service; adoption of rules by reference.

1 The Department of Public Service, through the office of the City Engineer, shall be the
2 municipal enforcing agency responsible for the administration and enforcement OF
3 THIS CHAPTER AND OF PART 91, SOIL EROSION AND SEDIMENTATION
4 CONTROL, OF THE NATURAL RESOURCES AND ENVIRONMENTAL
5 PROTECTIONS ACT, 1994 PA 451, AS AMENDED, AND THE RULES
6 PROMULGATED THEREUNDER WITHIN THE CITY OF LANSING. ALL RULES
7 PROMULGATED UNDER PART 91 ARE HEREBY INCORPORATED BY
8 REFERENCE. ~~of this chapter, MCL 324.9101, et seq., and the promulgated rules and~~
9 ~~the Department of Agriculture, which are hereby adopted by reference as they are~~
10 ~~amended from time to time.~~ THE INDIVIDUALS WITH DECISION-MAKING
11 AUTHORITY WHO ARE RESPONSIBLE FOR ADMINISTERING THE SOIL EROSION
12 AND SEDIMENTATION CONTROL PROGRAM FOR THE MUNICIPALITY SHALL
13 HAVE CURRENT CERTIFICATES OF TRAINING PER MCL 924.9123.

14 1218.03. - Compliance required.

15 No site plan, development plan or plat shall be approved under this Planning and
16 Zoning Code unless such site plan, development plan, or plat includes soil erosion and
17 sediment control measures consistent with this chapter and the related regulations,
18 standards and specifications adopted by reference in this chapter.

19 ~~1218.04. - Certificates of occupancy.~~

20 ~~No certificate of occupancy for any building or structure shall be issued under the~~
21 ~~Zoning Code or the Building Code, unless the application for such certificate has~~
22 ~~complied with this chapter and related land development regulations and standards~~

1 ~~adopted pursuant hereto, and has satisfactorily completed, as evidenced by a certificate~~
2 ~~of completion issued pursuant to Section 1218.22 1218.21, the soil erosion and~~
3 ~~sediment control measures approved for such applicant.~~

4 1218.05. - Building permits.

5 Upon receipt of an application for a building permit proposing earth changes, which
6 work disturbs one or more acres of land or disturbs land located within 500 feet of A
7 LAKE OR STREAM ~~the waters of the State of Michigan~~, the Building Safety Division of
8 the Department of Planning and Neighborhood Development shall immediately notify
9 the City Engineer. The Building Safety Division shall not issue a building permit to such
10 applicant until the City Engineer has issued the required SESC permit pursuant to this
11 chapter.

12 1218.06. - Soil Erosion and Sedimentation Control.

13 Except as otherwise provided in this chapter, a land owner or designated agent, who
14 contracts for, allows or engages in any earth changes which disturbs one or more acres
15 of land, or which is within 500 feet of ~~the waters of the State of Michigan~~ A LAKE OR
16 STREAM, shall obtain a SESC ~~State-prescribed~~ permit issued by the City Engineer prior
17 to the commencement of such earth changes. THE SESC PERMIT SHALL BE ISSUED
18 TO THE LANDOWNER, AS DEFINED IN THE PROMULGATED RULES.

19 1218.07. - Soil erosion and sediment control plan.

20 The land owner or designated agent shall submit with their application for a SESC ~~State~~
21 ~~prescribed~~ permit and soil erosion and sedimentation control plan. This soil erosion and
22 sediment control plan shall be reviewed and approved by an employee of the

1 Department of Public Services with THE APPROPRIATE SESC TRAINING AND
2 CERTIFICATES PER MCL 924.9123. ~~the City Engineer~~. Prior to submittal to the
3 Department of Public Services, the soil erosion and sediment control plan shall be
4 prepared or approved and signed by a qualified person in the management of soil
5 erosion and sedimentation control. Such person may be a professional engineer,
6 registered architect, landscape architect, agronomist, soil scientist, soil engineer or
7 other person of established experience and training. However, the City Engineer may
8 waive the preparation or approval and signature by such qualified person when the work
9 for which a SESC permit is sought entails little or no hazard to adjacent property or to a
10 lake, stream, river or natural drain within 500 feet of the work site and does not include
11 the construction of a fill upon which a structure may be erected. This plan shall identify
12 factors that may contribute to soil erosion, sedimentation or both. The plan shall be
13 designed in a manner to effectively reduce accelerated soil erosion and sedimentation
14 AND SHALL MEET ALL THE REQUIREMENTS OF RULE 1703 OF THE SESC
15 PROMULGATED RULES. The plan submitted to the City Engineer shall include, but not
16 be limited to, all of the following:

- 17 1. A MAP OR MAPS AT A SCALE OF NOT MORE THAN 100 FEET TO THE INCH
18 OR AS OTHERWISE APPROVED BY THE CITY ENGINEER. THE MAP
19 SHALL INCLUDE A LEGAL DESCRIPTION AND SITE LOCATION SKETCH
20 THAT INCLUDES THE PROXIMITY OF ANY PROPOSED EARTH CHANGE
21 TO LAKES, STREAMS, RIVERS OR NATURAL DRAINS. THE MAP SHALL
22 SHOW PREDOMINANT LAND FEATURES, INCLUDING ROADS, BUILDINGS,

1 AND NATURAL FEATURES, AND SHALL INCLUDE CONTOUR INTERVALS
2 OR SLOPE DESCRIPTION.

3 2. A SOILS SURVEY OR A WRITTEN DESCRIPTION OF THE SOIL TYPES OF
4 THE EXPOSED LAND AREA CONTEMPLATED FOR THE EARTH CHANGE.

5 3. DETAILS FOR PROPOSED EARTH CHANGES, INCLUDING ALL OF THE
6 FOLLOWING:

7 (i) THE DESCRIPTION, LOCATION, ELEVATIONS, DIMENSIONS, EXTENT
8 AND SLOPE OF ALL PROPOSED EARTH CHANGES, INCLUDING
9 BUILDING AND DRIVEWAY GRADES. THIS SHALL INCLUDE THE
10 PHYSICAL LIMITS OF THE EARTH CHANGE

11 (ii) A DESCRIPTION AND THE LOCATION OF ALL EXISTING AND
12 PROPOSED ON-SITE DRAINAGE AND DEWATERING FACILITIES,
13 INCLUDING THE DELINEATION OF THE DRAINAGE AREA OF THE
14 LAND TRIBUTARY TO THE SITE AND THE ESTIMATED RUNOFF OF
15 THE AREA SERVED BY ANY DRAIN. ALL DRAINAGE STRUCTURES,
16 INCLUDING CATCH BASINS, AND DRAINAGE FACILITIES WITHIN 100
17 FEET OF THE SITE SHALL BE SHOWN.

18 (iii) THE TIMING AND SEQUENCE OF EACH PROPOSED EARTH
19 CHANGE, INCLUDING A SCHEDULE INDICATING THE ANTICIPATED
20 STARTING AND COMPLETION DATES OF THE DEVELOPMENT
21 SEQUENCE AND THE TIME OF EXPOSURE OF EACH AREA PRIOR

1 TO THE COMPLETION OF THE SOIL EROSION AND SEDIMENT
2 CONTROL MEASURES REQUIRED BY THIS CHAPTER;

3 (iv) THE LOCATION AND DESCRIPTION FOR INSTALLING AND
4 REMOVING ALL PROPOSED TEMPORARY SOIL EROSION AND
5 SEDIMENT CONTROL MEASURES, INCLUDING A STATEMENT ON
6 WHO IS RESPONSIBLE FOR THEIR MAINTENANCE.

7 (v) A DESCRIPTION, LOCATION, AND INSTALLATION INSTRUCTIONS
8 FOR ALL PROPOSED PERMANENT SOIL EROSION AND SEDIMENT
9 CONTROL MEASURES, INCLUDING A STATEMENT ON WHO IS
10 RESPONSIBLE FOR THEIR MAINTENANCE.

11 (vi) A PROGRAM PROPOSAL FOR THE CONTINUED MAINTENANCE OF
12 ALL PERMANENT SOIL EROSION AND SEDIMENT CONTROL
13 MEASURES THAT REMAIN AFTER PROJECT COMPLETION,
14 INCLUDING THE DESIGNATION OF THE PERSON RESPONSIBLE
15 FOR THE MAINTENANCE. MAINTENANCE RESPONSIBILITIES SHALL
16 BECOME A PART OF ANY SALES OR EXCHANGE AGREEMENT FOR
17 THE LAND ON WHICH THE PERMANENT SOIL EROSION CONTROL
18 MEASURES ARE LOCATED.

19 4. THE NAME, MAILING ADDRESS, EMAIL ADDRESS AND TELEPHONE
20 NUMBER OF THE OWNER, DEVELOPER AND APPLICANT;

21 5. THE ESTIMATED TOTAL COST OF THE REQUIRED SOIL EROSION AND
22 SEDIMENT CONTROLS;

1 6. ANY OTHER INFORMATION OR DATA AS MAY BE REQUIRED BY THE CITY
2 ENGINEER.

3 (a) ~~A site location sketch, at a scale of not more than one inch equals 200 feet,~~
4 ~~showing the proximity of any proposed earth changes to lakes or streams or~~
5 ~~both, as well as adjacent properties within 100 feet of the site boundaries;~~

6 (b) ~~A boundary line survey and legal description of the site on which the work is to~~
7 ~~be performed; and~~

8 (c) ~~A plan of the site, at a scale of not more than one inch equals 100 feet, showing:~~

9 (1) ~~The name, address and telephone number of the owner, developer and~~
10 ~~applicant;~~

11 (2) ~~A timing schedule and sequence description of each proposed earth~~
12 ~~change, including a schedule indicating the anticipated starting and~~
13 ~~completion dates of the development sequence and the time of exposure~~
14 ~~of each area prior to the completion of the soil erosion and sediment~~
15 ~~control measures required by this chapter;~~

16 (3) ~~A description, and location and installation instructions for of all proposed~~
17 ~~temporary and permanent soil erosion and sediment control measures~~
18 ~~required by this chapter;~~

19 (4) ~~A description and location of all existing and proposed on-site drainage~~
20 ~~facilities and dewatering facilities, including delineation of the drainage~~
21 ~~area of the land tributary to the site and estimated runoff of the area~~
22 ~~served by any drain;~~

- 1 (5) ~~A statement of the quantity of excavation or fill involved;~~
- 2 (6) ~~The existing topography at a maximum of two-foot contour intervals;~~
- 3 (7) ~~The proposed topography at a maximum of two-foot contour intervals;~~
- 4 (8) ~~The location of predominant land features, including structures or natural~~
5 ~~features on the~~
6 ~~site;~~
- 7 (9) ~~The location of any structure or natural feature on the land adjacent to the~~
8 ~~site and within one hundred feet of the site boundary line, including any~~
9 ~~catch basins tributary to the site;~~
- 10 (10) ~~The proximity of any earth change to any lake, stream, river or natural~~
11 ~~drain;~~
- 12 (11) ~~The location of any proposed additional structures or development on the~~
13 ~~site;~~
- 14 (12) ~~The description, location, elevations, dimensions, extent and slope of all~~
15 ~~proposed earth changes, including building and driveway grades. This~~
16 ~~shall include the limits of the earth change;~~
- 17 (13) ~~The estimated total cost of the required soil erosion and sediment~~
18 ~~controls;~~
- 19 (14) ~~A soil investigation report, which shall include, but not be limited to, data~~
20 ~~regarding the nature, distribution and supporting ability of existing soils~~
21 ~~and rock on the site;~~

1 ~~(15) A signed statement of assurance that Section 1218.17, pertaining to~~
2 ~~maintenance of the approved soil erosion and sediment control measures,~~
3 ~~both temporary and permanent, will be observed; and~~

4 ~~(16) Any other information or data as may be required by the City Engineer.~~

5 1218.08. - Bonds.

6 As part of the submittal for the soil erosion and sedimentation control permit, the
7 applicant, except where the applicant is a school district, community college district or
8 other governmental entity, shall post with the City Clerk either cash, a certified check, an
9 irrevocable letter of credit issued by a bank or a surety bond in an amount sufficient to
10 ensure the installation and completion of the soil erosion and sedimentation control
11 measures specified in the approved plan. The surety bond shall be open ended and
12 shall be executed by the applicant and a United States based corporate surety
13 authorized to do business in this State as a surety. Any surety bond or irrevocable letter
14 of credit shall be in a form approved by the City Attorney, and shall be made payable to
15 the City in the amount SUFFICIENT TO ASSURE THE INSTALLATION, REMOVAL,
16 AND COMPLETION OF SUCH PROTECTIVE OR CORRECTIVE MEASURES AS MAY
17 BE REQUIRED ~~of the estimated total cost of the required soil erosion and sediment~~
18 ~~controls approved~~ by the City Engineer pursuant to this chapter. The total cost of the
19 work shall be estimated by the City Engineer. The bond shall include penalty provisions
20 for failure to complete the work on schedule as specified in the SESC permit or in the
21 approved plan. Every bond and instrument of credit shall include, and every cash
22 deposit or certified check shall be made on, the condition that the applicant shall comply

1 with this chapter and all of the terms and conditions of the SESC permit and the
2 approved plan, and shall complete all of the work contemplated under the SESC permit
3 and approved plan within the time limit specified in the SESC permit or plan or, if no
4 time limit is specified, within 180 days after the date of the issuance of the SESC permit.

5 The bond, instrument of credit, cash deposit or certified check shall be released to the
6 applicant upon issuance of the certification of completion as per Section 1218.22.

7 1218.09. - Extension of time.

8 If an applicant is unable to complete the work within the specified time, he or she may,
9 at least ten days prior to the expiration of the SESC permit, present, in writing, to the
10 City Engineer, a request for an extension of time setting forth the reasons for the
11 requested extension. If such an extension is warranted, the City Engineer may grant
12 additional time for the completion of the work, but no such extension shall operate to
13 release the owner or the surety on the bond or the person furnishing the instrument of
14 credit, surety bond, cash or certified check. ADDITIONAL FEES FOR INSPECTION
15 MAY BE REQUIRED PRIOR TO GRANTING THE EXTENSION OF TIME.

16 1218.10. - Notice of violation; completion of work by City.

17 If the City Engineer determines that soil erosion or sedimentation of adjacent properties
18 or the waters of the State has or will reasonably occur from land in violation of MCL
19 324.9101, et seq., the promulgated rules adopted by the City, or in violation Chapter
20 1218 of the Codified Ordinances, the City Engineer may enforce a violation of this part
21 by notifying the land owner in writing, as identified by the most current Assessor's
22 records, either in person or by mail, with return receipt requested, of its determination.

1 This Notice of Violation shall include the following:

2 (a) The location of the property in violation.

3 (b) The owner of the property in violation.

4 (c) Description of the violation.

5 (d) The proposed remedy to the violation.

6 (e) The time specified to remedy the violation.

7 (f) If City corrects the violation, Notification of City costs if they exceed \$10,000.00.

8 Within five days after the Notice of Violation has been issued or the time specified in the
9 notice of violation, the person who owns the land shall bring the soil erosion and
10 sedimentation control into compliance, as described in the proposed remedy to the
11 violation.

12 After at least five days after the date of the Notice of Violation, or the time specified in
13 the Notice of Violation, if it is the City Engineer's opinion that the condition of the land
14 may result in or contribute to soil erosion or sedimentation of adjacent properties or the
15 waters of the State, and if the required soil erosion and sedimentation control measures
16 are not in place, the City Engineer, or his or her designee, may enter the site and
17 construct, implement and maintain soil erosion and sedimentation control measures in
18 order to bring the site within compliance of the Notice of Violation. If the cost for bringing
19 the site into compliance, including the work, materials, labor, and administration,
20 exceeds \$10,000.00, the City Engineer shall in the Notice of Violation inform the person
21 who owns the land that an expenditure of more than \$10,000.00 may be made. If more

1 than \$10,000.00 is to be expended, work shall not begin until at least ten days after the
2 Notice of Violation has been served.

3 All expenses incurred by the City, including administrative costs, to construct, implement
4 and maintain soil erosion and sedimentation control measures to bring the site into
5 conformance with the Notice of Violation shall be reimbursed to the City by the land
6 owner.

7 The City shall have a lien on the land for the expenses incurred to bring the site into
8 conformance with the Notice of Violation. With respect to single-family or multi-family
9 residential property, the lien for such expenses shall have priority over all liens and
10 encumbrances filed or recorded after the date of such expenditure. With respect to all
11 other property, the lien for such expenses shall be collected and treated in the same
12 manner as provided for property tax liens under the general property tax act, MCL
13 211.1, et seq.

14 1218.11. - Permit applications; review.

15 The land owner or designated agent, proposing to undertake earth changes shall submit
16 to the City Engineer an ~~State-prescribed~~ application for a SESC permit. A separate
17 application shall be required for each SESC permit.

18 The City Engineer shall approve, disapprove or require modification of the application
19 for a SESC permit within 30 calendar days following receipt of the application. THE
20 PLAN SHALL BE REVIEWED BY A PERSON WITH APPROPRIATE TRAINING AND
21 CERTIFICATES.

1 Upon a determination that a permit applicant has met all the requirements of this
2 chapter, the City Engineer shall issue a SESC permit for the proposed earth changes.

3 The SESC permit shall be posted at the work site and a copy of the approved soil
4 erosion and sedimentation control plan shall be available at the work site for inspection.

5 Notification of approval shall be made in writing, in person or by first class mail. If the
6 application is disapproved, the City Engineer shall advise the applicant in writing, in
7 person, or by certified mail of the reasons for disapproval and conditions required for
8 approval. A SESC permit given to the applicant either in person or by first class mail
9 shall constitute approval.

10 1218.12. - Conditions for nonissuance of SESC permits.

11 A SESC permit required by this chapter shall not be issued where:

12 (a) The work, as proposed by the applicant, will damage any public or private
13 property, interfere with any existing drainage course in such a manner as to
14 cause damage to any adjacent property or result in the deposition of debris or
15 sediment on any public way or into any waters of the State, or create an
16 unreasonable hazard to persons or property.

17 (b) The land area for which the project is proposed is subject to geological hazard to
18 the extent that no reasonable amount of corrective work can eliminate or
19 sufficiently reduce settlement, slope instability or any other such hazard to
20 persons or property.

21 (c) The applicant has not met the bond, cash, certified check or instrument of credit
22 deposit requirements of Section 1218.08.

1 1218.13. - Fees.

2 At the time of filing an application for a SESC permit required by this chapter, a
3 nonrefundable filing fee, as determined by resolution of Council, shall be paid to the City
4 Engineer. ~~An Additional nonrefundable feeS per acre of site area involved (rounded up~~
5 ~~to the nearest acre)~~, as determined by resolution of Council, shall be charged for plan
6 and site inspections, with a minimum fee for such review and inspection as determined
7 by resolution of Council.

8 1218.14. - Modification of approved plans.

9 All modifications of approved soil erosion and sedimentation control plans must be
10 submitted to and approved by the City Engineer. All necessary sustaining reports shall
11 be submitted with any proposal to modify such approved plans. No earth changes in
12 connection with any proposed modification shall be undertaken without the approval of
13 the City Engineer. Additional fees may be required, as provided in Section 1218.13.

14 1218.15. - Responsibilities of permittee.

15 During any earth change operation, the Land owner to whom a valid SESC permit has
16 been issued shall be responsible for:

17 (a) The prevention of damage to any public utilities or services within the limits of
18 earth changes and along any routes of travel by the equipment utilized in site
19 operations;

20 (b) The prevention of damage to adjacent property, including not performing earth
21 changes on the site so close to the property line as to endanger any adjoining
22 public street, sidewalk, alley or public or private property without supporting and

1 protecting such property from settling, cracking or other damage which might
2 result;

3 (c) The carrying out of the proposed work in accordance with the approved plan and
4 in compliance with all the requirement of the SESC permit and this chapter;

5 (d) The prompt removal of all soil, miscellaneous debris or other materials applied,
6 dumped or otherwise deposited on public streets, highways, sidewalks or other
7 thoroughfares during transit to and from the construction site where such
8 spillage constitutes a public nuisance or hazard;

9 (e) The removal of sediment insofar as possible from any runoff water before it
10 leaves the permitted site;

11 (f) The design and installation of permanent or temporary control measures for the
12 conveyance of water around, through or from the earth change area to limit the
13 flow of water to a nonerosive velocity;

14 (g) The design, construction and completion of an earth change in a manner that
15 limits the exposed area of any disturbed land for the shortest possible period of
16 time as determined by the City Engineer; and

17 (h) The installation of temporary soil erosion and sedimentation control measures
18 before or upon commencement of earth change activity and the maintenance of
19 these measures on a daily basis. The removal of temporary soil erosion and
20 sediment control measures after permanent soil erosion and sediment control
21 measures have been implemented and the area stabilized.

22 1218.16. - Permanent and temporary soil erosion and sediment control measures.

1 A PERSON WHO OWNS LAND ON WHICH AN EARTH CHANGE HAS BEEN
2 MADE THAT MAY RESULT IN OR CONTRIBUTE SOIL EROSION OR
3 SEDIMENTATION OF THE WATERS OF THE STATE, WHETHER OR NOT A SESC
4 PERMIT WAS REQUIRED, SHALL IMPLEMENT AND MAINTAIN SOIL EROSION
5 AND SEDIMENTATION CONTROL MEASURES THAT WILL EFFECTIVELY REDUCE
6 SOIL EROSION OR SEDIMENTATION FROM THE LAND ON WHICH THE EARTH
7 CHANGE HAS BEEN MADE.

8 Permanent soil erosion control measures required by this chapter for all slopes,
9 channels, ditches or disturbed land areas shall be completed within five calendar days
10 after final grading or earth changes has been completed. When it is not possible to
11 permanently stabilize a disturbed area after such activity has been completed, or where
12 significant earth change activity ceases, temporary soil erosion control measures
13 required under this chapter shall be maintained until permanent soil erosion control
14 measures are in place and the area is stabilized. If significant earth change activities
15 have ceased for more than 30 days, the City Engineer may issue a notice of violation, or
16 complete the work pursuant to Section 1218.10, for the installation of permanent soil
17 erosion control.

18 1218.17. - Maintenance requirements.

19 All persons carrying out soil erosion and sediment control measures under this chapter
20 shall have a program for the continued maintenance of all soil erosion and sediment
21 control measures that remain after project completion. Any conveyance of the land on
22 which the permanent soil erosion control measures are located shall provide for

1 maintenance responsibilities. If the conveyance fails to so provide, the subsequent land
2 owner shall be responsible for maintenance responsibilities.

3 1218.18. - Plans and specifications.

4 All plans and specifications required by this chapter, including the extension of
5 previously approved plans, shall include provisions for soil erosion and sediment control
6 in accordance with the standards and specifications of all the following:

- 7 (a) The product manufacturer.
- 8 (b) The local conservation district.
- 9 (c) The Michigan Department of Environmental Quality or its successor.
- 10 (d) The Michigan Department of Transportation or its successor.
- 11 (e) The Michigan Department of Agriculture or its successor.
- 12 (f) The City.

13 If a conflict exists between the standard and specifications, the City Engineer shall
14 determine which specifications are appropriate for the project.

15 1218.19. – ~~Exceptions~~ EXEMPTIONS from getting SESC permits.

16 (a) No soil erosion sedimentation control permit shall be required for:

- 17 (1) The industry generally referred to as logging, except access roads and ancillary
18 activities;
- 19 (2) The industry generally referred to as mining, not including the removal of clay,
20 gravel, sand, peat or topsoil. The exception from obtaining a SESC permit does
21 not include access roads and ancillary activities;

1 (3) The plowing or tilling of land for the purpose of crop production or the harvesting
2 of crops;

3 (4) Normal road and driveway maintenance, such as grading and leveling that does
4 not increase the width or length of the road or driveway and will not contribute
5 sediment to lakes or streams;

6 (5) Earth changes of a minor nature that is stabilized within 24 hours of the initial
7 earth disturbance and that will not contribute sediment to lakes or streams;

8 (6) Installation of oil, gas or mineral wells under permit from the Supervisor of Wells
9 if the owner/operator is found by the Supervisor of Wells to be in compliance
10 with MCL 324.9101, et seq., as amended; or

11 (7) A project carried out by the authorized public agency designated pursuant to
12 MCL 324.9101, et seq., as amended.

13 (8) Any additional exemptions listed in 9115 or 9115a of Part 91.

14 (b) The exemptions provided in this section shall not be construed as exemptions from
15 the enforcement procedures specified in MCL 324.9101, et seq., as amended, the
16 rules pertaining to soil erosion and sedimentation control pursuant to MCL
17 324.9104 and MCL 324.9114 promulgated by the Michigan Department of
18 Environmental Quality, the Michigan Department of Agriculture, or this chapter, if
19 such exempted activities cause or result in a violation of MCL 324.9101, et seq., as
20 amended.

21 (c) A waiver to the SESC permit may be granted at the City Engineer's discretion for
22 an earth change after receiving a signed affidavit from the land owner stating that

1 the earth change will disturb less than 225 square feet and that the earth change
2 will not contribute sediment to lakes and streams.

3 (d) Notwithstanding the ~~exceptions~~ EXEMPTIONS of this section, a person who owns
4 land on which an earth change has been made that may result in or contribute soil
5 erosion or sedimentation of the waters of the State, whether or not a SESC permit
6 was required, shall implement and maintain soil erosion and sedimentation control
7 measures that will effectively reduce soil erosion or sedimentation from the land on
8 which the earth change has been made.

9 1218.20. - Inspections.

10 ~~The City Engineer shall inspect the work undertaken pursuant to this chapter and shall~~
11 ~~require adequate inspection of compaction by a soil engineer or by a soil testing~~
12 ~~agency, approved by the City Engineer, unless the City Engineer determines that such~~
13 ~~inspection requirements may be waived due to the nonhazardous nature of the work as~~
14 ~~it pertains to soil erosion and sedimentation.~~

15 THE CITY ENGINEER SHALL INSPECT THE WORK PURSUANT TO THIS CHAPTER
16 AND SHALL REQUIRE ADEQUATE INSPECTION TO ASSURE THE MINIMIZATION
17 OF SOIL EROSION AND OFF-SITE SEDIMENTATION. SESC INSPECTORS SHALL
18 HAVE THE APPROPRIATE SESC TRAINING AND CERTIFICATES PER MCL
19 324.9123. PER MCL 324.9113, THE CITY ENGINEER MAY ENTER UPON ANY
20 PRIVATE OR PUBLIC PROPERTY FOR THE PURPOSE OF INSPECTING AND
21 INVESTIGATING CONDITIONS OR PRACTICES THAT MAY BE IN VIOLATION OF
22 THIS PART. HOWEVER, AN INVESTIGATION OR INSPECTION UNDER THIS

1 SUBSECTION SHALL COMPLY WITH THE UNITED STATES CONSTITUTION AND
2 THE STATE CONSTITUTION OF 1963.

3 1218.21. - Certification of completion.

4 Upon STABILIZATION OF THE SITE AND THE satisfactory execution of all approved
5 soil erosion and sedimentation control plans, and upon ascertaining that the applicant
6 has complied with this chapter, MCL 324.9101, et seq., as amended, and the
7 promulgated rules governing soil erosion and sedimentation control, the City Engineer
8 shall CLOSE THE SESC PERMIT AND issue a certification of completion.

9 1218.22. - Cease and desist orders; revocation of SESC permits; legal remedies.

10 Upon making a finding that there is a violation of any of the provisions of this chapter,
11 MCL 324.9101, et seq., as amended, the promulgated rules pertaining to soil erosion
12 and sedimentation control, the terms of a SESC permit issued hereunder, or the soil
13 erosion and sedimentation control plan approved herein, the City Engineer ~~shall~~ MAY
14 issue a cease and desist order and ~~shall~~ MAY revoke the SESC permit issued under
15 this chapter. All violations of this chapter ISSUED BY THE CITY ENGINEER shall be
16 reported ~~by the City Engineer~~ to the Michigan Department of Environmental Quality or
17 its successor. Notwithstanding the existence or pursuit of any other remedy, the City
18 may maintain an action in its own name in a court of competent jurisdiction for an
19 injunction or other process against a person to restrain or prevent violations of this
20 chapter.

At all reasonable times, the City Engineer may enter in or upon any private or public property for the purpose of inspecting and investigating conditions or practices that may be in violation of this chapter.

However, an investigation or inspection under this chapter shall comply with the United States Constitution and the State Constitution of 1963.

1218.23. - Land owner ~~and contractor~~ responsibility.

Prior to a commencing an earth change, an approved soil erosion and sedimentation control permit, where required, shall be in place. The landowner shall have a copy of approved SESC permit on site and available for inspection. The landowner shall implement the soil erosion and sedimentation control plan in a workmanlike manner and in compliance with Chapter 1218 of the Codified Ordinances.

If the land owner is found to be in noncompliance of Chapter 1218, the City Engineer may deny to the land owner utility permits, sewer permits and other permits to use the public right-of-way. The City Engineer may also request from the Building Safety Division of the Department of Planning and Neighborhood Development the withholding of building, foundation, electrical, plumbing and mechanical permit inspections until such time that the land owner ~~or contractor~~ returns to compliance.

1218.24. - ENFORCEMENT.

THE CITY ENGINEER SHALL EMPLOY A TIERED APPROACH TO SESC ENFORCEMENT. ENFORCEMENT SHALL BE AS FOLLOWS:

1. SESC INSPECTION/CORRECTION NOTICE.
2. NOTICE OF CORRECTION BY LETTER OR EMAIL.

1 3. NOTICE OF VIOLATION PER SECTION 1218.10

2 4. CEASE AND DESIST ORDER/REVOCAION OF SESC PERMIT PER
3 SECTION 1218.22.

4 5. LEGAL ACTION PER SECTION 1218.22.

5 THE CITY ENGINEER MAY FOREGO ANY OF THE STEPS IF IT IS DETERMINED
6 THAT THERE IS AN IMMEDIATE THREAT TO HEALTH, SAFETY OR PROPERTY.

7 1218.99. - Penalty.

8 (a) *Municipal civil infraction; fine.* Person who violates any of the provisions in this
9 chapter is responsible for a Municipal civil infraction and may be ordered to pay a
10 civil fine pursuant to MCL 324.9121, as provided in Section 203.03.

11 (b) *Knowing violation; false statement; fine.* In addition, a person who knowingly
12 violates this chapter or knowingly makes a false statement in an application for a
13 SESC permit or in a soil erosion and sedimentation control plan is responsible for
14 the payment of a civil fine of not more than \$10,000.00 for each day of violation,
15 pursuant to MCL 324.9121.

16 (c) *Notice of violation; fine.* In addition, a person who knowingly violates this chapter
17 after receiving a Notice of Violation is responsible for the payment of a civil fine of
18 not less than \$2,500.00 or more than \$25,000.00 for each day of violation, pursuant
19 to MCL 324.9121.

20
21 Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or
22 rules inconsistent with the provisions are repealed.

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

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

Application for Obsolete Property Rehabilitation Exemption Certificate

Issued under authority of Public Act 146 of 2000, as amended.

This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

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

Applicant (Company) Name (applicant must be the OWNER of the facility) Reo Ventures, LLC			
Company Mailing Address (Number and Street, P.O. Box, City, State, ZIP Code) 6850 Aurelius Road, Lansing, MI 48911			
Location of obsolete facility (Number and Street, City, State, ZIP Code) 1102 South Washington Avenue, Lansing, MI 48910			
City, Township, Village (indicate which) Lansing		County Ingham	
Date of Commencement of Rehabilitation (mm/dd/yyyy) 06/01/2021	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 06/31/2022	School District where facility is located (include school code) 33020	
Estimated Cost of Rehabilitation \$290,000.00		Number of years exemption requested 12	
Attach legal description of obsolete property on separate sheet.			
Expected Project Outcomes (Check all that apply)			
☒ Increase commercial activity ☐ Retain employment ☒ Revitalize urban areas			
☒ Create employment ☐ Prevent a loss of employment ☐ Increase number of residents in the community in which the facility is situated			
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment. _____			
☐ Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the box at left if you wish to be considered for this exclusion.			
APPLICANT CERTIFICATION			
The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy. The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate. It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.			
Name of Company Officer (No authorized agents) Nicholas Pope		Telephone Number (517) 346-5165	Fax Number (517) 301-9069
Mailing Address 1146 South Washington Avenue, Lansing, MI 48910		E-mail Address npope@waadvisors.com	
Signature of Company Officer (no authorized agents) 		Title Partner	
LOCAL GOVERNMENT UNIT CLERK CERTIFICATION			
The Clerk must also complete Parts 1, 2 and 4 on page 2. Part 3 is to be completed by the Assessor.			
Signature		Date Application Received	
FOR STATE TAX COMMISSION USE			
Application Number		Date Received	LUCI Code

LOCAL GOVERNMENT ACTION

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

PART 1: ACTION TAKEN

Action Date

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

☐ Denied

Date District Established

LUCI Code

School Code

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PART 3: ASSESSOR RECOMMENDATIONS

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

Building Taxable Value

Building State Equalized Value

\$

\$

Name of Government Unit

Date of Action Application

Date of Statement of Obsolescence

PART 4: CLERK CERTIFICATION

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

Name of Clerk

Telephone Number

Clerk Mailing Address

Mailing Address

Telephone Number

Fax Number

E-mail Address

Clerk Signature

Date

For faster service, email completed application and attachments to PTE@michigan.gov. An additional submission option is to mail the completed application and attachments to Michigan Department of Treasury, State Tax Commission, PO Box 30471, Lansing, MI 48909. If you have any questions, call 517-335-7491.

February 12, 2020

Lansing City Clerk
City Hall
124 West Michigan Ave.
Lansing, MI 48933

Re: Obsolete Property Rehabilitation Act District and Certificate for 1102 South Washington Ave., Lansing

Dear Clerk Swope,

Per the Obsolete Property Rehabilitation Act (OPRA), Act 146 of 2000, the undersigned applicant REO Ventures, LLC, owner of the property commonly known as 1102 S. Washington Ave., Lansing 48910 (the "Property"), legal description attached, hereby requests the establishment of an OPRA District and granting of an OPRA Certificate by the City of Lansing on the Property. The Property has been inspected by the City of Lansing Assessor and determined to suffer from functional obsolescence (determination of obsolescence attached).

General Description of Obsolete Facility

This building (1813 square feet) was built in approximately 1925. The building was originally constructed as a gas station. Building use continued as gas station until the 1960. From the 1960 to the 2000's building was used as service station. Most recently building was used as storage. The building has not been occupied for several years. The previous owner started a remodeling process; however, the property was left in disrepair. The building currently has no heating or plumbing system nor a restroom.

The building could be adapted for many uses; however, the small size of the building and interior masonry partition walls limits financially feasible for occupancy.

The property is listed on Leaking Underground Storage Site according to Phase 1 report prepared by PM Environmental.

Proposed Use of the Rehabilitated Facility

The applicant intends to rehabilitate the facility as follows:

1102 South Washington Ave will be redeveloped into a location that includes restaurant/food concept on the vacant/obsolete building and a vibrant outdoor space on the undeveloped land. The concept of this location will be similar to Little Fleet In Traverse City (www.thelittlefleet.com)

Expected Economic Advantages

In an effort to maximize the utility value of the functionally obsolete building, the applicant is committed to doing a complete rehabilitation of the building. In that context, and as more fully detailed below, the developer will incur considerable renovation costs. The establishment of the OPRA District, with its multi-year property tax deferment benefit is vital to making the economics of the project work.

Redevelopment of the property will provide numerous benefits to the City. While the specific facility would undergo considerable renovation, the entire area would benefit from the transformation of the vacant building and undeveloped land on the riverfront into a thriving property and outdoor space.

Detailed Description of Hard Costs

The OPRA tax abatement is a significant component of this project. The petitioner has estimated the renovation costs of the project combined at approximately \$290,000. The renovation estimate are as follows:

1102 South Washington	1st Floor	Totals
Architect Drawings	\$15,000	\$15,000
Renovations	\$210,000	\$210,000
Environmental Assessments	\$5,000	\$5,000
Remediation Work	\$20,000	\$20,000
Site preparation	\$10,000	\$10,000
Grading Pavement	<u>\$30,000</u>	<u>\$30,000</u>
Total	\$290,000	\$290,000

An itemized list of renovations and fixed building equipment as part of the rehabilitated facility is attached.

Time Schedule for Rehabilitation

Commencement of construction is scheduled for June 2021 with completion of the project expected by June 31, 2022. Environmental mitigation activities on the property will occur winter 2021 prior to commencement.

Property Taxable Value and Legal Description

The specifics on the property are as follows:

Property Address: 1102 South Washington Ave.
Lansing, MI 48910
Owner's Name: REO Ventures, LLC
Sq Feet of Building: Approximately 1,813
Tax ID Number: 86-1481293
Tax Value Land: \$28,600 (2020)
Tax Value Building: \$39,729 (2020)
SEV Value Total: \$47,000 (2020)
Legal Description: N 1/2 LOT 1 & E 46 FT OF N 1/2 LOT 2 BLOCK 195
ORIG PLAT
CITY OF LANSING, COUNTY OF INGHAM
Parcel Number: 33-01-01-21-178-040

Thank you in advance for your assistance and consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'NP' followed by a stylized flourish.

REO Ventures, LLC., Owner Nicholas Pope

Obsolete Property Rehabilitation Act District and Certificate for
1102 South Washington Avenue, Lansing

List of Improvements

- Perform environmental mitigation \$25,000
- Perform selective demolition - \$5,000
- Upgrade Mechanical, Electrical, and Plumbing systems \$130,000
- Provide insulation to code \$5,000
- Build-out interior to include restrooms, bar / kitchen \$30,000
- Provide interior finishes \$55,000
- Provide exterior improvements including paving, signage, landscaping, paint - \$40,000



Andy Schor, Mayor

CITY ASSESSORS OFFICE

**Sharon Frischman, MMAO
City Assessor**

3rd Floor City Hall
124 West Michigan Avenue
Lansing, Michigan 48933
(517) 483-7624

FAX: (517) 483-4101

www.lansingmi.gov/City-Assessor

July 23, 2020

Functional Obsolescence Determination

**1102 S Washington St.
Lansing, MI 48910**



This building was constructed in about 1925. It was originally constructed as a gas station / vehicle repair facility. It was occupied for this purpose until the 1960s. At that time, the repair services were still available until as recently as about 2000. It has been used for storage most recently. Remodeling began a few years ago but has not been finished. There is not heating system or plumbing. There is no restroom.

The building could be adapted to many uses, however, the small size of the building and interior masonry partitions limit the financially feasible options for occupancy.

The site is listed on the Leaking Underground Storage Tank site according to a Phase I environmental report performed by PM Environmental.

I have determined that the property is suffering from functional obsolescence due to the size, configuration, lack of interior heating/plumbing and previous use.

Sharon Frischman
City Assessor



OFFICE OF MAYOR ANDY SCHOR
124 W. MICHIGAN AVENUE – NINTH FLOOR
LANSING, MI 48933

UNIVERSAL DEVELOPMENT AGREEMENT

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THIS UNIVERSAL DEVELOPMENT AGREEMENT (“Agreement”) is made by and between the City of Lansing, Michigan, a Michigan municipal corporation (“City”), and Reo Ventures, LLC, a Limited Liability Company (“Applicant” and collectively with the City, the “Parties” and each a “Party”).

I. STATEMENT OF PURPOSE

THIS AGREEMENT IS INTENDED FOR USE WITH DEVELOPMENT PROJECTS, USING ECONOMIC INCENTIVES, WHICH DO NOT REQUIRE THE TRANSFER OF CITY-OWNED PROPERTY OR ASSETS. FOR THOSE PROJECTS THAT DO REQUIRE THE TRANSFER OF CITY-OWNED PROPERTY, ASSETS, LIMITED FULL FAITH AND CREDIT, OR OTHER CITY LIABILITIES, A COMPREHENSIVE DEVELOPMENT AGREEMENT (CDA) WILL BE REQUIRED.

Introduction:

The City welcomes new investment and the creation and retention of jobs. To achieve these goals, the City can offer a variety of economic incentives that are designed to facilitate the expansion, retention and attraction of businesses within the City, as well as the rehabilitation and redevelopment of underutilized, vacant or environmentally contaminated properties.

Economic incentives (“Incentives”) typically do not provide City funds directly to developers or businesses, but rather encourage and reward them for undertaking and completing economic development projects (“Projects”). The completion of these Projects generates benefits to the citizens of Lansing including employment opportunities, new tax revenues to pay for City services and schools, the elimination of blight, a healthier environment and better places to live, work and play. Thus, incentives can be thought of as investments made by the City to receive the benefits created by economic development projects.

Universal Development Agreement Purpose:

Economic incentives are conditionally granted by the City based upon specific commitments made by businesses and developers (“Applicants”) during the incentive application and approval process. The purpose of this Agreement is for the Parties to define and agree on the specific commitments an Applicant is making as a condition for receiving an Incentive. Furthermore, it holds Applicants accountable in a clear and consistent way to fulfill their pledges made to receive the Incentive. The Agreement also provides a transparent document where the public can observe the terms under which the Incentive was granted. Finally, the Agreement establishes a reporting and verification process to ensure the Applicant fulfills its obligations to the City and its citizens.

Applicant's Commitments to the City:

As a condition of receiving economic incentives from the City, Applicants are required to agree to the following Project Commitments:

1. Starting and completing the Project on time
2. Hiring local labor and Lansing based firms
3. Paying all required City Income and Property Taxes
4. Meeting Project performance measures
5. Providing the City with annual Project progress reports and a Project completion report

This Agreement specifies the details of these commitments and clearly establishes the expectations the City has for each Project granted an incentive.

II. DEFINITIONS

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

“Acts” means the acts referenced in the definition of “Incentive.”

“Annual Report” means a required written Project update due to the LEDC by January 31st of each calendar year prior to the Completion of Construction.

“Construction Phase of Project” means the period of time between the Commencement of Project and Completion of Construction.

“Commencement of Project” means the initiation by the Applicant of any material physical improvements made to land or real property within the Project Area after the Effective Date of this Agreement, consistent with the site and building plans approved by the City for the Project.

“Completion of Construction” means the passage of final inspection and/or issuance of a Certificate of Occupancy by the City for the Project, whichever occurs first.

“Effective Date of this Agreement” means the date on which all of the Incentives requested in the Applicant's application(s) are granted.

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

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

“Lansing-based Firm” means a business entity that owns or leases an operationally-staffed office, warehouse, distribution center, wholesale or retail store, or other place of business, located within the corporate limits of the City.

“LEDC” means the Lansing Economic Development Corporation.

“Local Labor” means employees whose permanent domicile address is within the corporate limits of the City.

“Michigan Labor” means employees whose permanent domicile address is within the state of Michigan.

“Michigan-based Firm” means a business entity that owns or leases an operationally-staffed office, warehouse, distribution center, wholesale or retail store, or other place of business, located within the State of Michigan.

“Project” means the improvement of land or real property through private investment and/or creation or retention of jobs in the City as defined in this Agreement.

“Project Area” means the property parcel(s) upon which the Project will occur.

“Project Completion” means the Project has been completed per this Agreement

“Project Completion Date” means the date when Project Completion occurs.

“Project Completion Report” means a detailed written report and signed affidavit attesting to the of the Applicants attainment of the Applicants Project Commitments.

“Project Performance Measures” means the qualitative and quantitative measures of a completed Project’s size and scope.

“Regional Labor” means employees whose permanent domicile address is within the Michigan Counties of Clinton, Eaton or Ingham.

“Regional-based Firm” means a business entity that owns or leases an operationally-staffed office, warehouse, distribution center, wholesale or retail store, or other place of business, located within the Michigan Counties of Clinton, Eaton or Ingham.

III. APPLICANT INFORMATION

A. Name of Project: 1102 South Washington Redevelopment

B. Address Location of Project: 1102 South Washington Avenue

C. Business Name of Applicant: Reo Ventures, LLC

D. Name of Applicant’s Parent Company: (if applicable):

E. List Applicant’s Managing Partner:

Leo Trumble 33.33 %

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

None

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

developer Financed

I. The City Treasurer has verified in writing that the Applicant is not delinquent or late on any property taxes owed to the City for all properties in which the Applicant has an ownership interest of greater than 50%.

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

K. The City Treasurer has verified in writing that the Applicant is not delinquent or late on any corporate or other business income taxes owed to the City. Further, that the Applicant has submitted all applicable City Treasurer forms required for the payment and collection of taxes for Applicant.

L. LEAP has verified that all application fees due have been paid in full by the Applicant.

M. The City Attorney has received a written and signed affidavit from the Applicant and each person that has a 20% or greater ownership interest in the Applicant. The affidavit shall state either: (A) that the person is not currently engaged in litigation with the City, or (B) that the person is currently engaged in litigation with the City and has provided a basic description of the litigation.

IV. PROJECT DETAILS

A. Project Description:

Will be redeveloped into a location that includes restaurant/food concept on vacant/obsolete building and a vibrant outdoor space on the undeveloped land. The concept will be similar to Little Fleet in Traverse City

B. Project Area:

The location of the Project is commonly known as 1102 South Washington Avenue and legally described as follows:

[Insert all parcel numbers with their respective legal descriptions here]

Legal Description: N 1/2 LOT 1 & E 46 FT OF N 1/2 LOT 2 BLOCK 195 ORIG
PLAT
CITY OF LANSING, COUNTY OF INGHAM
Parcel Number: 33-01-01-21-178-040

C. Below is a list of City Incentive(s) requested for Project and number of years requested for each:

Obsolete Property Rehabilitation Act (OPRA)	12	Years
_____	_____	Years
_____	_____	Years
_____	_____	Years

D. List all federal, state or other incentives and their estimated value that may be part of the Project:

None

E. Name of financial institution(s) funding the Project (if uncertain upon execution of this Agreement, Applicant agrees to furnish commitment letter(s) from financial institution(s) to the LEDC when available):

Developer Financed

F. Estimated total investment in real property improvements for the Project. (Do not include real property purchase prices or soft costs such as architectural, engineering, financing and legal fees and other pre and post-construction expenses): \$ 275,000

G. Estimated total investment in personal property to be located in the Project Area. (Do not include personal property that was previously purchased by the Applicant in connection with another location or project within the City of Lansing, provide this information separately): \$ 0

H. Estimated number of new, permanent full-time equivalent Jobs Created (FTE) upon Project Completion: 0

I. Estimated average hourly wage or annual salary of new permanent Jobs created at Project Completion: \$0 average annual wage.

J. Will these new jobs provide fringe benefits, such as medical and dental insurance and retirement contributions? 0 Estimate the average hourly rate or annual amount attributable to such benefits 0.

K. Estimated number of permanent, full-time equivalent Jobs Retained (FTE) upon Project Completion: 0

L. Estimated average hourly wage or annual salary of Jobs Retained: \$0 average annual wage.

M. Will these retained jobs provide fringe benefits, such as medical and dental insurance and retirement contributions? 0 Estimate the average hourly rate or annual amount attributable to such benefits 0.

N. Estimated average number of full-time equivalent (FTE) construction jobs onsite during the Construction Phase of Project: 6

O. Estimated average hourly wage of full-time equivalent (FTE) construction jobs onsite during the Construction Phase of Project (if applicable): \$20 per hr.

P. Will these construction jobs provide fringe benefits, such as medical and dental insurance and retirement contributions? some Estimate the average hourly rate or annual amount attributable to such benefits \$2/hour.

V. TERMS AND CONDITIONS FOR PROJECT COMPLETION

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

The Applicant and the City desire to enter into this Agreement whereby the Applicant and City specify and agree on the Applicant's Project Commitments under which the Incentive will be granted. Nothing in this Agreement supersedes or diminishes any rights of the City or the State of Michigan established by federal, state, or local law or regulations.

NOW, THEREFORE, in consideration of the above recitals and premises set forth above, and the mutual covenants, agreements, and promises herein contained and pursuant to all state and federal laws, the Parties agree the City verified fulfillment of the following Applicant Project Commitments will meet the City's requirements for Project Completion:

Applicant Project Commitments:

A. Commitment to Commencement and Completion of Project Dates:

Applicant agrees the Commencement of Project shall occur by: June 1, 2021

Applicant agrees the Project Completion Date shall be no later than: June 31, 2022

B. Commitment to Hiring Local Labor and Lansing-based Firms:

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

1. The Applicant agrees and commits to employing and contracting with as much Local Labor and Lansing-based Firms as commercially practical to complete the Construction Phase of the Project. After Local Labor and Lansing-based Firms have been deemed exhausted, the Applicant agrees and commits to employing and contracting with Regional, and then Michigan, Labor and Firms, with notice to the LEDC at each step, as described below.

2. Local Labor Preference:

a. Applicant agrees that if it deems necessary to not hire Local Labor or Lansing-based Firms for any portion of the Construction Phase of the Project, Applicant must, within 30 business days of Commencement of Project, provide to the LEDC a written statement of that fact and an explanation of why it was necessary.

b. Applicant agrees that once it has deemed necessary to not use Local Labor or Lansing-based Firms, it will focus next on Regional Labor or Regional-based Firms to complete the Construction Phase of the Project. If Applicant deems necessary to not hire Regional Labor or Regional-based Firms for any portion of the Construction Phase of Project, Applicant must, within 30 business days of Commencement of the Project, provide to the LEDC a written statement of that fact and an explanation of why it was necessary.

c. Applicant agrees that once it has deemed necessary to not use Regional Labor or Regional-based Firms, it will focus next on Michigan Labor or Michigan-based Firms to complete the Construction Phase of the Project. If Applicant deems necessary to not hire Michigan Labor or Michigan-based Firms for any portion of the Construction Phase of Project, Applicant must, within 30 business days of Commencement of the Project, provide to the LEDC a written statement of that fact and an explanation of why it was necessary.

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

4. Within 45 business days of the Commencement of Construction and at the close of each quarter of the fiscal year thereafter, the Applicant must provide to the LEDC, a list of all contractors and subcontractors selected to enter into an agreement to perform all or part of the work solicited in the Bid Solicitation ("Selected Bidders List"). The Selected Bidders List must include the following information:

- a. Business Name
- b. Address (number, street, and apt. or suite no.)
- c. City, state, and ZIP code
- d. Telephone Number
- e. Employer ID Number (EIN)
- f. Primary Contact Person (Authorized Representative)
- g. Corresponding Builders Exchange Bid Solicitation Number

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

6. The City acknowledges and agrees that some information submitted by Applicant is confidential and proprietary. Accordingly, the City agrees to reasonably assert to the extent applicable to the information provided and as allowable by law, that such information reported by Applicant to the City is exempt from disclosure pursuant to, including without limitation Section 13 of, the Michigan Freedom of Information Act, 1976 PA 442, as amended.

C. Commitment to Pay City Income and Property Taxes:

1. Applicant agrees to notify the City Treasurer and City Assessor of any and all ownership or legal structure changes during the term of any incentives approved for the Project.
2. Applicant recognizes that all employees, contractors and sub-contractors related to this Project are required to pay all City individual income taxes. Applicant further recognizes that all contractors and sub-contractors are required to report annually to the City Treasurer all gross individual income taxes paid and current residential addresses of all employees. The Applicant is not required to withhold, pay or be responsible for City Income Tax for or on behalf of the general contractor(s)/construction manager(s) or any subcontractors working on the Project. The Applicant agrees to allow and facilitate the display, in a prominent place for everyone at the Project site to see, of an informational poster containing details about the obligation to pay, and steps for paying, City Income Tax. The Applicant's agreement with its general contractor(s)/construction manager(s) shall require the general contractor(s)/construction manager(s) to include in subcontractor agreements language notifying subcontractors of their individual and corporate obligation to comply with all City Income Tax requirements, including: the obligation to make

quarterly estimated tax payments if withholding is not being done, and to quarterly provide to the City Treasurer a list of all employees active on the Project. All such information collected for purposes of City Income Tax requirements are confidential per the Uniform City Income Tax Act of Michigan.

3. Applicant agrees that if property taxes applicable to the personal property owned by the Applicant that is identified with the Project are not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may exercise any and all remedies available to it under law, including the commencement of litigation to recover the amount of tax and interest thereon.
4. Applicant agrees that if any property tax applicable to the real property owned by the Applicant that is identified with the Project is not paid within the time permitted by law for payment without penalty during the life of the Incentive being granted by this Agreement, the City may exercise any and all remedies available to it under law, including the commencement of litigation to recover the amount of tax and interest thereon.

D. Commitment to Project Performance Measures:

The Applicant and the City agree the Applicant must meet all the following “Project Performance Measures”:

1. A minimum of \$275000 in private investment shall be expended on improvements to the Project’s real property.
2. A minimum of \$0 in private investment shall be expended to purchase and locate personal property for the Project.
3. The Project shall create 0 new, permanent full-time equivalent jobs.
4. The Project shall retain 0 permanent full-time equivalent jobs.
5. Other Project-Specific Performance Measures as agreed upon by the Parties in this Agreement: _____
(Attach more pages if necessary)

E. Commitment to Reporting Requirements:

Prior to Project Completion the Applicant shall file an Annual Report with the LEDC on the Applicant's progress toward fulfilling their Applicant Project Commitments: Reports shall be submitted in compliance with all LEDC reporting requirements. Applicant understands and agrees that the information submitted to the LEDC will be available for public viewing, unless prior approval is requested and granted for specific confidential business information that is not subject to disclosure under the Freedom of Information Act (Public Act 442 of 1976, being MCL 15.231 et. seq., as amended). The Applicant shall file an Annual Report, Exhibit A, to the LEDC by no later than January 31st of each year for the term of this Agreement or upon Project Completion, whichever occurs first.

No later than sixty (60) days after the Project Completion Date, the Applicant shall provide in writing to the LEDC a Project Completion Report that includes a detailed written documentation and a signed affidavit attesting to the Applicants fulfillment of the Applicant Project Commitments Exhibit B. Within 60 days of receiving the Project Completion Report, or 90 days after the end of the Project Completion Date, the LEDC shall review all submitted documents for completeness and forward to the City Administration.

Within 60 days after receiving the Project Completion Report and supporting documents the City Administration shall review and determine if the Applicant has met all Terms and Conditions of Project Completion. Upon determining the Applicant Project Commitments were fulfilled, the City's Chief Executive Officer shall notify the Applicant in writing that Project Completion has been achieved per this Agreement.

If the City Administration finds the Applicant Project Commitments have not been met per this Agreement, the Applicant will be notified in writing and given a thirty (30) day extension to provide additional documentation to the City. Within 60 days after the end of the extension period, the City Administration shall make its final review and determine if the Applicant Project Commitments were fulfilled. Upon determining the Applicant Project Commitments were fulfilled, the City's Chief Executive Officer shall notify the Applicant in writing that Project Completion has been achieved per this Agreement. If the City Administration determines the Applicant has not fulfilled the Applicant Project Commitments per this Agreement, the Applicant will be considered in default of the Agreement.

VI BREACH OF AGREEMENT BY APPLICANT

Failure of performance or non-compliance with this Agreement and to the, Terms and Conditions for Project Completion, shall constitute a breach of this Agreement by Applicant and, in addition to other available remedies available to the City under this Agreement and under law and regulation, shall subject the Applicant to incentive revocation and/or the suspension of the incentive. Further, such failure and non-compliance shall be considered as relevant information in consideration of the approval of all future incentive applications to the LEDC, LBRA, or City by the Applicant or any person or entity with (25%) or more ownership in the Project.

A. Default by Applicant

If Applicant shall fail to perform any of its obligations under this Agreement, including any of the Terms and Conditions for Project Completion, the City shall provide written notice of such failure to perform and serve Applicant in person, or by certified mail with return receipt, of a Notice of Default specifying the performance failures. After service of the notice, the Applicant shall have a cure period of: ten (10) business days from the service of such notice to cure any monetary failure; and thirty (30) days to cure any non-monetary failure. If any failure to perform shall not have been cured by the expiration of the applicable cure period, then a “Default” by Applicant shall be deemed to have occurred and declared and the City may terminate this Agreement and shall have all rights and remedies at law, including Incentive Revocation.

B. Default Procedures, Remedies

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

VII ADDITIONAL ITEMS

A. City’s Rights

Nothing in this Agreement shall supersede the City’s ability to request the State Tax Commission to revoke the Incentive as otherwise provided, or as may hereafter be provided, under the Acts, as amended. Nothing in this Agreement supersedes or diminishes any rights of the City or the State of Michigan established by federal, state, or local law or regulations.

B. Governing Law

This Agreement shall be construed in accordance with Michigan law.. All actions arising from this Agreement shall be brought in a state court of competent jurisdiction in Ingham County, Michigan, or in the federal courts in the Western District of Michigan, Southern Division.

C. Ambiguity

This Agreement and all its terms and conditions shall be considered as if drafted by both Parties.

D. Assignability

The Developer shall have the right with the City's written approval, including fulfillment of any conditions contained in such approval, to assign or transfer this Agreement with allof their rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement. Developer shall provide the City with written notice of any intent to assign, or transfer all or a portion of the Project, at least 30 days in advance of such proposed action. Developer may free itself from further obligations relating to the assigned interest, if approved by City, provided that the permitted assignee expressly assumes the obligations under this Agreement as provided herein.

E. Notices

All notices and other communications required or permitted under this Agreement must be in writing, shall be addressed to the Party to be notified at the address set forth below or at such other address as each Party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given, delivered or served upon the earliest of: (i) 5 business days after deposit in the U.S. Mail, for delivery by certified or registered mail, with proper postage prepaid and return receipt requested, or (ii) 1 business day after deposit with a nationally recognized overnight delivery carrier for next day delivery, or (iii) on the date of personal delivery.

If to Developer: Reo Ventures, LLC
6850 Aurelius Rd
Lansing, MI 48911

With a copy to:

If to the City: Office of the Mayor, City of Lansing
124 W. Michigan Avenue, 9th Floor
Lansing, MI 48933

With a copy to: Office of the City Attorney, City of Lansing
124 W. Michigan Avenue, 5th Floor
Lansing, MI 48933

F. Right in Third Parties

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

G. Severability

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

H. Subsequent Waivers

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

I. Termination

Unless terminated earlier pursuant to the terms and conditions of this Agreement, this Agreement shall terminate on: This Agreement terminates upon the end of the life of the incentive, or upon written agreement of the Parties.

J. Covenant to Abide by Law

In the performance of all Project activities, Applicant agrees to abide by federal, state, and local law and regulation.

K. Amendments and Modification

The term and conditions of this Agreement cannot be waived, modified or amended unless agreed and executed in writing by both Parties.

L. Entire Agreement

This Agreement contains the entire Agreement between the Parties and any representations, oral or written, which occurred between the Parties prior to the date of execution of this Agreement and which are not contained in this Agreement are not binding on either Party.

M. Delays, Extensions and City Approval

In the event of an unavoidable delay (“Enforced Delay”) in the performance by the Developer of its obligations under this Agreement due to unforeseeable causes beyond its control and without fault or negligence, including, but not restricted to, acts of God or acts of war or terrorism; legislative regulatory acts of the federal, state, county, city or local government that directly impact the Project; acts of the judiciary not resulting from the Developer’s breach of this

Agreement or fault of the Developer, including injunctions, temporary restraining orders and decrees; fires; floods; epidemics; unanticipated and reasonably unforeseen environmental contamination not discoverable by the exercise of reasonable Developer due diligence; strikes; lock-outs, labor trouble; inability to procure materials; failure of power; riots, insurrection, war, acts of gross negligence of the City or its agents or other reason of like nature not the fault of the Developer, the time for performance of such obligations shall be extended for the period of the Enforced Delay. Provided, however, in order to claim any such time extension or period of Enforced Delay, Developer shall notify City of such claim no later than ten days from the occurrence of any such unforeseeable cause arising under this Section VII (M).

With respect to any matters that are within the discretion or approval of the City, the City shall: (i) act reasonably in all dealings with the Developer, (ii) not unreasonably withhold, condition, or delay any approvals within its discretion, and (iii) act reasonably to assist the Developer in completion of the Project.

N. Cooperation

The Parties shall take such further actions and deliver and execute such additional documents as are reasonably necessary to effectuate the terms and intent of this Agreement. The Parties shall work cooperatively to obtain any and all permits, approvals, waivers, certificates of occupancy, rental licenses, liquor licenses, and any other approval required to effectuate the Parties' intent contemplated under the terms of this Agreement.

O. Prior Activities

This Agreement shall not govern the activities of the Developer prior to the Effective Date of this Agreement.

P. Authority

The City and the Developer each warrant and represent to the other that this Agreement and the terms and conditions thereof have been duly authorized and approved by, in the case of the City, its City Council and all other authorities whose approval may be required as a precaution to the effectiveness hereof, and as to the Developer, by the members or managers thereof, as applicable. The Parties agree to provide such opinions of counsel as to the due authorization and binding effect of this Agreement as the other Party shall reasonably request.

Q. Survival

The terms, conditions, promises, representations, obligations, and covenants set forth in Section V (C) shall survive Project Completion and the terms, conditions, promises, representations, obligations, and covenants set forth in Sections VI and VII shall survive any termination of this Agreement.

VIII SIGNATURES

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

WITNESSES:

APPLICANT NAME:

Reo Ventures, LLC

By: _____

Its: Partner

CITY OF LANSING:

By: _____
Andy Schor

Its: Mayor

Approved as to form:

James D. Smiertka
City Attorney

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

City Controller

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

Resolution to Establish an Obsolete Property Rehabilitation Act District at 1102 South Washington Avenue, Lansing

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

WHEREAS, REO Ventures, LLC, hereinafter called the "Developer" has requested in writing that the City of Lansing establish an Obsolete Property Rehabilitation District (the "District") as enabled by the Act, for the property commonly known as 1102 South Washington Avenue located in the City of Lansing hereinafter described, and

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

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

WHEREAS, the Act requires that before establishing the District the Lansing City Council shall give written notice by certified mail to the owners of all real property within the proposed District and shall hold a public hearing in order to provide an opportunity for owners, residents or other taxpayers of the City of Lansing to appear and be heard regarding the establishment of the District and that such notice was given and said public hearing was held on January 10, 2022;

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

N 1/2 LOT 1 & E 46 FT OF N 1/2 LOT 2 BLOCK 195 ORIG PLAT CITY OF LANSING, COUNTY OF INGHAM; PARCEL NUMBER: 33-01-01-21-178-040, and

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

10/22/21

Lansing City Clerk

City Hall

124 West Michigan Ave.

Lansing, MI 48933

Re: Obsolete Property Rehabilitation Act District and Certificate for 224 S. Washington Square Lansing, MI 48933

Dear Clerk Swope,

Per the Obsolete Property Rehabilitation Act (OPRA), Act 146 of 2000, the undersigned applicant RBM Properties LLC , having executed a tentative purchase agreement for the property commonly known as 224 S. Washington Square Lansing, MI 48933 (the "Property"), legal description attached, hereby requests granting of an OPRA Certificate by the City of Lansing on the Property. The Property has been inspected by the City of Lansing Assessor and determined to suffer from functional obsolescence (determination of obsolescence attached).

General Description of Obsolete Facility

This one-story building consists of 6,615 square feet with basement storage. The property was built in 1915 as the original Knapps store. The building has had a variety of uses throughout the years. The most recent use was a nightclub, and the tenant vacated in 2018, and the facility remains vacant.

The current floor plan does not support any feasible uses. The building is excessive for any retail or restaurant use. Ingress and Egress is limited by a single door in the front and rear. There are two sets of restrooms on the main floor and one bathroom in the basement. A ceiling (deteriorating) has been installed approximately six feet below the roofline. The interior consists of one larger area surrounded by small rooms around the perimeter. The interior is dark, a smoke odor permeates the interior. The current ventilation is insufficient.

Proposed Use of the Rehabilitated Facility

The applicant intends to use the rehabilitated facility as follows:

The facility will become one of the most popular and storied music and performance venues in the Midwest.

It will be considered a top destination for live music in Michigan, while earning the accolades of local musicians, industry leading and nationally touring artists.

Performances will include all genres of music, as well as other entertainment events. These will include pop, rock, classic rock, R&B, hip hop, country, bluegrass, folk, latin, jazz, comedy and more.

The rehabilitated facility's open design will allow for unobstructed sightlines throughout the hall to the stage and video displays, and provide comfortable access to bathrooms and service. The open ceiling design to the roof, will provide for optimal heights for production elements (audio and lighting). In house production elements, including acoustics and sight lines to the stage are all critical to the customer experience at a live event, and the applicant has deep experience and expertise in this area.

The facility will provide cutting edge production elements for live performances, as well as the streaming and recording of performances. This will include professional audio, event lighting, LED wall(s), and more!

Upon completion of renovation, the facility will have an estimated capacity of 600 attendees in a general admission (GA) setting and approximately 250 for table seating. The open design will also allow for customizable space for seating configurations, e.g. a portion GA & a portion table seating; a portion general admission & a portion theater seating; and a portion theater seating & a portion table seating.

In addition to public paid admission performances, the facility will also be available for private functions, including weddings, meetings, and corporate events. The customizable space will offer flexible configurations for a luncheon, team outing, networking mixer, or holiday party. The facility bars can be stocked and customized to meet an event's specific needs.

There is no venue within the Lansing-East Lansing MSA of this size, which provides a comparable experience, including the in house production elements, to a broad array of audiences.

This property will require demolition and rehabilitation of the outdated structure to accommodate the new use.

We will remove the current failing materials overlaid on the east side facade of the building (Washington Square). In addition, we will install LED signage.

We will remove interior rooms and non load bearing walls, and restore the open structure to its original brick walls.

The installed and failing ceiling will be removed to reveal the original turn of the century iron trusses.

The original wooden flooring will be refurbished.

We will update and relocate the beverage service/bar area, and update, relocate and increase restroom capacity. Electrical services will be updated, HVAC system will be updated.

A catering kitchen, offices, and artist green rooms will be built in the lower level to accommodate industry-leading entertainers and speakers.

We will install state-of-the-art theatrical lighting, audio, and video displays for live event productions.

The rehabilitated facility will be accessible for guests with disabilities.

Expected Economic Advantages

Our target market for attendees is the Lansing- East Lansing metropolitan statistical area (MSA). The MSA is a three-county metropolitan area located in Central Michigan encompassing the counties of Eaton, Clinton, and Ingham. As of the 2010 Census, the MSA had a population of 464,036. It ranks as Michigan's third-largest metropolitan area behind metropolitan Detroit and Grand Rapids.

A recent University of Chicago impact study found that for every \$1 spent on a ticket, a total of \$12 in economic activity was generated (hotels, food, beverage, shopping etc.).

Upon renovation, the rehabilitated facility projects to average 50,000 attendees annually, spending an average of one million (\$1m) dollars annually on tickets, generating twelve (\$12m) million in annual economic activity.

The rehabilitated property will be the starting point for a revitalization of arts and culture in downtown and greater Lansing. The cultural impact of these venues on local communities is priceless. We are the steadfast incubators and launch pads for the most popular talent in the world. Our stages give artists like Adele, U2, Keith Urban, Prince, Lizzo, the Eagles, Wu-Tang Clan and Foo Fighters their start.

Detailed Description of Rehabilitation and Fixed Building Equipment

The OPRA tax abatement is a significant component of this project. The applicant has estimated the renovation costs of the project \$400,000. The renovation estimates are as follows: See Attached ITEMIZED LISTS OF RENOVATIONS AND FIXED BUILDING EQUIPMENT AS PART OF THE REHABILITATED FACILITY.

Time Schedule for Rehabilitation

Purchase closing 12/15/2021. Commencement of construction is scheduled for January 1, 2022 with completion of the project expected by August 1, 2022.

Property Taxable Value and Legal Description

The specifics on the property are as follows:

Property Address: 224 S Washington Avenue, Lansing, MI 48933

Owner's Name: 1247 Center Street LLC

Sq Feet of Building: 6,615

Tax ID Number: Parcel Number: 33-01-01-16-328-062

Tax Value Land: \$106,600

Tax Value Building: \$130,600

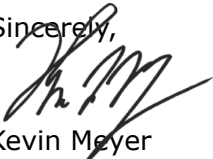
SEV Value Total: \$237,200

Legal Description: Lots 25 and 26, Board of State Auditor's Subdivision of the East one-half of Block 115, Original Plat, City of Lansing, Ingham County, Michigan, according to the recorded plat thereof, as recorded in Liber 1 of Plats, Page 26, Ingham County Records.

Parcel Number: 33-01-01-16-328-062

Thank you in advance for your assistance and consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Meyer', written over the word 'Kevin Meyer'.

Kevin Meyer

RBM Properties LLC

ITEMIZED LISTS OF RENOVATIONS AND FIXED BUILDING EQUIPMENT AS PART OF THE REHABILITATED FACILITY.		
1	Two 8' retractable decorative garage doors;	\$10,000.00
2	One 16' retractable garage door	\$5,000.00
3	three (3) two door emergency exits/entrance	\$10,000.00
4	(8) toilet w washing Women, new flooring, painting/finishing;	\$7,500.00
5	(5) toilet/trough w washing Men, new flooring, painting/finishing;	\$5,000.00
6	(1) employee bathroom lower level w toilet, sink, shower, painting/finishing;	\$2,500.00
7	(3) performer bathrooms lower level each w toilet, sink, shower, painting/finishing;	\$7,500.00
8	(1) Main Floor Bar painting/finishing;	\$7,500.00
9	(1) Lift/Elevator to lower level/main level/loft level	\$25,000.00
10	(1) new stairway to lower level/main level/loft level	\$5,000.00
11	(1) Loft steel structure and finish	\$50,000.00
12	(1) forced air heating unit	\$25,000.00
13	(1) forced air cooling unit	\$25,000.00
14	new central ductwork for heating/cooling	\$10,000.00
15	(4) Ceiling fans	\$5,000.00
16	Misc lighting fixtures main floor, loft, lower level	\$5,000.00
17	Painting/finishing exterior facade, (1) LED marquee	\$25,000.00
18	Main floor, wood floor refinish	\$20,000.00
19	Painting Interior ceiling	\$10,000.00
20	Painting/finishing green rooms lower level	\$7,500.00
21	Painting/finishing office space lower level	\$2,500.00
22	Removal of deteriorating ceiling	\$40,000.00
23	Removal of obsolete boiler lower level	\$10,000.00
24	Removal of obsolete electric throughout facility	\$40,000.00
25	Finishing & restoration of interior walls	\$40,000.00
		\$400,000.00

10/22/2021

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

Re: Requesting an OPRA District for 224 S. Washington Square Lansing, MI 48933

Dear Clerk Swope,

I'm writing to you to formally notify the City of Lansing that 1247 Center Street LLC hereby grants RBM Properties LLC permission to request an Obsolete Property Rehabilitation Act (OPRA) District be established on the property 1247 Center Street LLC owns located at 224 S. Washington Square Lansing, MI 48933 (Property), legally described as: Lots 25 and 26, Board of State Auditor's Subdivision of the East one-half of Block 115, Original Plat, City of Lansing, Ingham County, Michigan, according to the recorded plat thereof, as recorded in Liber 1 of Plats, Page 26, Ingham County Records.

RBM Properties LLC, has executed a purchase agreement with 1247 Center Street LLC to acquire the Property and intends to submit an OPRA District Request and OPRA Certificate application for consideration by the City of Lansing.

Sincerely,



1247 Center Street LLC

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

Resolution to Establish an Obsolete Property Rehabilitation Act District at 224 South Washington Square, Lansing, MI

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

WHEREAS, RBM Properties LLC, hereinafter called the "Developer" has requested in writing that the City of Lansing establish an Obsolete Property Rehabilitation District (the "District") as enabled by the Act, for the property commonly known as 224 South Washington Square, Lansing, Michigan, and

WHEREAS, the Developer has executed a purchase agreement with 1247 Center Street LLC, legal owner of greater than fifty percent (50%) of all taxable value of the property located within the proposed District, and has received written permission from said owner to request establishment of a District, and

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

WHEREAS, the Act requires that before establishing the District the Lansing City Council shall give written notice by certified mail to the owners of all real property within the proposed District and shall hold a public hearing in order to provide an opportunity for owners, residents or other taxpayers of the City of Lansing to appear and be heard regarding the establishment of the District and that such notice was given and said public hearing was held on January 10, 2022;

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

Lots 25 and 26, Board of State Auditor's Subdivision of the East one-half of Block 115, Original Plat, City of Lansing, Ingham County, Michigan, according to the recorded plat thereof, as recorded in Liber 1 of Plats, Page 26, Ingham County Records, Parcel Number: 33-01-01-16-328-062; and

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