AGENDA

Committee on Development and Planning
AGENDA FOR JULY 13, 2022 AT 3:30 PM

Lansing City Hall, City Council Conference Room
124 W. Michigan Avenue, 10th Floor
To provide input or ask questions on any item that is listed on the agenda,
members of the public may contact the City Council at city.council@lansingmi.gov or (517) 483-4177 prior to the meeting.

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

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
   A. June 22, 2022
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
   B. RESOLUTION - Reappointment; Cassandra Nelson; At-Large member- Historic District Commission; Term to Expire June 30, 2025
   C. RESOLUTION - Brownfield Plan #81; NEOGEN Expansion, 720 East Shiawassee Street
   D. RESOLUTION - Setting a Public Hearing; Z-1-2022; 109 E. Randolph, Rezoning from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse
   E. RESOLUTION - Setting a Public Hearing; SLU-1-2022; 109 E. Randolph Street, Special Land Use Permit for a 20-bed, state-licensed adult foster care, large group home for the aged
   F. RESOLUTION -Set a Public Hearing; Payment in Lieu of Taxes (PILOT); Walter French, 1900 S. Cedar St.
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
Wednesday, June 22, 2022 @ 3:30 p.m.
City Council Conference Room

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

PRESENT
Council Member Jeremy Garza, Chair
Council Member Patricia Spitzley, Vice-Chair
Council Member Brian T. Jackson, Member- excused

OTHERS PRESENT
Sherrie Boak, Council Office Manager
Greg Venker, OCA
Mitch Timmerman, EDC
Kris Klein, EDC
Karl Dorshimer, EDC
Tim Demphsey, Public Sector Consultants
Jerome Hagadorn, NEOGEN
Dave VanHaaren, Tri Terra

MINUTES
MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE MAY 11, 2022, MINUTES AS PRESENTED. MOTION CARRIED 2-0.

PUBLIC COMMENT
No public comment at this time.

Discussion/Action
RESOLUTION – Reappointment; Emily Jefferson; At Large Member; Board of Zoning Appeals; Term to Expire June 30, 2024
Council Member Garza confirmed since this as a reappointment, therefore the appointee is not present. The Committee briefly reviewed the application.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE REAPPOINTMENT OF EMILY JEFFERSON AS AN AT LARGE MEMBER TO THE BOARD OF ZONING APPEALS WITH A TERM TO EXPIRE JUNE 30, 2024. MOTION CARRIED 2-0.

RESOLUTION – Appointment; Kris Klein; City of Lansing member; Local Development Finance Authority Board; Term to Expire June 30, 2024

The Committee reviewed the application and resume. Mr. Klein summarized his hopes for supporting commercializing, agricultural technology, and technology in the City. Council Member Garza asked if there is a move to get any of these new businesses into south Lansing, and Mr. Klein stated there is an opportunity and they will work with them to meet their needs.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF KRIS KLEIN TO THE LOCAL DEVELOPMENT FINANCE AUTHORITY BOARD, TERM TO EXPIRE JUNE 30, 2024. MOTION CARRIED 2-0.

RESOLUTION – Adopt Amended and Restated Agreement Regarding the Operation of the Local Development Finance Authority

Mr. Timmerman noted this is one of three documents, and this is an operating agreement to adopt the development of the LDFA Board and enter into the agreement with Lansing and the City of East Lansing.

Mr. Dempsey expanded stating this operating agreement defines the tasks between East Lansing and Lansing and how they will address membership to the Board, etc. and is a structural framework document with updates from the earlier adopted document.

Council Member Garza asked if this just extends it for five (5) years. Mr. Dempsey confirmed and added that after five years the legislation is not authorizing more time after five (5) years. Council Member Garza asked when the five (5) years starts, and Mr. Dempsey said in 2022, with the hope to adopt this summer, then if MEDC approves, East Lansing can capture for the July 1 tax bill: effectively making it continuous.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE ADOPTION OF THE AMENDED AND RESTATED AGREEMENT REGARDING THE OPERATION OF THE LOCAL DEVELOPMENT FINANCE AUTHORITY. MOTION CARRIED 2-0.

RESOLUTION – Local Development Finance Authority Tax Increment Financing and Development Plan Amendment for the Lansing Regional SmartZone

Mr. Timmerman stated this is the plan that would extend for the next five (5) years. Council Member Garza read the section that spoke to the extension area, noting the acreage of the medical health park. Mr. Timmerman confirmed the University Health Park is in the City, and McLaren is in the middle of that 5 acres. Council Member Garza asked if 90% of the tax capture would stay in the area and if so where the balance would expand to. Mr. Timmerman confirmed the 90% in the City and the balance would be in the region.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE LOCAL DEVELOPMENT FINANNCE AUTHORITY TAX INCREMENT FINANCING AND DEVELOPMENT PLAN AMENDMENT FOR THE LANSING REGIONAL SMARTZONE. MOTION CARRIED 2-0.

Mr. Timmerman and Mr. Dempsey stated they would be present at the Council meeting on June 27th if Council had any questions.

RESOLUTION – Setting a Public Hearing; Brownfield Plan #81; NEOGEN Expansion, 720 East Shiawassee Street

Mr. Dorshimer began with introductions of the NEOGEN representative and TriTerra representative. Mr. Dorshimer then briefly spoke on the projects NEOGEN has done throughout the City over the years. He elaborated that this property sits along their current property, the north end of the property from Michigan to Shiawassee, which they bought from Sparrow. To expand they need the Brownfield since it has been industrial for 100+ years in addition to grade issues, but they plan for a $71.5 million total investment.

Mr. Hagadorn with NEOGEN explained they reached out to LEAP when they wanted to expand their facilities. They were able to acquire 2.25 acres from Sparrow, and the proposal allows them to maintain the footprint in the downtown area. With this expansion they hope to employee 350-450 employees. Council Member Spitzley asked what they plan to manufacture. Mr. Hagadorn stated their focus is on animal selection for safer foods, and what is done on site in food safety products including toxin kits for agriculture in addition to test kits for E. coli, listeria, salmonella, peanut and gluten kits for food processing facilities to test on their manufacturing lines. He also noted they have had a merger with 3m as well.

Mr. VanHarran presented a summary of the Brownfield plan, which included site plans, the location of the 2.25 acres which will be completely occupied. He noted they will continue to use their current parking lot. In addition, they have an agreement with Sparrow for them to have continued access. Mr. VanHarran then expanded that the Brownfield conditions included coal storage, industrial uses, a parking lot from the earlier 1990's, and based on borings there is an urban foundry fill, some heavy metals with contamination of the soil, and at the northern end of the property, based on history of the site, there could be buried tanks on the site. Phase 1 and Phase 2 investigative work was conducted through funding assistance with the Brownfield revolving loan fund. The Brownfield will propose the capture of State and local taxes on an 11-year plan and in-line with the City policies for pass-thru. The total Brownfield plan is $5,043,972 over 11 years. Lastly Mr. VanHarran noted there will be land balancing, deep foundations, street access, and the breakdown for the new taxes that will be generated of $6.7 million in new taxes. Over 20 years this will generate close to $15 million in new taxes, but this will start after the 11 years.

Council Member Garza asked about the core samples, and if it was the typical depth. Mr. VanHarran stated they keep drilling until they get to native type material. Typical is a 20'-25' boring. Council Member Garza encouraged them to use local labor on the project.

Council Member Spitzley asked if this will be a noise generating operation. Mr. Jerome stated it will be a bigger building and has already spoken to the City for height requirements. But the HVAC units will be on the roof and all manufacturing will be contained in the building. Committee members encouraged the applicant to be prepared to speak to noise and any PFAS questions due to the recent merger with 3M.

Mr. Dorshimer did inform the Committee that NEOGEN has reviewed and signed the universal development agreement and Mr. Hagadorn confirmed NEOGEN will abide by that and will bid local and state.

Mr. Dorshimer stated to the Committee that the NEOGEN has an urgency for adoption of the Brownfield by the City because they want to present an adopted Brownfield to their board on July 20th. Therefore, Mr. Dorshimer asked the Committee to consider holding a Special Committee meeting prior to the public hearing on July 11th passing the Brownfield before the public hearing is held, so that after the public hearing Council can also take action that same night of July 11, 2022. Council Member Spitzley stated she would not support approval of any action the same night.

Mr. Hagadorn appealed to the Committee that NEOGEN wants it done before July 20th so they could provide good faith from the City on this Brownfield during their annual Board meeting which also will include their 40th Anniversary of NEOGEN in the City of Lansing event.

Council Member Spitzley stated this Committee would meet again on July 13th and will vote out of Committee the Brownfield. NEOGEN would have that action for their July 20th event, but if they wanted final approval they would need to petition for a special Council meeting with Council leadership to be held prior to the July 20th date, instead of action at the regular meeting on July 25, 2022.

Mr. Hagadorn appealed to the Committee again because even though they would not begin construction until late August, they wanted to do a ceremonial groundbreaking event before that.

Council Member Garza asked the representatives to attend the June 27th Council meeting when they set the hearing and speak during the 3 minutes public comment to explain why this will be great for the region. He then asked them to come to the July 11th Council meeting as well where they will have a slot on the agenda under "special ceremony" where they can do a brief presentation. Lastly, he encouraged them to reach out to Council leadership if they wish to pursue a special Council meeting. Mr. Dorshimer stated he would reach out to Council President Hussain and ask for a special meeting.

MOTION BY COUNCIL MEMBER SPITZLEY TO SET THE PUBLIC HEARING FOR JULY 11, 2022, FOR THE BROWNFIELD PLAN #81; NEOGEN EXPANSION, 720 EAST SHIAWASSEE STREET. MOTION CARRIED 2-0.

<u>Other</u>
No other discussions at this time.

<u>Adjourn</u>
Adjourned at 4:14 p.m.
Submitted by Sherrie Boak
Recording Secretary, Lansing City Council
Approved by the Committee on

Boak, Sherrie

From:	noreply@civicplus.com
Sent:	Monday, February 17, 2020 5:04 PM
To:	Plummer, Marilyn; Mayor Intern; Tim.Hilton@lansingmi.gov
Subject:	[EXTERNAL] Online Form Submittal: Application for Appointment to Board or Commission

Application for Appointment to Board or Commission

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

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

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

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

(Section Break)

Date	2/17/2020
First Name	Cassandra
Middle	Leah
Last Name	Nelson
Other name(s) by which you have been known, including maiden names	*Field not completed.*
Date of Birth	[redacted]
Address	500 Fulton Place
City	Lansing

State	MI
Zip Code	48915
Email	cassandranelson38@gmail.com
Gender	F
Find my ward:	[Lansing Neighborhoods Ward Map]
Ward	4
Precinct	37
Best phone number to contact you	517-242-4435
Last 4 digits of social security number	[redacted]
In what year did you move to Lansing?	1998
Additional information regarding experience and credentials	I have over 10 years experience serving on the Historic District Commission, as well as a a degree in historic preservation and 10+ year experience consulting on preservation and redevelopment projects.
Occupational Background	Computer Specialist, Montessori Children's House (2016-present) Historic Preservation Consultant (2009-present)
Educational Background	M.A., History of Art and Architecture, University of Arizona M.S., Historic Preservation, Eastern Michigan University
Previous Appointments	Historic District Commission
Current Appointments	Historic District Commission
Please attach a resume if available	*Field not completed.*
First choice for board to serve on	Historic District Commission
Second choice of a board to serve on	Historic District Commission
Third choice of a board to serve on	Historic District Commission

Fourth choice of a board to serve on	Historic District Commission
Please comment briefly on why you wish to serve on a particular board or commission. Please be specific as to your goals and ideas about how you wish to contribute to the work of the board or commission	I have served on the HDC for over a decade and currently serve as its chair. I have worked (and continue to work) on developing style guidelines to distribute to property owners in local historic districts, and continue to advocate for local historic districts as a means to preserve significant properties in the Lansing area.
Qualifications and Eligibility – At this time, if you do not meet one or more of the qualifications or eligibility requirements listed at the top, please state here the requirement to be met and explain how you will be qualified or eligible before you would be sworn in to an appointed office	*Field not completed.*
Background Check Authorization	I agree
Please type your name in this box to signify that you can serve on a board or commission and the information in this application is accurate to the best of your knowledge	Cassandra Nelson
Date & Time	2/17/2020 5:00 PM

Email not displaying correctly? View it in your browser.

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

WHEREAS, the Mayor has made the reappointment of Cassandra Nelson as an At-Large member of the Historic District Commission for a term to expire June 30, 2025; and

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

WHEREAS, the Committee on Development and Planning met on July 13, 2022 and took affirmative action.

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, confirms the reappointment of Cassandra Nelson as an At-Large member of the Historic District Commission for a term to expire June 30, 2025.

Lansing Brownfield
Redevelopment Authority

Lansing Brownfield Redevelopment Authority
NEOGEN Expansion Brownfield Redevelopment Project

Brownfield Plan #81

East Shiawassee Street Parcel
Northern 2.568-Acres of 703 E. Michigan Avenue
Lansing, Michigan 48912

PREPARED BY:

Triterra
1305 S. Washington Avenue, Suite 102
Lansing, Michigan 48910
Contact Person: Dave Van Haaren
dave.vanhaaren@triterra.us
Phone: 517-853-2152

REVIEWED BY:

Lansing Brownfield Redevelopment Authority
1000 S. Washington Avenue, Suite 201
Lansing, Michigan 48910
Contact Person: Karl Dorshimer
karl@lansingedc.com
Phone: 517-243-3512

May 24, 2022

Approved by the LBRA on ________________ , 2022
Adopted by the Lansing City Council on ________________ , 2022

Table of Contents

1. Project Summary Sheet

The purpose of this Brownfield Plan (the "Plan") is to identify eligible activities and cost estimates for redevelopment of the property located at 703 E. Michigan Avenue in the City of Lansing, Michigan. Brownfield tax increment financing is necessary to support redevelopment of the property.

Project Name:	NEOGEN Expansion Brownfield Redevelopment Project (the "Project")
Developer:	NEOGEN Properties IX, LLC (the "Developer") 620 Lesher Place Lansing, MI 48912
Property Location:	Parcel No. 33-01-01-15-151-004 which is the northern 2.568 acres of the parcel of land located at 703 E. Michigan Avenue, Lansing, Michigan 48906 (the "Property").
Type of Eligible Property:	"Facility"
Project Description:	The entire 2.568-acre Property will be redeveloped to include the construction of a new three-story manufacturing and research building comprising 176,000 gross square feet, including a 23,000 square foot high-bay production space, on the eligible property. NEOGEN is in the process of consolidating and expanding its manufacturing operations, Research & Development operations, and its headquarters. This project is vital to the planned expansion and consolidation project. NEOGEN estimates 60 to 100 new, full time equivalent jobs as part of its this current expansion plan. Brownfield Eligible activities include Michigan Department of Environment, Great Lakes and Energy (EGLE) pre-approved activities, EGLE department specific activities, asbestos and lead survey activities, demolition, site preparation, infrastructure improvements, and preparation and implementation of a Brownfield Plan and Act 381 Work Plan. EGLE pre-approved activities and a portion of department specific activities were conducted by the City of Lansing through the City of Lansing Brownfield Redevelopment Authority

(LBRA), therefore, the applicable portion of LBRA costs will be reimbursed back to the LBRA under this Brownfield Plan.

Total Capital Investment: Property and Building Improvements and Personnel Property Investment is estimated at $71,500,000 million (not including acquisition) of which there is $5,043,972 in eligible activities associated with the proposed Project.

Estimated Job Creation/Retention: The completed project will create 60-100 new jobs ranging from $13.00 – 25.00/hour.

Duration of Plan: 11 years (starting in 2023)

Total New Taxes Generated by Development for the Duration (11 years) of the Brownfield Plan: $6,722,669		**% of New Taxes**
Uses		
Portion Captured by LBRA to Reimburse Developer and City	$5,043,972	75.0%
Passed Through to: (Debt Millage, 10% Local Millage, 10% State School and State Education Tax)	$1,028,766	15.3%
Portion Captured for LBRA Plan Administration / Local Brownfield Revolving Fund (LBRF) (10% of available Local TIR*)	$388,137	5.8%
Portion Passed Through to State Brownfield Revolving Fund	$261,784	3.9%
TOTAL NEW TAXES GENERATED	**$6,722,669**	**100%**

*TIR = tax increment revenue

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

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

The Plan will allow the LBRA to use tax increment financing to reimburse **NEOGEN Properties IX, LLC** (the "Developer") for the costs of eligible activities required to redevelop the eligible property located at the northern 2.568 acres of 703 E. Michigan Avenue in the City of Lansing, Michigan, (the "Property"). Any proposed redevelopment of the Property will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein. The location of the Property is depicted on Figure 1.

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

Eligible Property		
Address	**Tax ID**	**Basis of Eligibility**
(0) East Shiawassee Street (Northern 2.568-acres of 703 E. Michigan Avenue)	33-01-01-15-151-004	Facility

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

The Property consists of a total of 2.568-acres and comprised of one contiguous parcel. One vacant single-story garage/storage building exists on the north central portion of the Property. The remainder of the Property is comprised of paved parking. The building has been used for vehicle storage.

The Property was a rail/coal yard from at least 1913 until approximately 1981. During that time up to three rail lines, five rail spurs, six coal storage buildings, two office buildings, a garage, a scale, two above ground oil tanks, and various sheds/outbuildings existed on the Property. The Property has been used as a parking lot since approximately 1994. The existing storage building on the Property was constructed in approximately 1998.

Environmental subsurface investigation activities conducted in September and October 2021 included a geophysical survey, the excavation of a test pit, and the advancement of sixteen (16) soil borings on the subject property. The investigation identified a 1,200-gallon underground storage tank (UST) at the northern end of the Property. The soil borings were advanced to depths of 2.5 to 20.0 feet below ground surface and were located adjacent to the UST and throughout the subject Property. The soil boring and sample locations are depicted in Figure 3.

The UST was removed from the site on October 26, 2021. Various holes were observed on the tank bottom and side walls and visual evidence of petroleum contamination was observed within surrounding soils. Approximately 39 yards of impacted soil was removed from the property by the property owner at that time, Edward W. Sparrow Hospital Association (Sparrow Hospital), and the soils were transported to Granger Waste Services for disposal.

Soil contamination at the Property contains petroleum parameters in adjacent to the former UST location and naphthalene and mercury various locations within urban fill material at concentrations above Part 201 Residential Generic Cleanup Criteria (GCC). Triterra's soil and groundwater sample results are summarized in Table 1 and Table 2 respectively. Soil Boring locations and analytical result exceedances are depicted in Figure 3.

The Property is considered an "eligible property" as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Lansing, a qualified local governmental unit under MCL 125.2782(k); and (c) the Property is a "facility" as defined in in Part 201 and Section 2(r) of Act 381.

3. Brownfield Project Description

With over 600 employees now residing within its Lansing campus, NEOGEN's growth continues. They are currently in the process of consolidation and expansion of its manufacturing operations, R&D and headquarters. The result of this expansion will create a world class manufacturing operation which will emphasize and showcase high tech manufacturing and R&D operations. The expansion plan includes both retaining NEOGEN's current employment base along with continued employment growth.

The entire 2.568-acre Property will be redeveloped to include the construction of a new three-story manufacturing and research building comprising 176,000 gross square feet, including a 23,000 square foot high-bay production space, on the eligible property. This project is vital to the planned expansion and consolidation project. NEOGEN estimates 60 to 100 new, full time equivalent jobs as part of its this current expansion plan.

Total capital investment is estimated at $71,500,000, not including acquisition. This Project will result in the creation of 60-100 new, FTE jobs. New jobs will include laborers, skilled manufacturers, quality control professionals, research & development resource technicians, supervisors and managers with salaries ranging from $13.00 – 25.00/hour. The Project is also projected to create/leverage over 100 temporary construction related jobs.

4. Developer Eligible Activities

The Developer will fund the improvements being made to the site including the public infrastructure improvements. Once the development project is complete a portion of the resulting increase in Property taxes will be used to reimburse the Developer and the City for their brownfield costs to redevelop the Property. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381 and EGLE pre-approved activities, EGLE department specific activities, asbestos and lead survey activities, demolition, site preparation, infrastructure improvements, and preparation and implementation of a Brownfield Plan and Act 381 Work Plan. EGLE pre-approved activities and a portion of department specific activities were conducted by the City of Lansing through the LBRA, therefore, the applicable portion of LBRA costs will be reimbursed back to the LBRA under this Brownfield Plan. The breakdown of costs between the Developer and City are provided on Table 1. Brownfield Eligible Activities.

The costs of eligible activities included in this Plan can be reimbursed with the new local and state increment tax revenues generated by the Property redevelopment and captured by the LBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”). The total estimated eligible activity costs estimated for Developer reimbursement is $5,043,972.

Summary of Eligible Activities		**Split of Costs between NEOGEN and the LBRA**	
		NEOGEN	**LBRA**
EGLE Eligible Activities	**Cost**		
Pre-Approved Activities	$22,680		$22,680
Department Specific Activities	$132,270	$125,800	$6,470
Total Environmental Eligible Activities	**$154,950**	**$125,800**	**$29,150**
MSF Eligible Activities	**Cost**		
Asbestos and Lead Activities	$750		$750
Demolition	$135,000	$135,000	
Site Preparation	$3,443,800	$3,443,800	
Infrastructure Improvements	$155,300	$155,300	
Total Non-Environmental Eligible Activities	**$3,734,850**	**$3,734,100**	**$750**
Contingency (15%) *	$578,985	$578,985	
Brownfield Plan & Act 381 Work Plan Preparation	$22,500	$22,500	
Brownfield Plan & Act 381 Work Plan Implementation	$6,500	$6,500	
Brownfield Plan Application Fee	$5,000	$5,000	
Interest (3%, simple) **	$541,187	$541,187	
Total Eligible Cost for Reimbursement	**$5,043,972**	**$5,014,072**	**$29,900**

* Pre-Approved Activities, UST Removal, Asbestos/Lead Surveys, Brownfield Plan and Act 381 Work Plan preparation are excluded from contingency calculation.

** Interest calculation is based on 3% simple interest on principal eligible activity costs incurred by NEOGEN.

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

If the state approves an Act 381 Workplan with less state tax capture than what was in the Plan approved by the City, the not to exceed amount of local capture in the Plan will automatically be adjusted by the LBRA to maintain the current state to local capture ratio.

5. Captured Taxable Value and Tax Increment Revenues

The costs of eligible activities included in, and authorized by, this Plan can be reimbursed with incremental local and state tax revenues generated by the Property redevelopment and captured by the LBRA. The LBRA will not be obligated to reimburse the Developer for Eligible Activities completed after December 31, 2025.

The taxable value of the Property according to the city assessor was $0 which is the initial taxable value for this Plan. The new projected taxable value for 2024 was estimated at $10,353,000. Estimated taxable values were based on estimates determined by the Project's development team. The actual taxable value will be determined by the City's Assessor after the Project is completed.

It is estimated that the LBRA will capture tax increment revenues from 2023 through 2033 to reimburse the Developer and the LBRA for the cost of eligible activities, pay for the LBRA's administration of the Plan and make deposits into the LBRA's Local Brownfield Revolving Fund (LBRF). This Plan will pass through 10% of new local and state taxes per year for the local and state taxing jurisdictions. Additionally, 10% of available local TIR will be captured for the duration of the Plan for deposit into the LBRA's Local Brownfield Revolving Fund (LBRF) and/or LBRA Administration costs.

The captured incremental taxable value and associated tax increment revenue will be determined by the City Assessor. The actual increased taxable value of the land and all future taxable improvements on the Property may vary. Furthermore, the amount of tax increment revenue available under this Plan will be based on the actual millage levied annually by each local taxing jurisdiction on the increase in tax value resulting from the redevelopment project that is eligible and approved for capture.

6. Method of Brownfield Plan Financing

The Developer is ultimately responsible for providing financing for the costs of eligible activities included in this Plan.

The inclusion of eligible activities and estimates of cost to be reimbursed in this Plan are intended to authorize the LBRA to fund such reimbursements. Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan. Annually, the LBRA will capture 10% of the available new local taxes for LBRA Plan administration and/or deposits into the LBRF.

7. Amount of Note or Bonded Indebtedness Incurred

None.

8. Duration of the Brownfield Plan

The duration of this Plan shall not exceed 10 years total tax capture after the first year of tax capture anticipated as 2023.

9. Estimated Impact on Taxing Jurisdictions

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

Projected Impact to Taxing Jurisdictions			
Taxing Unit	**New Taxes to Taxing Units***	**New Taxes for BRA Administration, LBRF Deposits and Developer Reimbursement**	**Total New Taxes**
School Operating	$152,252	$1,370,265	$1,522,516
State Education Tax (SET)	$26,178	$497,389	$523,567
Lansing Oper	$172,566	$1,553,092	$1,725,657
Ingham County Sum	$60,191	$541,721	$601,912
Ingham County	$46,128	$415,156	$461,285
Ingham Intermed	$43,832	$394,488	$438,321
Lansing Comm College	$33,459	$301,127	$334,586
CATA	$26,537	$238,836	$265,373
Lansing Sch Sink	$26,253	$236,279	$262,532
CADL-Library	$13,784	$124,056	$137,840
Airport Auth	$6,205	$55,844	$62,049
Montgomery Drain	$2,308	$20,772	$23,080
Lansing School Debt	$363,950		$363,950
Total	**$973,644 (14.5%)**	**$5,749,025 (85.5%)**	**$6,722,669 (100%)**

* Increased by investment, but not captured by the LBRA

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

10. Legal Description & Site Map

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

<u>LEGAL DESCRIPTION PARCEL SPLIT AS SURVEYED</u>

BEGINNING AT THE NORTHWEST CORNER OF LOT 10 ASSESSOR'S PLAT NO. 5,
BEING A SUBDIVISION ON PART OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWN 4 NORTH, RANGE 2 WEST, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, THENCE S89°46'25"E ALONG THE NORTH LINE OF LOTS 8,9, AND 10 OF SAID ASSESSOR'S PLAT NO.5, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF SHIAWASSE STREET 206.25 FEET TO THE NORTHEAST CORNER OF SAID LOT 8, THENCE S0°24'35"W ALONG SAID EAST LINE OF LOT 8 A DISTANCE OF 155.75 FEET, THENCE N89°46'25"W 6.45 FEET, THENCE S0º24”35”W PARALLEL WITH THE EAST LINE OF SAID LOT 8 A DISTANCE OF 100.00 FEET TO THE SOUTH LINE OF SAID LOT 8, THENCE S1°13'20"E 123.30 FEET, THENCE SOUTHEASTERLY 130.83 FEET ALONG THE ARC OF A 239 FOOT RADIUS CURVE TO THE RIGHT THE LONG CHORD OF SAID CURVE BEARING S16°27'14"E 129.2 FEET, THENCE SOUTHEASTERLY 102.96 FEET ALONG THE ARC OF A 258 FOOT RADIUS CURVE TO THE LEFT, THE LONG CHORD OF SAID CURVE BEARING S20°43'01"E 102.29 FEET, THENCE N89°35'10"W 228.05 FEET TO THE EASTERLY RIGHT OF WAY LINE OF THE CSX RAIL ROAD, THENCE N0°24'35"W ALONG SAID EASTERLY RIGHT OF WAY LINE 341.75 FEET TO THE SOUTH LINE OF SAID ASSESSOR'S PLAT NO. 5, THENCE N89º46'25"W ALONG THE SOUTH LINE OF SAID ASSESSOR'S PLAT NO. 5 A DISTANCE OF 46.5 FEET TO THE WEST LINE OF SAID SECTION 15, THENCE N0°24'35"W ALONG SAID WEST LINE OF SECTION 15 A DISTANCE OF 255.75 FEET TO THE POINT OF BEGINNING.
CONTAINING 2.568 ACRES MORE OR LESS INCLUSIVE OF THE LANDS CONTAINED WITH THE EASEMENT TO CSX RAILROAD AS RECORDED IN LBER 1668 PAGES 727-753.
AREA OF THE ABOVE DESCRIBED EASEMENT IS 0.242 OF AN ACRE
NET AREA WITH OUT RAILROAD EASEMENT 2.326 ACRES
SUBJECT TO ALL EASEMENTS BOTH OF RECORD AND UNRECORDED.
THE BASIS OF BEARING FOR THIS SURVEY ASSUMES THE WEST LINE OF SECTION 15 TO BEAR N0°24'35"W FROM MICHIGAN STATE PLAN COORDINATES DERIVED FROM GPS FIELD OBSERVATIONS.

11. Personal Property

Due to Personnel Property exemptions, this Brownfield Plan will not capture incremental tax revenues resulting from personal.

12. Displacement of Persons

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

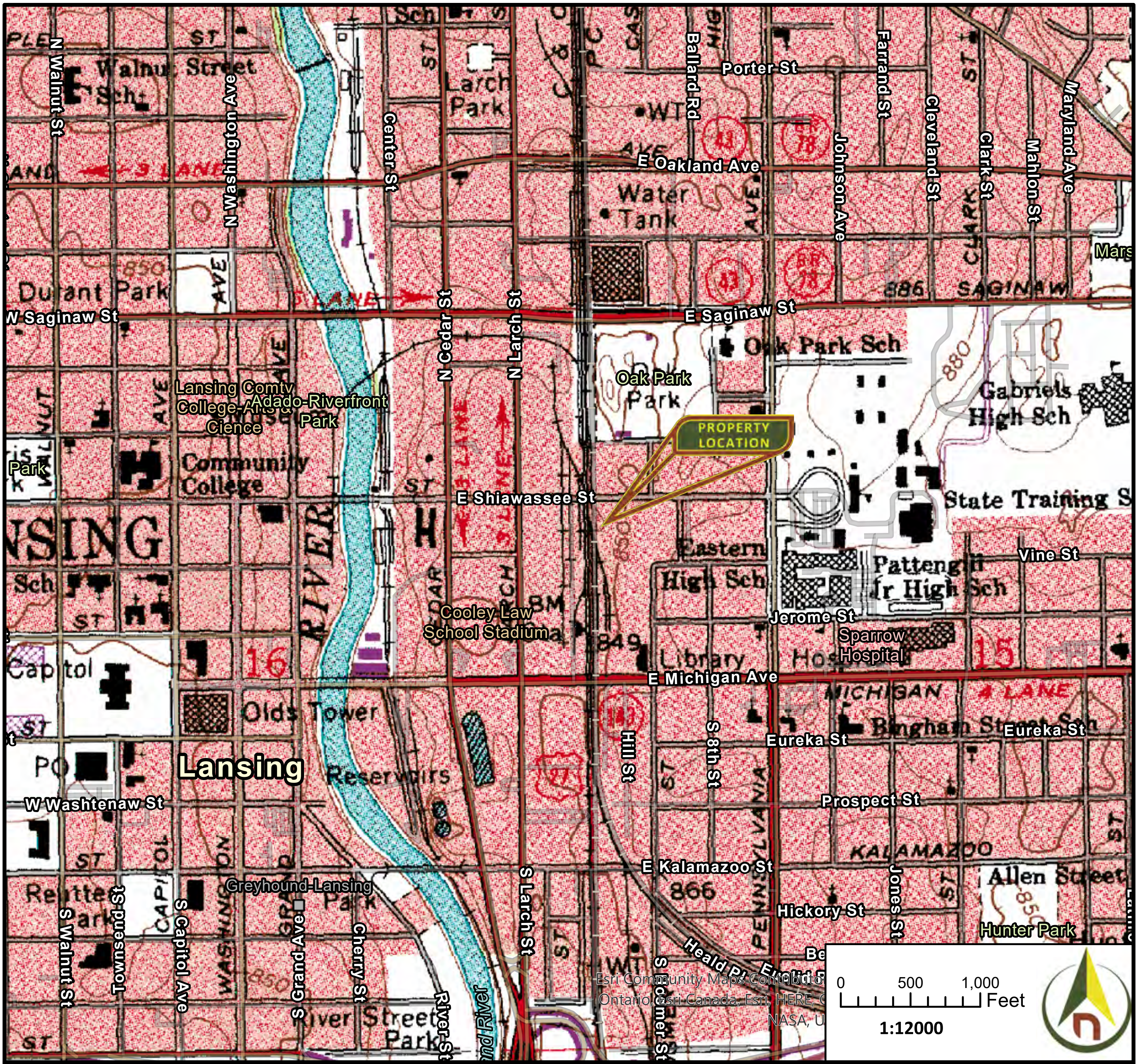
13. Local Brownfield Revolving Fund

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

14. Other Information

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

FIGURES



TRI TERRA

FIGURE 1 PROPERTY LOCATION

NORTHERN 2.568 ACRES OF PARCEL NO. 33-01-01-15-151-002
LANSING, MICHIGAN 48912

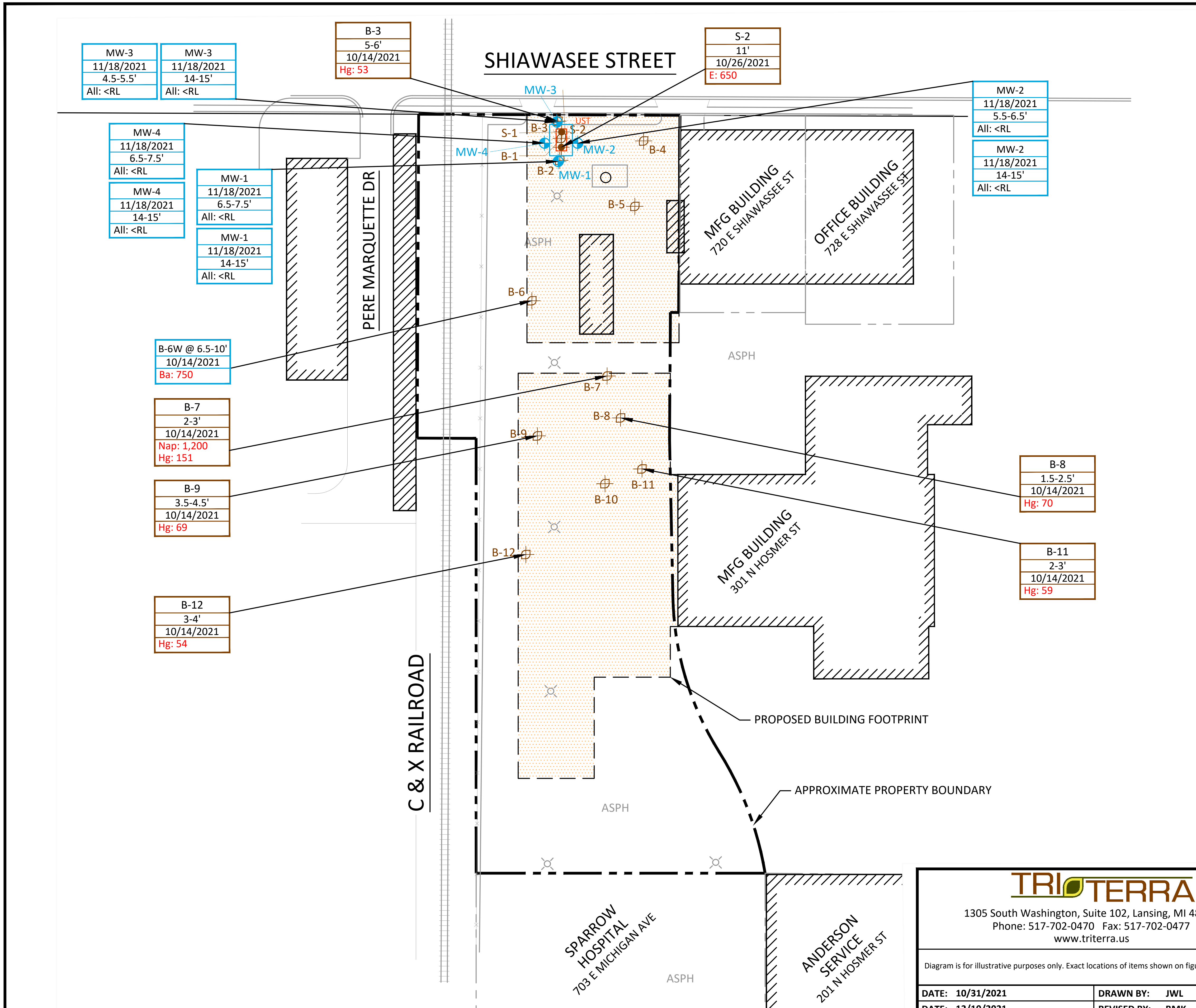
INGHAM COUNTY
T4N, R2W, SECTION 15

PROJECT NUMBER 21-2806

TRI TERRA

FIGURE 2 ELIGIBLE PROPERTY MAP	NORTHERN 2.568 ACRES OF PARCEL NO. 33-01-01-15-151-002 LANSING, MICHIGAN 48912

PROJECT NUMBER: 21-2806	DATE:8/4/2021	DIAGRAM CREATED BY: TT



0 80 160
GRAPHIC SCALE
1" = 80'

SYMBOLS LEGEND

SB-4 SOIL BORING LOCATION

SS-2 SOIL SAMPLE LOCATION

MW-2 MONITORING WELL LOCATION

PROPOSED BUILDING FOOTPRINT

UST FORMER UST

B-6W @ 6.5-10' / 10/14/2021 — GROUNDWATER ANALYTICAL

MW-1 / 11/18/2021 / 6.5-7.5' / All: <RL — MONITORING WELL ANALYTICAL

B-7 / 2-3' / 10/14/2021 — SOIL ANALYTICAL

CONSTITUENTS LEGEND

VOLATILES (VOCs)
E: Ethylbenzene
Nap: Naphthalene

INORGANICS, METALS
As: Arsenic
Ba: Barium
Hg: Mercury, Total

<RL: Result was below laboratory reporting limits.

NOTES

1. Soil concentrations are in µg per kg (ppb).
2. Groundwater concentrations are in µg per L (ppb).
3. All exceedances are highlighted in red.
4. Figure includes analytical exceedances only. See analytical data and tables for additional detail.
5. If no data is presented for a sample location then there were no exceedances above applicable criteria.

TRITERRA
1305 South Washington, Suite 102, Lansing, MI 48910
Phone: 517-702-0470 Fax: 517-702-0477
www.triterra.us

Diagram is for illustrative purposes only. Exact locations of items shown on figure may vary slightly.

SAMPLE LOCATIONS WITH ANALYTICAL EXCEEDANCES

NORTHERN 2.568 ACRES OF PARCEL
NO. 33-01-01-15-151-002
LANSING, MICHIGAN 48912

DATE: 10/31/2021	DRAWN BY: JWL	PROJECT NUMBER: 21-2806	FIGURE 3
DATE: 12/10/2021	REVISED BY: BMK		

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Tax Increment Revenue Capture Estimates

Table 3: Tax Increment Revenue Reimbursement Allocation Table

Table 4: Tax Increment Revenue Reimbursement Entity Allocation Table

Table 1
Brownfield Eligible Activities
East Shiawassee Street Parcel
Northern 2.568-Acres of 703 E. Michigan Avenue
Lansing, MI

					REIMBURSEMENT ALLOCATION			REIMBURSEMENT ENTITY	
ELIGIBLE ACTIVITIES	NO. OF UNITS	UNIT TYPE	UNIT RATE	ESTIMATED TOTAL COST	EGLE ACTIVITIES	MSF ACTIVITIES	LOCAL-ONLY ACTIVITIES	NEOGEN	LBRA
EGLE ELIGIBLE ACTIVITIES									
Pre-Approved Activities									
Phase I Environmental Site Assessment	1	LS	$ 2,400	$ 2,400	$ 2,400				$ 2,400
Phase II Site Investigations	1	LS	$ 12,500	$ 12,500	$ 12,500				$ 12,500
Baseline Environmental Assessments	1	LS	$ 2,500	$ 2,500	$ 2,500				$ 2,500
Due Care Planning to meet Compliance with Section 2017a	1	LS	$ 1,800	$ 1,800	$ 1,800				$ 1,800
Underground Storage Tank (UST) Investigation	1	LS	$ 3,480	$ 3,480	$ 3,480				$ 3,480
Department Specific Activities									
UST Removal	1	LS	$ 6,470	$ 6,470			$ 6,470		$ 6,470
Environmental Response Activities at former UST Location									
Contaminated Soil Excavation	200	CY	$ 8	$ 1,600			$ 1,600	$ 1,600	
Contaminated Soil Transportation & Disposal	300	CY	$ 38	$ 11,400			$ 11,400	$ 11,400	
Fill - clean backfill and compaction	200	CY	$ 20	$ 4,000			$ 4,000	$ 4,000	
Environmental Oversight and Verification Sampling	1	LS	$ 5,500	$ 5,500			$ 5,500	$ 5,500	
Environmental Project Management, Documentation, & Reporting	1	LS	$ 2,500	$ 2,500			$ 2,500	$ 2,500	
Due Care Activities									
Contaminated Soil Transportation & Disposal	2,250	CY	$ 38	$ 85,500			$ 85,500	$ 85,500	
Environmental Project Management and Oversight	1	LS	$ 6,500	$ 6,500			$ 6,500	$ 6,500	
Oversight	1	LS	$ 8,800	$ 8,800			$ 8,800	$ 8,800	
EGLE ELIGIBLE ACTIVITIES TOTAL				**$ 154,950**	**$ 22,680**	**$ -**	**$ 132,270**	**$ 125,800**	**$ 29,150**
MSF ELIGIBLE ACTIVITIES									
Asbestos and Lead Activities									
Asbestos and Lead - Assessment/Survey	1	LS	$ 750	$ 750		$ 750			$ 750
Total Asbestos and Lead Activities				***$ 750***	***$ -***	***$ 750***	***$ -***	***$ -***	***$ 750***
Demolition									
Demolition - Building	1	LS	$ 25,000	$ 25,000		$ 25,000		$ 25,000	
Demolition - Site	1	LS	$ 100,000	$ 100,000		$ 100,000		$ 100,000	
Demolition - Soft Costs	1	LS	$ 10,000	$ 10,000		$ 10,000		$ 10,000	
Total Demolition Activities				***$ 135,000***	***$ -***	***$ 135,000***	***$ -***	***$ 135,000***	***$ -***
Site Preparation									
Geotechnical Investigations/Survey	1	LS	$ 25,000	$ 25,000		$ 25,000		$ 25,000	
Geotechnical Engineering and Design	1	LS	$ 12,500	$ 12,500		$ 12,500		$ 12,500	
Soil Management - Excavation of Impacted/Urban Soils for Removal	1,500	CY	$ 8	$ 12,000		$ 12,000		$ 12,000	
Grading, Land Balancing and/or Onsite Cut and Fill Operations	1	LS	$ 1,050,000	$ 1,050,000		$ 1,050,000		$ 1,050,000	
Specialized Foundations due to Unstable Soils (Delta cost above traditional foundation)	1	LS	$ 900,000	$ 900,000		$ 900,000		$ 900,000	
Relocation of Existing/Active Utilities - Electric	1	LF	$ 450,000	$ 450,000		$ 450,000		$ 450,000	
Relocation of Existing/Active Utilities - Water Main	1	LF	$ 175,000	$ 175,000		$ 175,000		$ 175,000	
Relocation of Existing/Active Utilities - Storm Sewer	1	LF	$ 250,000	$ 250,000		$ 250,000		$ 250,000	
Temporary Construction Access	1	LS	$ 50,000	$ 50,000		$ 50,000		$ 50,000	
Temporary SESC - Mud Mat, Silt Fencing, Sed. Bags	1	LS	$ 50,000	$ 50,000		$ 50,000		$ 50,000	
Temporary Fencing / Site Control - During Site Preparation Activities	1	LS	$ 25,000	$ 25,000		$ 25,000		$ 25,000	
Temporary Traffic Control	1	LS		$ -		$ -		$ -	
Site Preparation - Soft Costs	1	LS	$ 444,300	$ 444,300		$ 444,300		$ 444,300	
Total Site Preparation Activities				***$ 3,443,800***	***$ -***	***$ 3,443,800***	***$ -***	***$ 3,443,800***	***$ -***
Infrastructure Improvements									
Curbs, sidewalk, entrances in Right of Way	1	LS	$ 85,000	$ 85,000		$ 85,000		$ 85,000	
Landscaping in Right of Way	1	LS	$ 50,000	$ 50,000		$ 50,000		$ 50,000	
Infrastructure Improvements - Soft Costs	1	LS	$ 20,300	$ 20,300		$ 20,300		$ 20,300	
Total Infrastructure Improvement Activities				***$ 155,300***	***$ -***	***$ 155,300***	***$ -***	***$ 155,300***	
MSF ELIGIBLE ACTIVITIES TOTAL				**$ 3,734,850**	**$ -**	**$ 3,734,850**	**$ -**	**$ 3,734,100**	**$ 750**
MSF AND EGLE ELIGIBLE ACTIVITIES TOTAL				**$ 3,889,800**	**$ 22,680**	**$ 3,734,850**	**$ 132,270**	**$ 3,859,900**	**$ 29,900**
Contingency (15%)				$ 578,985	$ -	$ 560,115	$ 18,870	$ 578,985	
Brownfield Plan & Act 381 Work Plan Preparation	1	LS	$ 22,500	$ 22,500		$ 21,375	$ 1,125	$ 22,500	
Brownfield Plan & Act 381 Work Plan Implementation	1	LS	$ 6,500	$ 6,500	$ -	$ 6,175	$ 325	$ 6,500	
LBRA Brownfield Application Fee	1	LS	$ 5,000	$ 5,000	$ -	$ -	$ 5,000	$ 5,000	
Interest (3%, simple)				$ 541,187	$ -	$ 521,575	$ 19,612	$ 541,187	
TOTAL ELIGIBLE COST FOR REIMBURSEMENT				**$ 5,043,972**	**$ 22,680**	**$ 4,844,090**	**$ 177,202**	**$ 5,014,072**	**$ 29,900**
State Brownfield Revolving Fund				$ 261,784					
BRA Administrative Fees/LBRF				$ 388,137					
GRAND TOTAL				**$ 5,693,893**					
					0.45%	*96.04%*	*3.51%*		

NOTES:
These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.
It cannot be guaranteed that the costs and revenue projections will not vary from these estimates.
Costs for Phase I ESAs, Phase II ESAs, BEAs, Asbestos Surveys, Brownfield Plan and Act 381 Work Plan are excluded from contingency calculation.
Interest calculation is based on 3% simple interest on principal eligible activity costs incurred by NEOGEN.

Table 2
Tax Increment Revenue Capture Estimates
East Shiawassee Street Parcel
Northern 2.568-Acres of 703 E. Michigan Avenue
Lansing, MI

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

			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033			
Plan Year				1	2	3	4	5	6	7	8	9	10	11			
Base Taxable Value (TV)			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
Estimated New TV			$ -	$ 50,000	$ 2,676,500	$ 9,853,000	$ 10,353,000	$ 10,456,530	$ 10,561,095	$ 10,666,706	$ 10,773,373	$ 10,881,107	$ 10,989,918	$ 11,099,817			
Total Incremental Difference			$ -	$ 50,000	$ 2,676,500	$ 9,853,000	$ 10,353,000	$ 10,456,530	$ 10,561,095	$ 10,666,706	$ 10,773,373	$ 10,881,107	$ 10,989,918	$ 1,507,155			
School Tax Revenue	**Millage Rate**														**Total New Taxes**	**Not Captured**	**Captured**
School Operating	17.44780		$ -	$ 872	$ 46,699	$ 171,913	$ 180,637	$ 182,443	$ 184,268	$ 186,111	$ 187,972	$ 189,851	$ 191,750	$ -	$ 1,522,516	$ 152,252	$ 1,370,265
State Education Tax (SET)	6.00000		$ -	$ 300	$ 16,059	$ 59,118	$ 62,118	$ 62,739	$ 63,367	$ 64,000	$ 64,640	$ 65,287	$ 65,940	$ -	$ 523,567	$ 26,178	$ 497,389
School Total:	23.44780	*32.55%*	**$ -**	**$ 1,172**	**$ 62,758**	**$ 231,031**	**$ 242,755**	**$ 245,183**	**$ 247,634**	**$ 250,111**	**$ 252,612**	**$ 255,138**	**$ 257,689**	**$ -**	$ 2,046,084	$ 178,430	$ 1,867,654
Local Tax Revenue - Capturable	**Millage Rate**																
LANSING OPER	19.44000		$ -	$ 972	$ 52,031	$ 191,542	$ 201,262	$ 203,275	$ 205,308	$ 207,361	$ 209,434	$ 211,529	$ 213,644	$ 29,299	$ 1,725,657	$ 172,566	$ 1,553,092
INGHAM CNTY SUM	6.78070		$ -	$ 339	$ 18,149	$ 66,810	$ 70,201	$ 70,903	$ 71,612	$ 72,328	$ 73,051	$ 73,782	$ 74,519	$ 10,220	$ 601,912	$ 60,191	$ 541,721
INGHAM COUNTY	5.19650		$ -	$ 260	$ 13,908	$ 51,201	$ 53,799	$ 54,337	$ 54,881	$ 55,430	$ 55,984	$ 56,544	$ 57,109	$ 7,832	$ 461,285	$ 46,128	$ 415,156
INGHAM INTERMED	4.93780		$ -	$ 247	$ 13,216	$ 48,652	$ 51,121	$ 51,632	$ 52,149	$ 52,670	$ 53,197	$ 53,729	$ 54,266	$ 7,442	$ 438,321	$ 43,832	$ 394,488
LANSING COM COLLEGE	3.76920		$ -	$ 188	$ 10,088	$ 37,138	$ 39,023	$ 39,413	$ 39,807	$ 40,205	$ 40,607	$ 41,013	$ 41,423	$ 5,681	$ 334,586	$ 33,459	$ 301,127
CATA	2.98950		$ -	$ 149	$ 8,001	$ 29,456	$ 30,950	$ 31,260	$ 31,572	$ 31,888	$ 32,207	$ 32,529	$ 32,854	$ 4,506	$ 265,373	$ 26,537	$ 238,836
LANSING SCH SINK	2.95750		$ -	$ 148	$ 7,916	$ 29,140	$ 30,619	$ 30,925	$ 31,234	$ 31,547	$ 31,862	$ 32,181	$ 32,503	$ 4,457	$ 262,532	$ 26,253	$ 236,279
CADL-LIBRARY	1.55280		$ -	$ 78	$ 4,156	$ 15,300	$ 16,076	$ 16,237	$ 16,399	$ 16,563	$ 16,729	$ 16,896	$ 17,065	$ 2,340	$ 137,840	$ 13,784	$ 124,056
AIRPORT AUTH	0.69900		$ -	$ 35	$ 1,871	$ 6,887	$ 7,237	$ 7,309	$ 7,382	$ 7,456	$ 7,531	$ 7,606	$ 7,682	$ 1,054	$ 62,049	$ 6,205	$ 55,844
MONTGOMERY DRAIN	0.26000		$ -	$ 13	$ 696	$ 2,562	$ 2,692	$ 2,719	$ 2,746	$ 2,773	$ 2,801	$ 2,829	$ 2,857	$ 392	$ 23,080	$ 2,308	$ 20,772
Local Total:	48.58300	*67.45%*	**$ -**	**$ 2,429**	**$ 130,032**	**$ 478,688**	**$ 502,980**	**$ 508,010**	**$ 513,090**	**$ 518,221**	**$ 523,403**	**$ 528,637**	**$ 533,923**	**$ 73,222**	$ 4,312,634	$ 431,263	$ 3,881,371
Total Capturable Taxes:	**72.03080**	*#############*	**$ -**	**$ 3,602**	**$ 192,790**	**$ 709,719**	**$ 745,735**	**$ 753,192**	**$ 760,724**	**$ 768,331**	**$ 776,015**	**$ 783,775**	**$ 791,613**	**$ 73,222**	**$ 6,358,718**	**$ 609,693**	**$ 5,749,025**
Non-Capturable Millages	**Millage Rate**																
LANSING SCHOOL DEBT	4.10000		$ -	$ 205	$ 10,974	$ 40,397	$ 42,447	$ 42,872	$ 43,300	$ 43,733	$ 44,171	$ 44,613	$ 45,059	$ 6,179	**$ 363,950**	**$ 363,950**	**$ -**
Total Non-Capturable Taxes:	**4.10000**		**$ -**	**$ 205**	**$ 10,974**	**$ 40,397**	**$ 42,447**	**$ 42,872**	**$ 43,300**	**$ 43,733**	**$ 44,171**	**$ 44,613**	**$ 45,059**	**$ 6,179**	**$ 363,950**	**$ 363,950**	**$ -**
															$ 6,722,669	**$ 973,644**	**$ 5,749,025**

Notes:

Table 3
Tax Increment Revenue Reimbursement Allocation Table
East Shiawassee Street Parcel
Northern 2.568-Acres of 703 E. Michigan Avenue
Lansing, MI

Developer/City Projected Reimbursement	Proportionality	School & Local Taxes	Local-Only Taxes	Total
State	30.7%	$ 1,550,738		**$ 1,550,738**
Local	69.3%	$ 3,316,032	$ 177,202	**$ 3,493,234**
TOTAL		**$ 4,866,770**	**$ 177,202**	**$ 5,043,972**
EGLE	0.5%	$ 22,680		
MSF	99.5%	$ 4,844,090		

Estimated Total Years of Plan:	11

Administrative Fees & Loan Funds*	
State Brownfield Revolving Fund	$ 261,784
BRA Administrative Fees / LBRF	$ 388,137

* During the life of the Plan

	Beginning Balance	2022	2023 1	2024 2	2025 3	2026 4	2027 5	2028 6	2029 7	2030 8	2031 9	2032 10	2033 11	2034 12	TOTALS
Available Tax Increment Revenue (TIR)															
Total State Tax Capture Available		$ -	$ 1,172	$ 62,758	$ 231,031	$ 242,755	$ 245,183	$ 247,634	$ 250,111	$ 252,612	$ 255,138	$ 257,689	$ -	$ -	
Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs)		$ -	$ 150	$ 8,030	$ 29,559	$ 31,059	$ 31,370	$ 31,683	$ 32,000	$ 32,320	$ 32,643	$ 32,970	$ -	$ -	**$ 261,784**
Capture of Available State Tax Increment for Taxing Units (10%) ("Pass-Through")		$ -	$ 102	$ 5,473	$ 20,147	$ 21,170	$ 21,381	$ 21,595	$ 21,811	$ 22,029	$ 22,249	$ 22,472	$ -	$ -	**$ 178,430**
State TIR Available for Reimbursement to Developer		$ -	$ 920	$ 49,256	$ 181,325	$ 190,526	$ 192,432	$ 194,356	$ 196,300	$ 198,263	$ 200,245	$ 202,248	$ -	$ -	
Total Local Tax Capture Available		$ -	$ 2,429	$ 130,032	$ 478,688	$ 502,980	$ 508,010	$ 513,090	$ 518,221	$ 523,403	$ 528,637	$ 533,923	$ 73,222	$ -	
Capture of Available Local Tax Increment for Taxing Units (10%) ("Pass-Through")		$ -	$ 243	$ 13,003	$ 47,869	$ 50,298	$ 50,801	$ 51,309	$ 51,822	$ 52,340	$ 52,864	$ 53,392	$ 7,322	$ -	**$ 431,263**
Capture for BRA Administrative Fees and/or Local Brownfield Revolving Fund (10% of available Local TIR)		$ -	$ 219	$ 11,703	$ 43,082	$ 45,268	$ 45,721	$ 46,178	$ 46,640	$ 47,106	$ 47,577	$ 48,053	$ 6,590	$ -	**$ 388,137**
Local TIR Available for Reimbursement to Developer and City (LBRF)		$ -	$ 1,968	$ 105,326	$ 387,738	$ 407,414	$ 411,488	$ 415,603	$ 419,759	$ 423,956	$ 428,196	$ 432,478	$ 59,310	$ -	
Total State & Local TIR Available for Reimbursement to Developer and City (LBRF)		$ -	$ 2,888	$ 154,582	$ 569,062	$ 597,940	$ 603,920	$ 609,959	$ 616,058	$ 622,219	$ 628,441	$ 634,725	$ 59,310	$ -	
DEVELOPER AND LBRA															
	$ 5,043,972	**$ 5,043,972**	**$ 5,041,084**	**$ 4,886,502**	**$ 4,317,440**	**$ 3,719,500**	**$ 3,115,580**	**$ 2,505,622**	**$ 1,889,563**	**$ 1,267,344**	**$ 638,903**	**$ 59,310**	**$ (0)**	**$ (0)**	
MSF Eligible Activities	$ 4,844,090	$ 4,844,090	$ 4,841,216	$ 4,687,354	$ 4,120,944	$ 3,525,790	$ 2,924,685	$ 2,317,569	$ 1,704,381	$ 1,085,062	$ 459,550	$ -	$ -	$ -	
State Tax Reimbursement	$ 1,543,511	$ -	$ 916	$ 49,026	$ 180,480	$ 189,639	$ 191,535	$ 193,450	$ 195,385	$ 197,339	$ 199,312	$ 146,430	$ -	$ -	**$ 1,543,511**
Local Tax Reimbursement	$ 3,300,579	$ -	$ 1,958	$ 104,835	$ 385,931	$ 405,515	$ 409,570	$ 413,666	$ 417,803	$ 421,981	$ 426,200	$ 313,120	$ -	$ -	**$ 3,300,579**
EGLE Eligible Activities	$ 22,680	$ 22,680	$ 22,667	$ 21,946	$ 19,294	$ 16,508	$ 13,693	$ 10,851	$ 7,980	$ 5,080	$ 2,152	$ -	$ -	$ -	
State Tax Reimbursement	$ 7,227	$ -	$ 4	$ 230	$ 845	$ 888	$ 897	$ 906	$ 915	$ 924	$ 933	$ 686	$ -	$ -	**$ 7,227**
Local Tax Reimbursement	$ 15,453	$ -	$ 9	$ 491	$ 1,807	$ 1,899	$ 1,918	$ 1,937	$ 1,956	$ 1,976	$ 1,995	$ 1,466	$ -	$ -	**$ 15,453**
LOCAL-ONLY Activities	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 177,202	$ 59,310	$ (0)	$ (0)	
Local-Only Tax Reimbursement	$ 177,202	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 117,892	$ 59,310	$ -	**$ 177,202**
TOTAL ANNUAL DEVELOPER AND LBRA REIMBURSEMENT		**$ -**	**$ 2,888**	**$ 154,582**	**$ 569,062**	**$ 597,940**	**$ 603,920**	**$ 609,959**	**$ 616,058**	**$ 622,219**	**$ 628,441**	**$ 579,593**	**$ 59,310**	**$ -**	
															$ 6,303,586

Developer/City Reimbursement Complete

Table 4
Tax Increment Revenue Reimbursement Entity Allocation Table
East Shiawassee Street Parcel
Northern 2.568-Acres of 703 E. Michigan Avenue
Lansing, MI

							NEOGEN		LBRA				TOTALS		
				TIF Eligible Activities:			$4,472,885.00		$29,900		$0		$4,502,785		
				% of Total Eligible Activities:			99.34%		0.66%		0.00%		100.00%		
				Total Interest Allocation:			$541,187		$0		$0		$541,187		
				% of Total Interest Allocation:			100.00%		0.00%		0.00%		100.00%		
		A	B	C	D	E = A-B-C-D									
Period	Year	Local / State Annual Total Tax Capture	Capture for State Brownfield Revolving Fund (SBRF)	Capture for State and Local Taxing Units (10%) ("Pass-Through")	Capture for BRA Administrative Fees and/or Local Brownfield Revolving Fund (10% of available Local TIR)	**Total State & Local TIR Available for Reimbursement to Developer**	TIF Eligible Activity Reimbursement	3.0% Interest	TIF Eligible Activity Reimbursement	0.0% Interest	TIF Eligible Activity Reimbursement	0.0% Interest	**TIF Eligible Activity Reimbursement**	**Interest Earned / Paid**	**TIF Available After Reimbursement**
1	2023	$3,602	$150	$345	$219	**$2,888**	$ 2,888	$0	$0	$0	$0	$0	**$2,888**	**$0**	**$0**
2	2024	$192,790	$8,030	$18,476	$11,703	**$154,582**	$ 124,682	$0	$29,900	$0	$0	$0	**$154,582**	**$0**	**$0**
3	2025	$709,719	$29,559	$68,016	$43,082	**$569,062**	$ 569,062	$0	$0	$0	$0	$0	**$569,062**	**$0**	**$0**
4	2026	$745,735	$31,059	$71,468	$45,268	**$597,940**	$ 597,940	$0	$0	$0	$0	$0	**$597,940**	**$0**	**$0**
5	2027	$753,192	$31,370	$72,182	$45,721	**$603,920**	$ 603,920	$0	$0	$0	$0	$0	**$603,920**	**$0**	**$0**
6	2028	$760,724	$31,683	$72,904	$46,178	**$609,959**	$ 609,959	$0	$0	$0	$0	$0	**$609,959**	**$0**	**$0**
7	2029	$768,331	$32,000	$73,633	$46,640	**$616,058**	$ 616,058	$0	$0	$0	$0	$0	**$616,058**	**$0**	**$0**
8	2030	$776,015	$32,320	$74,369	$47,106	**$622,219**	$ 622,219	$0	$0	$0	$0	$0	**$622,219**	**$0**	**$0**
9	2031	$783,775	$32,643	$75,113	$47,577	**$628,441**	$ 628,441	$0	$0	$0	$0	$0	**$628,441**	**$0**	**$0**
10	2032	$791,613	$32,970	$75,864	$48,053	**$634,725**	$97,716	$ 481,877	$0	$0	$0	$0	**$97,716**	**$481,877**	**$0**
11	2033	$73,222	$0	$7,322	$6,590	**$59,310**	$0	$59,310	$0	$0	$0	$0	**$0**	**$59,310**	**$0**
12	2034	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
13	2035	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
14	2036	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
15	2037	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
16	2038	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
17	2039	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
18	2040	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
19	2041	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
20	2042	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
21	2043	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
22	2044	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
23	2045	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
24	2046	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
25	2047	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
26	2048	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
27	2049	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
28	2050	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
29	2051	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
30	2052	$0	$0	$0	$0	**$0**	$0	$0	$0	$0	$0	$0	**$0**	**$0**	**$0**
TOTALS:		**$6,358,718**	**$261,784**	**$609,693**	**$388,137**	**$5,099,104**	**$4,472,885**	**$541,187**	**$29,900**	**$0**	**$0**	**$0**	**$4,502,785**	**$541,187**	**$0**
% of Tax Capture:		**100.00%**	**4.12%**	**9.59%**	**6.10%**	**80.19%**	87.72%	10.61%	0.59%	0.00%	0.00%	0.00%	88.31%	10.61%	0.00%
				TIF Eligible Activities and Interest Subtotals:			**$5,014,072**		**$29,900**		**$0**		**$5,043,972**		

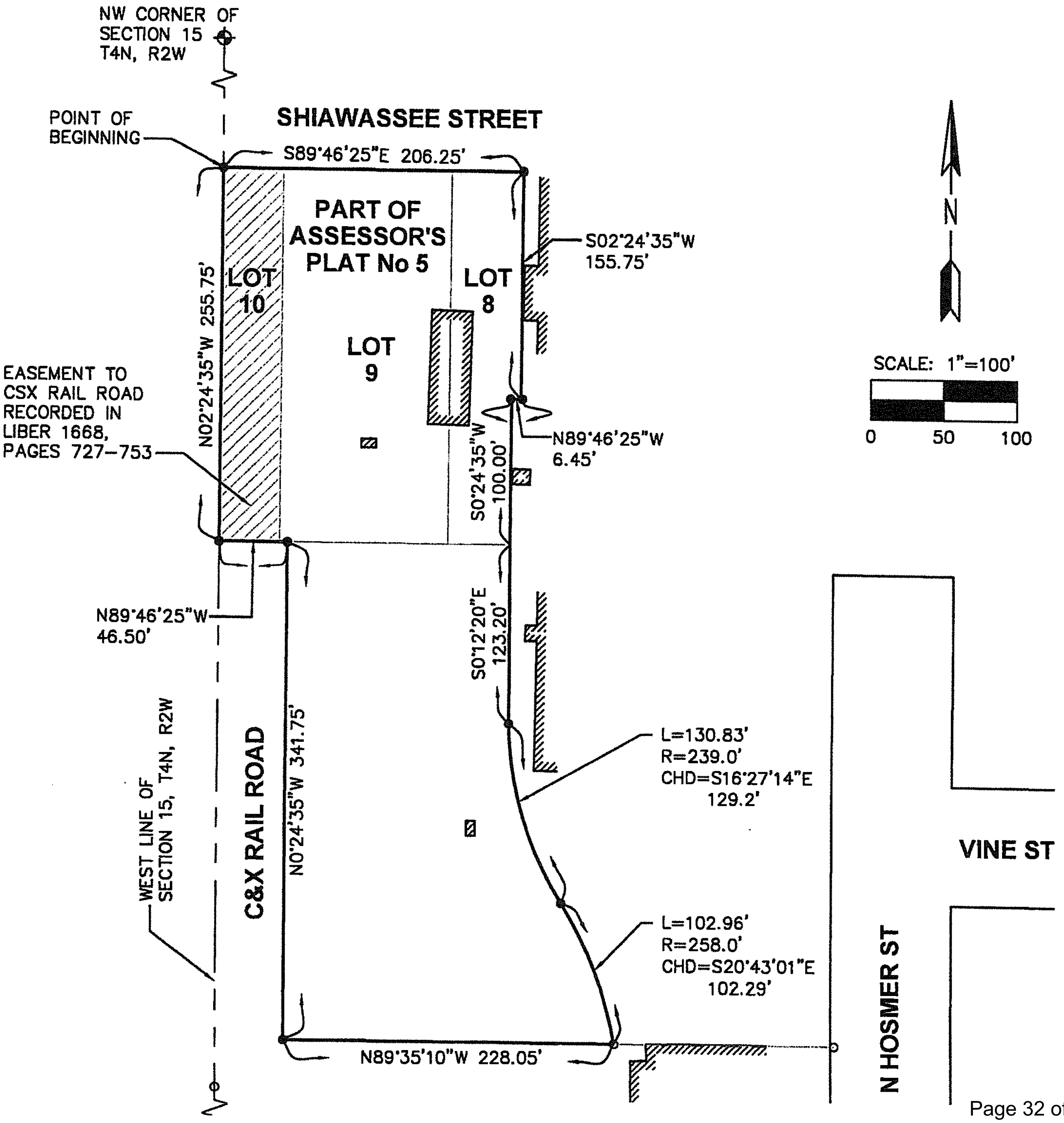
Attachment A

Legal Description of the Property

CERTIFICATE OF SURVEY

CLIENT: NEOGEN CORPORATION
720 E. SHIAWASSE
LANSING, MICHIGAN 48912

SITE ADDRESS: 703 E. MICHIGAN AVE.
LANSING, MICHIGAN 48912



CERTIFICATE OF SURVEY

CLIENT: NEOGEN CORPORATION
720 E. SHIAWASSE
LANSING, MICHIGAN 48912

SITE ADDRESS: 703 E. MICHIGAN AVE.
LANSING, MICHIGAN 48912

I HEREBY CERTIFY ONLY TO THE PARTIES NAMED HEREIN THAT WE HAVE SURVEYED A PARCEL OF LAND PREVIOUSLY DESCRIBED AS:

LEGAL DESCRIPTION PROVIDED FOR PARENT PARCEL
LOT 8, EXCEPT EAST 6.45 FEET OF THE SOUTH 100 FEET, ALSO LOTS 9 AND 10, ASSESSOR'S PLAT NO. 5, ALSO COMMENCING ON NORTH LINE OF MICHIGAN AVENUE 46.5 FEET EAST OF WEST LINE, SECTION 15, THENCE NORTH 0°11'15" EAST 976.18 FEET TO THE SOUTH LINE ASSESSOR'S PLAT NO. 5, EAST ON SAID LINE 153 FEET MORE OR LESS TO CENTERLINE OF RAIL ROAD SPUR TRACK, SOUTH ON SAID CENTERLINE 123.2 FEET, SOUTHEASTERLY 130.77 FEET ON A 239 FOOT RADIUS CURVE TO THE LEFT CHORD BEARING SOUTH 16°12'45"EAST 129.2 FEET, SOUTHEASTERLY 102.32 FEET ON 258 FOOT RADIUS CURVE TO RIGHT CHORD BEARING SOUTH 20°29'14"EAST 101.65 FEET, EAST 11.06 FEET, SOUTH 00°12'WEST 194.4 FEET, SOUTH 08°16' EAST 19.47 FEET, NORTH 89°48'45" WEST 92.25 FEET, SOUTH 00°11'15"WEST 431.89 FEET, SOUTH 89°32'30"WEST 145.8 FEET TO BEGINNING; SECTION 15,T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN.

LEGAL DESCRIPTION PARCEL SPLIT AS SURVEYED
BEGINNING AT THE NORTHWEST CORNER OF LOT 10 ASSESSOR'S PLAT NO. 5,
BEING A SUBDIVISION ON PART OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWN 4 NORTH, RANGE 2 WEST, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, THENCE S89°46'25"E ALONG THE NORTH LINE OF LOTS 8,9, AND 10 OF SAID ASSESSOR'S PLAT NO.5, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF SHIAWASSE STREET 206.25 FEET TO THE NORTHEAST CORNER OF SAID LOT 8, THENCE S0°24'35"W ALONG SAID EAST LINE OF LOT 8 A DISTANCE OF 155.75 FEET, THENCE N89°46'25"W 6.45 FEET, THENCE S0°24'35"W PARALLEL WITH THE EAST LINE OF SAID LOT 8 A DISTANCE OF 100.00 FEET TO THE SOUTH LINE OF SAID LOT 8, THENCE S1°13'20"E 123.30 FEET, THENCE SOUTHEASTERLY 130.83 FEET ALONG THE ARC OF A 239 FOOT RADIUS CURVE TO THE RIGHT THE LONG CHORD OF SAID CURVE BEARING S16°27'14"E 129.2 FEET, THENCE SOUTHEASTERLY 102.96 FEET ALONG THE ARC OF A 258 FOOT RADIUS CURVE TO THE LEFT, THE LONG CHORD OF SAID CURVE BEARING S20°43'01"E 102.29 FEET, THENCE N89°35'10"W 228.05 FEET TO THE EASTERLY RIGHT OF WAY LINE OF THE CSX RAIL ROAD, THENCE N0°24'35"W ALONG SAID EASTERLY RIGHT OF WAY LINE 341.75 FEET TO THE SOUTH LINE OF SAID ASSESSOR'S PLAT NO. 5, THENCE N89°46'25"W ALONG THE SOUTH LINE OF SAID ASSESSOR'S PLAT NO. 5 A DISTANCE OF 46.5 FEET TO THE WEST LINE OF SAID SECTION 15, THENCE N0°24'35"W ALONG SAID WEST LINE OF SECTION 15 A DISTANCE OF 255.75 FEET TO THE POINT OF BEGINNING.
CONTAINING 2.568 ACRES MORE OR LESS INCLUSIVE OF THE LANDS CONTAINED WITH THE EASEMENT TO CSX RAILROAD AS RECORDED IN LIBER 1668 PAGES 727-753.
AREA OF THE ABOVE DESCRIBED EASEMENT IS 0.242 OF AN ACRE
NET AREA WITH OUT RAILROAD EASEMENT 2.326 ACRES
SUBJECT TO ALL EASEMENTS BOTH OF RECORD AND UNRECORDED.
THE BASIS OF BEARING FOR THIS SURVEY ASSUMES THE WEST LINE OF SECTION 15 TO BEAR N0°24'35"W FROM MICHIGAN STATE PLAN COORDINATES DERIVED FROM GPS FIELD OBSERVATIONS.

STATE OF MICHIGAN
MICHAEL J.

Attachment B

EGLE BEA Acknowledgement Letter

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING DISTRICT OFFICE

EGLE

LIESL EICHLER CLARK
DIRECTOR

March 23, 2022

ACKNOWLEDGEMENT OF RECEIPT OF A BASELINE ENVIRONMENTAL ASSESSMENT

BEA ID: 00009594-BEA-1

Legal Entity: NEOGEN Properties IX LLC, 620 Lesher Place, Lansing, Michigan 48912

Property Address: 703 East Michigan Avenue – northern 2.568 acres of, Lansing, Ingham County; Parcel ID No.: 33-01-01-15-151-002

On March 2, 2022, the Michigan Department of Environment, Great Lakes, and Energy (EGLE) received a Baseline Environmental Assessment (BEA) dated December 13, 2021, for the above legal entity and property. This letter is your acknowledgement that EGLE has received and recorded the BEA. EGLE maintains an administrative record of each BEA as received.

This BEA was submitted pursuant to Section 20126(1)(c) of Part 201, Environmental Remediation, and/or Section 21323a(1)(b) of Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA). A BEA is submitted for the purpose of establishing an exemption to liability for a new owner or operator of property that has been demonstrated to be a facility or property as defined by Section 20101(1)(s) of Part 201, Environmental Remediation, and/or property as defined by Section 21303(d) of Part 213, Leaking Underground Storage Tanks, of the NREPA. Pursuant to Sections 20126(1)(c) and 21323a(1)(b), the conditions of this exemption require the legal entity to disclose the BEA to a subsequent purchaser or transferee of the property.

The BEA is only for the legal entity and property or properties identified on the BEA Submittal Form and in the BEA that have been demonstrated to be a facility. Each new legal entity that becomes the owner or operator of this facility must submit their own BEA.

EGLE is not making any findings about whether the submitter is liable or is eligible to submit. The submitted BEA does not alter liability with regard to a subsequent release, threat of release, or exacerbation of existing conditions that is the responsibility of the legal entity submitting the BEA.

EGLE does not review BEAs to determine the adequacy of the submittal. The 2020 Volatilization to Indoor Air Pathway (VIAP) Screening Levels (SLs) may be proposed as site-specific criteria when used to determine that a property is or contains a facility or site. EGLE's approval of these numeric site-specific criteria is required. Since the BEA has not been reviewed, if the BEA relied upon the 2020 VIAP SLs then their use within the BEA is approved only for the purpose of confirming the status of the property as a facility under Part 201 or a site under Part 213.

The legal entity, as the owner and/or operator of a facility or property, may have Due Care responsibilities under Section 20107a of Part 201, Environmental Remediation and/or Section 21304c of Part 213, Leaking Underground Storage Tanks, of the NREPA.

The legal entity may also have responsibility under applicable state and federal laws, including, but not limited to, Part 201, Environmental Remediation; Part 111, Hazardous Waste Management; Part 211, Underground Storage Tank Regulations; Part 213, Leaking Underground Storage Tanks; Part 615, Supervisor of Wells, of the NREPA; and the Michigan Fire Prevention Code, 1941 PA 207, as amended. Please review the enclosed brochure on "due care." An owner or operator of contaminated property has an obligation to assure the property is safe for the intended use and is protective of the public health and safety.

Pursuant to Section 20112a(6) of Part 201, Environmental Remediation, the property(s) identified in the BEA will be placed on the inventory of facilities, which is updated daily and posted on EGLE's website: https://secure1.state.mi.us/FacilitiesInventoryQueries

Authorized signature:

David LaBrecque

David LaBrecque, District Supervisor
Lansing District Office
Remediation and Redevelopment Division
Michigan Department of Environment, Great Lakes, and Energy
525 West Allegan Street
P.O. Box 30242
Lansing, Michigan 48909
517-285-7889
labrecqued@michigan.gov

Enclosure
cc: Triterra

BY THE COMMITTEE ON DEVELOPMENT AND PLANNING
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING
RESOLUTION APPROVING BROWNFIELD PLAN #81
NEOGEN EXPANSION BROWNFIELD REDEVELOPMENT PROJECT

WHEREAS, the Brownfield Redevelopment Authority (the 'Authority') of the City of Lansing, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, Public Act, Public Act 381 of 1996, as amended, (the 'Act') has prepared a Brownfield Plan, submitted to Council and placed on file in the office of City Clerk, LBRA Brownfield Plan #81 – NEOGEN Expansion Brownfield Redevelopment Project (the 'Plan'); and

WHEREAS, a public hearing was held by the Lansing City Council on **July 11, 2022**, and at least 10 days before the public hearing the taxing jurisdictions were provided notice to be fully informed about the fiscal and economic implications of the proposed Plan and given a reasonable opportunity to express their views and recommendations regarding the Plan in accordance with Section 13 (10) and 14(1) of the Act; and

WHEREAS, the Lansing City Council, before and during its public hearing on **July 11, 2022**, reviewed testimony and evidence regarding the Plan, and found that:

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

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

3. the Project may result in new private investment of approximately $71,500,000 million.

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

WHEREAS, the Authority Board of Directors, at its meeting on June 10, 2022, unanimously recommended approval of the Plan, for this Project; and

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

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

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

BE IT FURTHER RESOLVED that the Lansing City Council hereby approves the LBRA 'Brownfield Plan #81 – NEOGEN Expansion Brownfield Redevelopment Project'.

GENERAL INFORMATION

APPLICANT:	Bruce Hicks 1579 Picadilly Drive Haslett, MI 48840
OWNER:	Passionist Sisters Convent 109 E. Randolph Street Lansing, MI 48906
REQUESTED ACTION:	* Rezoning from “R-6A” Urban Detached Residential to ‘R-AR” Residential Adaptive Reuse * Special Land Use Permit for a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents
EXISTING LAND USE:	Vacant convent
EXISTING ZONING:	“R-6A” Urban Detached Residential District
PROPERTY SIZE:	16,296 square feet (.374 acres)
SURROUNDING LAND USE:	N: Single Family Residential S: Single Family Residential E: Single Family Residential W: St. Therese Parish Church
SURROUNDING ZONING:	N: “R-6A” Urban Detached Residential District S: “R-6A” Urban Detached Residential District E: “R-6A” Urban Detached Residential District W: “R-6A” Urban Detached Residential District
MASTER PLAN DESIGNATION:	The Design Lansing Master Plan designates the subject property for low density residential use. E. Randolph Street is designated as a local road.

APPLICANT’S REQUESTS

Z-1-2022: Rezoning 109 E. Randolph Street from “R-6A” Urban Detached Residential to “R-AR” Residential Adaptive Reuse.

SLU-1-2022: Special land use permit to utilize the existing building at 109 E. Randolph Street for a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

BACKGROUND INFORMATION

The building on the subject property has historically been used as a convent for 17 nuns. At one time it would have been located on the same property as the church to its west and the convent would have been considered an accessory use to the church. The subject property was split off from the church property somewhere along the line, although the church allowed the nuns to utilize its parking lot. The church, however, is unwilling to sell or lease any of its parking to a future owner of the property.

The capacity of the convent has decreased over the years and is now entirely vacant. The current owner would like to sell the property but has had difficulty doing so because of the parking situation and because the zoning only allows for single family residential use. There is no room on the site to construct additional parking and given the size of the building, it would be unreasonable to restrict it to a single-family dwelling. The property is located in an area that, except for the church, is almost exclusively single family residential. There needs to be some accommodation for reuse of the building and the only way to do so it to rezone the property and to authorize a variance to the parking requirement. The applicant is in the process of seeking a parking variance and that request will be considered by the Board of Zoning Appeals at its June 9, 2022, meeting. All three requests (variance, rezoning and special land use permit) must be approved in order to permit the group home.

The applicant is requesting that the property be rezoned to R-AR, Residential Adaptive Reuse and a special land use permit approved to allow for use as a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities. The goal is to allow a use for the building that is reasonable and will not negatively impact the surrounding residential neighborhood. The proposed group home seems to be the best use for accomplishing those goals. It will generate a low volume of traffic which is of particular concern since all vehicles related to the facility will have no choice but to use the on-street parking, which is shared by the residents in the area.

REZONING

COMPATIBILITY WITH SURROUNDING LAND USE

Approval of the rezoning, special land use permit and the parking variance will allow the existing building at 109 E. Randolph Street to be used for a low impact residential use, similar in intensity to the historical use of the property as a convent. The proposal, therefore, will not change the general character of the neighborhood. In fact, the proposed 20-bed group home for the aged should have the least amount of impact on the surrounding residential neighborhood of any use that could potentially occupy the existing building. Traffic is expected to be light which will result in a low demand for use of on-street parking in the area and activity associated with the use should be minimal and not generate noise, fumes, light glare or other nuisances that would be disruptive to the neighborhood. If the rezoning, special land use permit or parking variance are not approved, the building will remain vacant and will deteriorate over time which will have a negative impact on the neighborhood.

While the request will result in a "spot" of R-AR zoning in an area that is exclusively zoned R-6A, all properties in the City that are zoned R-AR are spot zones. The whole intent of this zoning district is to allow for adaptive reuse of sites in residential neighborhoods that once contained institutional type that are no longer in operation. It is therefore, going to be site specific zoning rather than zoning for an entire area or multiple adjoining sites.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the subject property for low density residential use. It appears that when the Plan was written, it was assumed that the building would remain a convent and thus, no alternative uses for the site were considered. The reason for creating the "R-AR" Residential Adaptive Reuse zoning district was to provide for appropriate reuse of sites that contain vacant schools, churches, and other institutional type buildings in residential neighborhoods so that they can be utilized but in a manner that does not negatively impact the area in which they are located. While the proposed use of the building for a group home is not necessarily consistent with the specific low-density residential land use pattern being advanced in the Comprehensive Plan, it is consistent with a fundamental principle of planning which is to permit uses that are compatible with the area in which they are located.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The variance is not expected to have any negative impacts on vehicular or pedestrian traffic in the area. A 20-bed home for the aged will generate a relatively low volume of traffic resulting in minimal usage of on-street parking. In fact, since the residents of the facility will not likely be in a position to drive, the traffic on a daily basis will be limited to that of visitors and staff which will only be 5-6 persons during the day and even fewer in the evenings and overnight. This level of traffic will be comparable, if not even lower, that that which was generated by the convent when it housed 17 nuns.

IMPACT ON PUBLIC FACILITIES

Since the proposal involves reuse of an existing residential building for a new residential use, there should be no impact on public facilities as the site is already adequately served by all necessary utilities, street access and on-street parking.

ENVIRONMENTAL IMPACT

No new construction is proposed for the site. It is merely a reuse of an existing building and thus, will have no impact on the natural environment. In fact, the site is not large enough to accommodate any new construction in compliance with applicable zoning ordinance development requirements such as setbacks, lot coverage and parking.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

Approval of the rezoning will not negatively impact future patterns of development or set a negative precedent for future requests to rezone property in the area. The subject property is unique in that it contains a large, existing building that is designed for housing multiple individuals and is located on a site that does not have any existing parking and is not large enough to accommodate any new parking. There are no other sites in the general vicinity of the subject property that share these same circumstances and could thus, make the same case for a rezoning or a parking variance.

SPECIAL LAND USE PERMIT

Section 1262.02(f) of the Zoning ordinance sets forth the criteria which must be used to evaluate a Special Land Use permit request. The criteria and evaluation are as follows.

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

   The proposed group home is the use of the building that is anticipated to have the least amount of impact on the surrounding residential neighborhood. The level of traffic, on-street parking, daily number of visitors to the site and activity in general associated with the proposed use is expected to be very low, and comparable to that which was generated by the convent when it was in full use.

   The facility will have to be licensed and maintain licensing by the State of Michigan, Department of Licensing and Regulatory Affairs and will be subject to its oversight and all of its regulations and requirements. The facility will also be subject to inspections by the both the State and the Ingham County Health Department. The facility will be required to provide around the clock, on-site care by qualified staff.

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

   The proposal merely involves reuse of an existing building from one residential use to another. Similar to the convent, the facility will be the home for its residents so it will not involve short-term or transient occupancy. Furthermore, no new construction is proposed for the site and the level of a activity generated by the proposed use will not change the essential character of the area.

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

   See responses to 1 and 2 above.

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

The proposal does not involve any new construction on the site and thus, will have no impact on the natural environment. As described in the above paragraphs of this report, the proposed group home is one of, if not the most appropriate use of the site as the volume of traffic and outdoor activity that it is anticipated to generate will not be at a level that is disruptive to the surrounding residential neighborhood.

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

The proposed group home will produce very little traffic and no smoke, odors, fumes, glare or anything else at a level that would be detrimental or disruptive to the surrounding neighborhood. Furthermore, it is not anticipated that the facility will generate outdoor activities that result in noise from large numbers of people congregating on the site.

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

The site is already served by all necessary public facilities.

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

The proposed facility is very similar to the historical use of the property as a convent and thus, the demand on public services and facilities should not increase to the extent that the demand exceeds current capacity.

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

The Design Lansing Comprehensive Plan designates the subject property for low density residential use. It appears that when the Plan was written, it was assumed that the building would remain a convent and thus, no alternative uses for the site were considered. The reason for creating the "R-AR" Residential Adaptive Reuse zoning district was to provide for appropriate reuse of sites that contain vacant schools, churches, and other institutional type buildings in residential neighborhoods so that they can be utilized but in a manner that does not negatively impact the area in which they are located. While the proposed use of the building for a group home is not necessarily consistent with the specific low-density residential land use pattern being advanced in the Comprehensive Plan, it is consistent with a fundamental principle of planning which is to permit uses that are compatible with the area in which they are located.

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

Since this request does not involve any new construction, the only dimensional requirement that applies is the number of parking spaces required for the proposed use. Section 1254.01.03 of the Zoning Ordinance requires .5 parking spaces for every 2 beds in the facility, plus .25 spaces per unit for visitor/employee parking. The proposed facility will have 20 beds which requires 10 parking spaces. In addition, the current Zoning Ordinance does not permit parking in a front yard and as evidenced by the attached aerial photograph, there is no room in the side or back yards, to accommodate any new parking. The applicant is seeking a variance from the Board of Zoning Appeals to the required number of parking spaces and that request is being given a favorable staff recommendation.

SUMMARY

The applicant, Bruce Hicks is requesting a rezoning of the property at 109 E. Randolph Street from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse and a special land use permit to allow for use of the existing building at this location for a state-licensed adult foster care, large group home for the aged, providing around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

The available information supports a finding the requests satisfy all of the criteria set forth in the Zoning Ordinance for evaluating rezoning and special land use permit applications, as detailed in this staff report.

RECOMMENDATIONS

Staff recommends approval of Z-1-2022 to rezone the property at 109 E. Randolph Street from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse and SLU-1-2022, for a special land use permit to allow for use of the existing building at 109 E. Randolph Street for a state-licensed adult foster care, large group home for the aged, providing around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

Respectfully Submitted,

Susan Stachowiak
Zoning Administrator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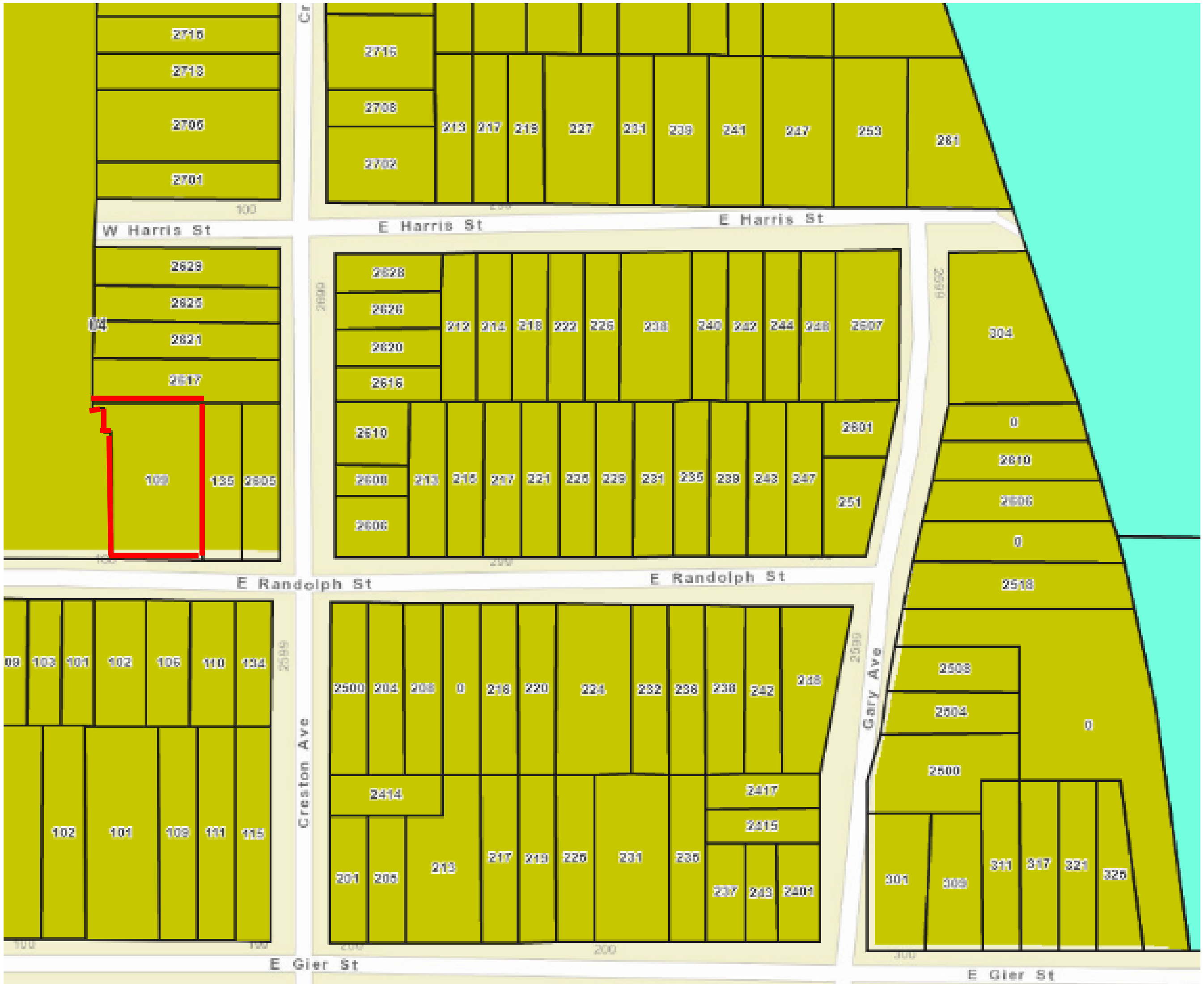
City of Lansing Zoning Map



Zoning Districts

- R-1 - Suburban Detached Res.
- R-2 - Suburban Detached Res.
- R-3 - Suburban Detached Res.
- R-4 - Urban Detached Res.
- R-5 - Urban Detached Res.
- R-6A - Urban Detached Res.
- R-6B - Urban Detached Res.
- R-MX - Residential Mix
- MFR - Multi-Family Residential
- R-AR - Residential Adaptive Reuse
- S-C - Suburban Corridor
- MX-C - Mixed-Use Corridor
- MX-1 - Mixed-Use Neighborhood Center
- MX-2 - Mixed-Use Community Center
- MX-3 - Mixed-Use District Center

North

Z-1-2022 and SLU-1-2022 are requests by Bruce Hicks to rezone 109 E. Randolph Street from R-6A" Urban Detached Residential to 'R-AR" Residential Adaptive Reuse and for a Special Land Use Permit to allow a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents

Staff has recommended approval of the requests as the proposal seems to be a reasonable use of the property and the one which will have the least amount of impact on the surrounding residential neighborhood in terms of traffic, use of on-street parking and level of activity in general.

Following a public hearing at its June 7, 2022, meeting, the Planning Board voted 6-0 to recommend approval as well. At the public hearing, a representative of the adjoining church to the west and the owner of the adjoining house to the east spoke in favor of the requests. 2 letters of objection from residents of the area have been received.

The applicant is seeking a variance to the parking requirement from the Board of Zoning Appeals at its June 9, 2022, meeting. Staff is supporting this request as well.

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

Resolved by the City Council of the City of Lansing that a public hearing be set for Monday, August 22, 2022, at 7 p.m. in the Tony Benavides Lansing City Council Chambers, 10th Floor, Lansing City Hall, 124 W. Michigan Avenue, Lansing, Michigan, for the purpose of approving and/or opposing the Ordinance for rezoning:

Z-1-2022: 109 E. Randolph Street, from “R-6A” Urban Detached Residential to “R-AR” Residential Adaptive Reuse

CITY OF LANSING
NOTICE OF PUBLIC HEARINGS

109 E. Randolph Street
Z-1-2022, Rezoning from “R-6A” Urban Detached Residential
to “R-AR” Residential Adaptive Reuse
SLU-1-2022, Special Land Use Permit – Adult Foster Care Large Group Home

The Lansing City Council will hold a public hearings on Monday, August 22, 2022 at 7:00 p.m. in the Tony Benavides Lansing City Council Chambers, 10th Floor, Lansing City Hall, 124 W. Michigan Avenue, Lansing, Michigan to consider the following requests:

Z-1-2022: Rezoning 109 E. Randolph Street from “R-6A” Urban Detached Residential to “R-AR” Residential Adaptive Reuse.

SLU-1-2022: Special land use permit to utilize the existing building at 109 E. Randolph Street for a 20-bed, state-licensed adult foster care, large group home for the aged.

For more information, please call Lansing City Council at 517-483-4177. If you are interested in this matter, please attend the public hearings or send a representative. Written comments will be accepted between 8 a.m. and 5 p.m. on City business days if received before 5 p.m., Monday, August 22, 2022 at the City Clerk’s Office, Ninth Floor, City Hall, 124 West Michigan Ave., Lansing, MI 48933 or email city.clerk@lansingmi.gov.

Chris Swope, City Clerk

Ordinance #####

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

The City of Lansing ordains:

Section 1. That the district maps adopted by and incorporated as Section 1242.02 of the Code of Ordinances of the City of Lansing, Michigan be amended to provide as follows:

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

Case Number:	Z-1-2022
Parcel Number's:	33-01-01-04-401-072
Addresses:	109 E. Randolph Street
Legal Descriptions:	Lot 17 & part of Lot 18, North Gardens Subdivision and also part of Lot 11, Assessors Plat No 45 lying Easterly of a line commencing 3.3 feet West of the Southeast corner of Lot 11, thence North 137.77 feet, West 9.15 feet, North 28.74 feet, West 13.2 feet, North 02degrees 05minutes20seconds West 8 feet to the Northwest corner of Lot 18 & the point of beginning, North Gardens Subdivision, from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse

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

Section 3. This ordinance was duly adopted by the Lansing City Council on _________, 2022, and a copy is available in the office of the Lansing City Clerk, 9th Floor, City Hall, 124 W. Michigan Avenue, Lansing, MI 48933.

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

To: Planning Office, Dept.
of Economic Development
& Planning

Re: Z-1-2022

Re: SLU-1-2022

Meeting: 5pm June 7, 2022

As an owner of property
in the Randolph Neighborhood
the subject of the re-zoning
proposal.
I am Not in favor of re-zoning
the property for the purpose
you are suggesting.

Mary Yeakley
2629 Chester Ave
Lansing, MI
48906

Stachowiak, Susan

From: toni molano <molano8@yahoo.com>
Sent: Saturday, June 4, 2022 2:21 PM
To: Stachowiak, Susan
Subject: [EXTERNAL] 109 E. Randolph Street, Lansing, MI. 48906

Dear Ms. Stachowiak,

I have received the 2 notifications for both meetings regarding 109 E. Randolph.

I am very opposed to this. We have a very small pocket area here that is fairly safe. There's enough going on in proximity. We do not want this or any type of situation even close to this in our neighborhood. A lot of us are older and quiet and safely are a big concern for us.

By the time I get out of work I am exhausted and not feeling up to doing anything. The price of gas is also an issue keeping me from attending the meetings.

Lansing has turned into a bad area to be. Please do not let this area become worse than it is.

Thank you for your time.

Sincerely,

Toni Molano
2626 Creston Avenue
Lansing, MI. 48906

517-290-9210

Sent from my iPhone

GENERAL INFORMATION

APPLICANT:	Bruce Hicks 1579 Picadilly Drive Haslett, MI 48840
OWNER:	Passionist Sisters Convent 109 E. Randolph Street Lansing, MI 48906
REQUESTED ACTION:	* Rezoning from "R-6A" Urban Detached Residential to 'R-AR" Residential Adaptive Reuse * Special Land Use Permit for a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents
EXISTING LAND USE:	Vacant convent
EXISTING ZONING:	"R-6A" Urban Detached Residential District
PROPERTY SIZE:	16,296 square feet (.374 acres)
SURROUNDING LAND USE:	N: Single Family Residential S: Single Family Residential E: Single Family Residential W: St. Therese Parish Church
SURROUNDING ZONING:	N: "R-6A" Urban Detached Residential District S: "R-6A" Urban Detached Residential District E: "R-6A" Urban Detached Residential District W: "R-6A" Urban Detached Residential District
MASTER PLAN DESIGNATION:	The Design Lansing Master Plan designates the subject property for low density residential use. E. Randolph Street is designated as a local road.

APPLICANT'S REQUESTS

Z-1-2022: Rezoning 109 E. Randolph Street from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse.

SLU-1-2022: Special land use permit to utilize the existing building at 109 E. Randolph Street for a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

BACKGROUND INFORMATION

The building on the subject property has historically been used as a convent for 17 nuns. At one time it would have been located on the same property as the church to its west and the convent would have been considered an accessory use to the church. The subject property was split off from the church property somewhere along the line, although the church allowed the nuns to utilize its parking lot. The church, however, is unwilling to sell or lease any of its parking to a future owner of the property.

The capacity of the convent has decreased over the years and is now entirely vacant. The current owner would like to sell the property but has had difficulty doing so because of the parking situation and because the zoning only allows for single family residential use. There is no room on the site to construct additional parking and given the size of the building, it would be unreasonable to restrict it to a single-family dwelling. The property is located in an area that, except for the church, is almost exclusively single family residential. There needs to be some accommodation for reuse of the building and the only way to do so it to rezone the property and to authorize a variance to the parking requirement. The applicant is in the process of seeking a parking variance and that request will be considered by the Board of Zoning Appeals at its June 9, 2022, meeting. All three requests (variance, rezoning and special land use permit) must be approved in order to permit the group home.

The applicant is requesting that the property be rezoned to R-AR, Residential Adaptive Reuse and a special land use permit approved to allow for use as a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities. The goal is to allow a use for the building that is reasonable and will not negatively impact the surrounding residential neighborhood. The proposed group home seems to be the best use for accomplishing those goals. It will generate a low volume of traffic which is of particular concern since all vehicles related to the facility will have no choice but to use the on-street parking, which is shared by the residents in the area.

REZONING

COMPATIBILITY WITH SURROUNDING LAND USE

Approval of the rezoning, special land use permit and the parking variance will allow the existing building at 109 E. Randolph Street to be used for a low impact residential use, similar in intensity to the historical use of the property as a convent. The proposal, therefore, will not change the general character of the neighborhood. In fact, the proposed 20-bed group home for the aged should have the least amount of impact on the surrounding residential neighborhood of any use that could potentially occupy the existing building. Traffic is expected to be light which will result in a low demand for use of on-street parking in the area and activity associated with the use should be minimal and not generate noise, fumes, light glare or other nuisances that would be disruptive to the neighborhood. If the rezoning, special land use permit or parking variance are not approved, the building will remain vacant and will deteriorate over time which will have a negative impact on the neighborhood.

While the request will result in a "spot" of R-AR zoning in an area that is exclusively zoned R-6A, all properties in the City that are zoned R-AR are spot zones. The whole intent of this zoning district is to allow for adaptive reuse of sites in residential neighborhoods that once contained institutional type that are no longer in operation. It is therefore, going to be site specific zoning rather than zoning for an entire area or multiple adjoining sites.

COMPLIANCE WITH MASTER PLAN

The Design Lansing Comprehensive Plan designates the subject property for low density residential use. It appears that when the Plan was written, it was assumed that the building would remain a convent and thus, no alternative uses for the site were considered. The reason for creating the "R-AR" Residential Adaptive Reuse zoning district was to provide for appropriate reuse of sites that contain vacant schools, churches, and other institutional type buildings in residential neighborhoods so that they can be utilized but in a manner that does not negatively impact the area in which they are located. While the proposed use of the building for a group home is not necessarily consistent with the specific low-density residential land use pattern being advanced in the Comprehensive Plan, it is consistent with a fundamental principle of planning which is to permit uses that are compatible with the area in which they are located.

IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC

The variance is not expected to have any negative impacts on vehicular or pedestrian traffic in the area. A 20-bed home for the aged will generate a relatively low volume of traffic resulting in minimal usage of on-street parking. In fact, since the residents of the facility will not likely be in a position to drive, the traffic on a daily basis will be limited to that of visitors and staff which will only be 5-6 persons during the day and even fewer in the evenings and overnight. This level of traffic will be comparable, if not even lower, that that which was generated by the convent when it housed 17 nuns.

IMPACT ON PUBLIC FACILITIES

Since the proposal involves reuse of an existing residential building for a new residential use, there should be no impact on public facilities as the site is already adequately served by all necessary utilities, street access and on-street parking.

ENVIRONMENTAL IMPACT

No new construction is proposed for the site. It is merely a reuse of an existing building and thus, will have no impact on the natural environment. In fact, the site is not large enough to accommodate any new construction in compliance with applicable zoning ordinance development requirements such as setbacks, lot coverage and parking.

IMPACT ON FUTURE PATTERNS OF DEVELOPMENT

Approval of the rezoning will not negatively impact future patterns of development or set a negative precedent for future requests to rezone property in the area. The subject property is unique in that it contains a large, existing building that is designed for housing multiple individuals and is located on a site that does not have any existing parking and is not large enough to accommodate any new parking. There are no other sites in the general vicinity of the subject property that share these same circumstances and could thus, make the same case for a rezoning or a parking variance.

SPECIAL LAND USE PERMIT

Section 1262.02(f) of the Zoning ordinance sets forth the criteria which must be used to evaluate a Special Land Use permit request. The criteria and evaluation are as follows.

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

   The proposed group home is the use of the building that is anticipated to have the least amount of impact on the surrounding residential neighborhood. The level of traffic, on-street parking, daily number of visitors to the site and activity in general associated with the proposed use is expected to be very low, and comparable to that which was generated by the convent when it was in full use.

   The facility will have to be licensed and maintain licensing by the State of Michigan, Department of Licensing and Regulatory Affairs and will be subject to its oversight and all of its regulations and requirements. The facility will also be subject to inspections by the both the State and the Ingham County Health Department. The facility will be required to provide around the clock, on-site care by qualified staff.

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

   The proposal merely involves reuse of an existing building from one residential use to another. Similar to the convent, the facility will be the home for its residents so it will not involve short-term or transient occupancy. Furthermore, no new construction is proposed for the site and the level of a activity generated by the proposed use will not change the essential character of the area.

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

   See responses to 1 and 2 above.

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

The proposal does not involve any new construction on the site and thus, will have no impact on the natural environment. As described in the above paragraphs of this report, the proposed group home is one of, if not the most appropriate use of the site as the volume of traffic and outdoor activity that it is anticipated to generate will not be at a level that is disruptive to the surrounding residential neighborhood.

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

The proposed group home will produce very little traffic and no smoke, odors, fumes, glare or anything else at a level that would be detrimental or disruptive to the surrounding neighborhood. Furthermore, it is not anticipated that the facility will generate outdoor activities that result in noise from large numbers of people congregating on the site.

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

The site is already served by all necessary public facilities.

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

The proposed facility is very similar to the historical use of the property as a convent and thus, the demand on public services and facilities should not increase to the extent that the demand exceeds current capacity.

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

The Design Lansing Comprehensive Plan designates the subject property for low density residential use. It appears that when the Plan was written, it was assumed that the building would remain a convent and thus, no alternative uses for the site were considered. The reason for creating the “R-AR” Residential Adaptive Reuse zoning district was to provide for appropriate reuse of sites that contain vacant schools, churches, and other institutional type buildings in residential neighborhoods so that they can be utilized but in a manner that does not negatively impact the area in which they are located. While the proposed use of the building for a group home is not necessarily consistent with the specific low-density residential land use pattern being advanced in the Comprehensive Plan, it is consistent with a fundamental principle of planning which is to permit uses that are compatible with the area in which they are located.

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

Since this request does not involve any new construction, the only dimensional requirement that applies is the number of parking spaces required for the proposed use. Section 1254.01.03 of the Zoning Ordinance requires .5 parking spaces for every 2 beds in the facility, plus .25 spaces per unit for visitor/employee parking. The proposed facility will have 20 beds which requires 10 parking spaces. In addition, the current Zoning Ordinance does not permit parking in a front yard and as evidenced by the attached aerial photograph, there is no room in the side or back yards, to accommodate any new parking. The applicant is seeking a variance from the Board of Zoning Appeals to the required number of parking spaces and that request is being given a favorable staff recommendation.

SUMMARY

The applicant, Bruce Hicks is requesting a rezoning of the property at 109 E. Randolph Street from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse and a special land use permit to allow for use of the existing building at this location for a state-licensed adult foster care, large group home for the aged, providing around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

The available information supports a finding the requests satisfy all of the criteria set forth in the Zoning Ordinance for evaluating rezoning and special land use permit applications, as detailed in this staff report.

RECOMMENDATIONS

Staff recommends approval of Z-1-2022 to rezone the property at 109 E. Randolph Street from "R-6A" Urban Detached Residential to "R-AR" Residential Adaptive Reuse and SLU-1-2022, for a special land use permit to allow for use of the existing building at 109 E. Randolph Street for a state-licensed adult foster care, large group home for the aged, providing around the clock care for up to 20 senior residents, operated in accordance with all State of Michigan requirements for such facilities.

Respectfully Submitted,

Susan Stachowiak
Zoning Administrator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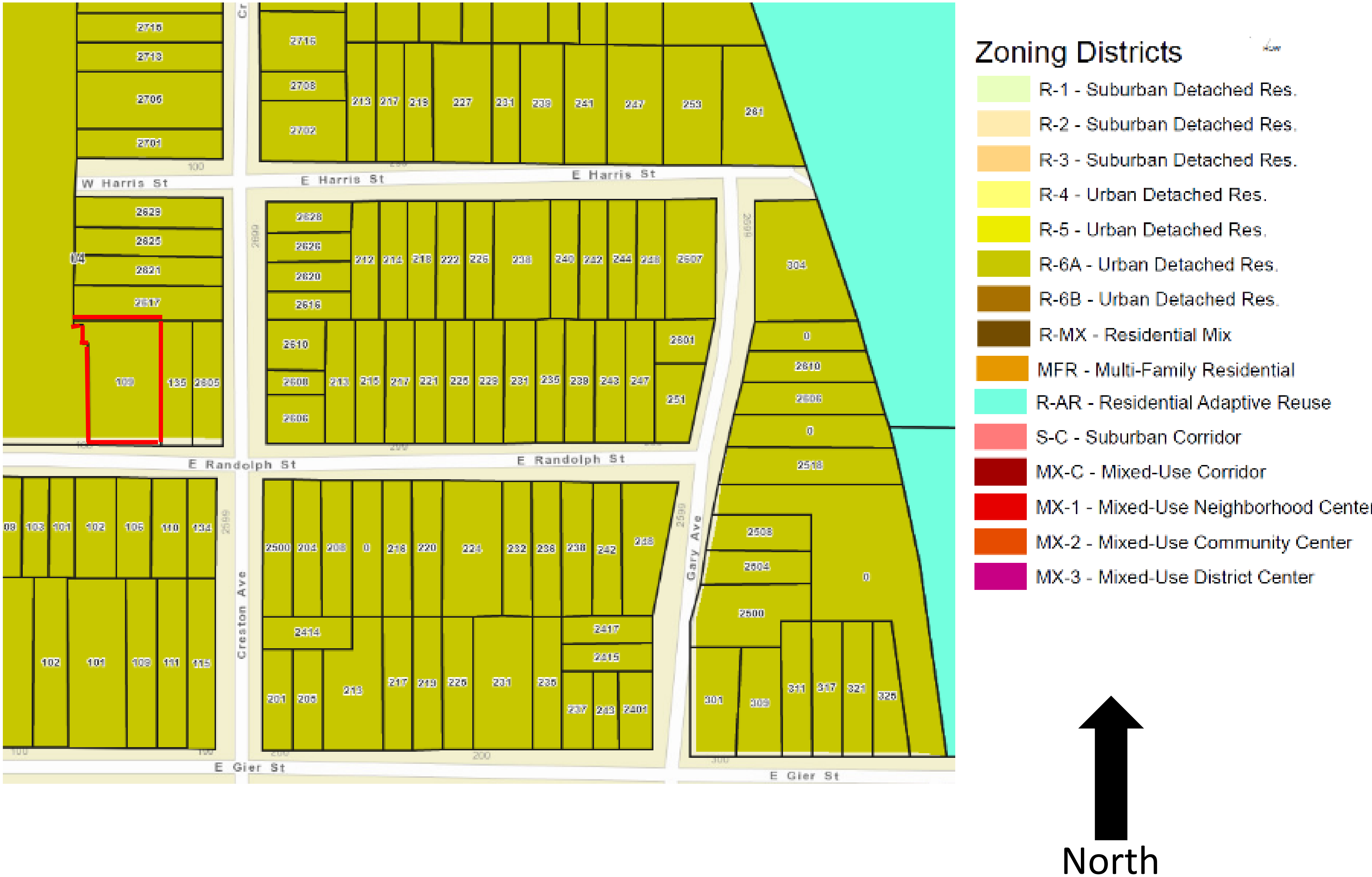
City of Lansing Zoning Map



Z-1-2022 and SLU-1-2022 are requests by Bruce Hicks to rezone 109 E. Randolph Street from R-6A" Urban Detached Residential to 'R-AR" Residential Adaptive Reuse and for a Special Land Use Permit to allow a state-licensed adult foster care, large group home for the aged. The proposal is to provide around the clock care for up to 20 senior residents

Staff has recommended approval of the requests as the proposal seems to be a reasonable use of the property and the one which will have the least amount of impact on the surrounding residential neighborhood in terms of traffic, use of on-street parking and level of activity in general.

Following a public hearing at its June 7, 2022, meeting, the Planning Board voted 6-0 to recommend approval as well. At the public hearing, a representative of the adjoining church to the west and the owner of the adjoining house to the east spoke in favor of the requests. 2 letters of objection from residents of the area have been received.

The applicant is seeking a variance to the parking requirement from the Board of Zoning Appeals at its June 9, 2022, meeting. Staff is supporting this request as well.

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

Resolved by the City Council of the City of Lansing that a public hearing be set for Monday, August 22, 2022, at 7 p.m. in the Tony Benavides Lansing City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of approving and/or opposing the request for a special land use permit:

SLU-1-2022: 109 E. Randolph Street, Special Land Use permit authorizing a 20 bed, state-licensed adult foster care, large group home for the aged

To: Planning Office, Dept.
of Economic Development
& Planning

Re: Z-1-2022

Re: SLU-1-2022

Meeting: 5pm June 7, 2022

As an owner of property
in the Randolph Neighborhood
the subject of the re-zoning
proposal.
I am Not in favor of re-zoning
the property for the purpose
you are suggesting.

Mary Yeakley
2629 Chester Ave
Lansing, MI
48906

Stachowiak, Susan

From: toni molano <molano8@yahoo.com>
Sent: Saturday, June 4, 2022 2:21 PM
To: Stachowiak, Susan
Subject: [EXTERNAL] 109 E. Randolph Street, Lansing, MI. 48906

Dear Ms. Stachowiak,

I have received the 2 notifications for both meetings regarding 109 E. Randolph.

I am very opposed to this. We have a very small pocket area here that is fairly safe. There's enough going on in proximity. We do not want this or any type of situation even close to this in our neighborhood. A lot of us are older and quiet and safely are a big concern for us.

By the time I get out of work I am exhausted and not feeling up to doing anything. The price of gas is also an issue keeping me from attending the meetings.

Lansing has turned into a bad area to be. Please do not let this area become worse than it is.

Thank you for your time.

Sincerely,

Toni Molano
2626 Creston Avenue
Lansing, MI. 48906

517-290-9210

Sent from my iPhone

Department of Economic Development and Planning
Brian McGrain, Director

Andy Schor, Mayor

Development Office
316 N. Capitol Avenue, Suite D-1
Lansing, Michigan 48933
PH: 517.483.4040 – FAX: 517.483.6036
www.lansingmi.gov/development

MEMORANDUM

TO: Mayor Schor

FROM: Barbara Kimmel, Development Manager

DATE: June 30, 2022

SUBJECT: Resolution to set a Public Hearing for

Attached please find a draft Ordinance to add a 4% PILOT for Walter French Apartments. Also, please find a Resolution to set a public hearing for a 4% PILOT request for Walter French Apartments.

Supporting documents included with this PILOT request include the attached signed Prevailing Wage Agreement, Staff Report with analysis of 10%, 6% and 4% PILOTS for this project (reviewed by the Assessors Office), and two (2) Proformas (as the project is being funded in 2 sections as the 3rd floor is using 4% LOHTC and the 1st and 2nd floor are using 9% LIHTC).

ED&P STAFF RECOMMEND FORWARDING THE ATTACHED DRAFT ORDINANCE FOR THE 4% PILOT ALONG WITH THE RESOLUTION TO THE CLERK FOR INCLUSION IN THE CITY COUNCIL AGENDA REQUESTING THE PUBLIC HEARING DATE TO BE SET FOR MONDAY, AUGUST 8TH, 2022.

GENERAL INFORMATION

APPLICANT: (Sponsor/Developer)	Capital Area Housing Partnership 600 W. Maple Street Lansing MI 48906
STATUS OF APPLICANT:	Developer
REQUESTED PILOT:	4% of rents received (less utilities) as payment in lieu of taxes
REQUESTED TERM OF PILOT:	20 years
EXISTING LAND USE:	Commercial
EXISTING ZONING:	MX3-District Mixed-Use Center and R-6A, Urban Detached Residential
PROPERTY SIZE & SHAPE:	9.058-acre rectangular shaped parcel with frontage on Erie Street containing an existing 176,780 square foot former school.
SURROUNDING LAND USE:	N: Commercial, residential S: Commercial, residential E: Commercial W: Commercial, residential
SURROUNDING ZONING FBC:	N: MX3- District Mixed-Use Center and R-6B-Urban Detached Residential S: MX3-District Mixed Use Center and R-6A-Urban Detached Residential E: MX-3-District Mixed-Use Center and MX-1- Neighborhood Mixed-Use Center W: MX-1 Neighborhood Mixed-Use Center and R-6A Urban Detached Res

ANALYSIS

Request and description of project:

Walter French is an adaptive reuse project that utilizes historic tax credits and other sources of funding to create a multi-family affordable housing development that will provide 76 units of rent restricted affordable housing for families at or below 60% of Area Median Income.

The development consists of 76 units, including 39 one-bedroom units, 31 two-bedroom units, and 6 3-bedroom units, each between 650 and 1250 square feet.

This development includes a furnished community room and a gym for residents.

A 6% PILOT Agreement was provided to this project in August of 2021.

The project has received its LIHTC Reservation from MSHDA. Due to increased construction and financing costs, the proposed development with the 6% PILOT is infeasible.

The project is being funded in 2 sections. The 3rd floor is using 4% LIHTC and the 1st and 2nd floor are using 9% LIHTC. Proformas for both sections are included with information submitted to City Council.

The current request for a new 4%, 20-year PILOT allows for increased construction financing, and along with $607,868 of deferred Developer fee the project will be able to move forward.

Financial Analysis (reviewed by the Assessors Office):

		10% PILOT Calculation	6% PILOT Calculation	4% PILOT Calculation	Current Taxes
Gross Rents - 76 units		821,932	821,932	892,150	
Less Vacancy	8%	(65,755)	(65,755)	(71,372)	
Less Landlord Paid Utilities		(63,798)	(63,798)	(63,798)	
Less Water & Sewer		(58,040)	(58,040)	(58,040)	
Net Collected Rents		634,339	634,339	698,940	
					Summer, 2
PILOT Percentage		10%	6%	4%	Winter, 20
PILOT Payment 2023		$ 63,434	$ 38,060	$ 27,958	$21,586

4% PILOT $27,058 x 20 years = $559,160
6% PILOT $38,060 x 20 years = $761,200
10% PILOT $63,434 x 20 years = $1,268,680.00

The loss of revenue to the City to grant the 4% PILOT vs. the 6% Pilot over 20 years is $202,040

RECOMMENDATION

Staff recommends adoption of the 4% PILOT ordinance based on the following:

The proposed project has received a LIHTC Reservation. The proposed development with the original 6% PILOT faces a significant gap in financing as construction and financing costs have increased dramatically. The approval of a new 4%, 20-year PILOT allows for an increased construction financing, and along with deferred developer fee the project will move forward.

The project is consistent with the City's Master Plan and Form Based Code. Redevelopment will help to stabilize the area and encourage redevelopment of adjacent parcels. Occupancy of the completed units will add vitality to the area and increase its overall marketability.

The adoption of a 4% PILOT for the subject property allows the project to be built, providing 76 units of affordable multi-family housing.

Ordinance no. _____________

An ordinance of the City of Lansing, Michigan, to amend the Code of Ordinances of the City of Lansing by adding a new Section 888.32 for the purposes of providing for a service charge in lieu of taxes for seventy-six (76) low-income multi-family dwelling units in a project known as Walter French, pursuant to the provisions of the State Housing Development Authority Act of 1966, (being Public Act 346 of 1966 as amended [MCL 125.1401, et seq.]) (The "Act").

The City of Lansing ordains:

Section 1. That Chapter 888 of the Code of Ordinances of the City of Lansing, Michigan be amended to add a new Section _______ to read as follows:

_______ Walter French

(a) ***Purpose.*** **It is acknowledged that it is a proper public purpose of the state and its political subdivisions to provide housing for its residents of low and moderate income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966, being Public Act 346 of 1966, as amended [MCL 125.1401, et seq.]. The City is authorized by such act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under such act at any amount it chooses, not to exceed the taxes that would be paid but for this act. It is further acknowledged that such housing for persons of low and moderate income is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose.**

(b) ***Definitions.***

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

(2) "*Annual shelter rents*" means the total collections during an agreed annual period from all persons of low or moderate income, occupying the housing development representing rents for occupancy, which rental amounts shall be exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.

(3) "*Authority*" means the Michigan State Housing Development Authority.

(4) "*Housing development" or "Development*" means a development which contains a significant element of housing for persons of low and moderate income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the Authority may determine will improve the quality of the development as it relates to housing for persons of low and moderate income. For the purpose of this section, the name of this development is Walter French, and consists of seventy-six (76) units of rental housing located within Lansing at:

> **That part of Assessor's Plat No.46, on the Northeast ¼ of Section 28, t4n, r2w, City of Lansing, Ingham County, Michigan, recorded in liber 12 of plats, page 7, Ingham County records, beginning on the South right of way line of Mt. Hope avenue, 43.0 feet South of the North Section line, at a point 100.0 feet Easterly of the West line of Lot 5 of said Assessor's Plat No.46, running thence along said right of way line North 89º11'30" East 593.667 feet to a point of curvature; thence Southeasterly 53.53 feet along the arc of a 30 foot radius curve to the right whose chord bears South 39º41'30" East 46.71 feet to the Westerly right of way line of Cedar Street; thence along said Westerly line the following five courses, South 11º25'30" West 118.66 feet; thence Southerly 197.93 feet along the arc of a 917.22 foot radius curse to the left whose chord bears South 5º14'25" West 197.53 feet to a point of tangency; thence South 0º56'30" East 5.43 feet; thence South 10º34'39" West 22.18 feet; thence South 0º56'30" East 83.05 feet; thence South 89º08' West 403.42 feet; thence South 350.30 feet; thence West 268.84 feet; thence North 648.14 feet; thence North 89º11'30" East 100.0 feet; thence North 0º53' West 162.0 feet to the point of beginning**

(5) "*HUD*" means The Department of Housing and Urban Development of the United States government.

(6) "*Low Income Housing Tax Credit Program*" means the program established by section 42 of the United States Internal Revenue Code.

(7) "*Low or moderate income*" means low- or moderate-income eligibility under the Authority Act or Rules.

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

(9) "*Sponsor*" means a person or other entity with a housing development which is financed or assisted pursuant to the act. For purposes of this section, the Sponsor of Walter French is Capital Area Housing Partnership, or its successors or assigns.

(10) "*Utilities*" means fuel, water, sanitary sewer and/or electrical service, which is paid for by the housing development.

(c) *Establishment of annual service charge.*

(1) The City acknowledges that the Sponsor and the Authority have established the economic feasibility of Walter French in reliance upon the enactment and continuing effect of this section and upon the qualification of the seventy-six (76) units of housing in the housing development for exemption from all property taxes as established in this section,

(2) Subject to the conditions and requirements of this section and the Act, the seventy-six (76) units in the housing development for persons of low and moderate income identified as Walter French and the property on which they are constructed shall be exempt from all property taxes for not more than twenty (20) years, commencing with and including tax year 2024.

(3) In lieu of all said property taxes on the seventy-six (76) units in the housing development, the Sponsor shall pay, and the City will accept, an annual service charge for public services in the sum equal to four percent (4%) of the Annual Shelter Rents.

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

(5) In addition to the certification required pursuant to Subsection (c)(4), the Sponsor shall provide for the housing development annually in writing to the City Assessor for the preceding year in which the property tax exemption was in effect:

A. The annual audited accounting report for the Payment In Lieu Of Taxes; and

B. A certified statement identifying all the units rented to persons of low or moderate income; and

C. If requested by the City, proof that the housing development units have not increased, decreased, or been altered in any form, unless the City has otherwise amended the provisions of this section.

(d) ***Limitation on the payment of the annual service charge.*** **Notwithstanding Subsection (c), the service charge to be paid each year in lieu of taxes for the part of the housing development project that is tax exempt and occupied by other than low- or moderate-income persons shall be equal to the full amount of the taxes that would otherwise be due and payable on that portion of the housing development project if the project were not tax exempt.**

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

(f) ***Contractual effect.*** **Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third-party beneficiary under the contract, to provide tax exemption and accept payment in lieu of taxes as previously described, is effectuated by the enactment of this section.**

(g) ***Duration.*** **This section shall remain in effect and shall not terminate for twenty (20) years, commencing with and including tax year 2024, provided that the Sponsor**

complies with the requirements of the act and this section, and further provided that the housing development continues to be rented to low or moderate income persons at rents determined under the Low Income Housing Tax Credit Program, as the same maybe further amended or superseded, or there is an Authority-aided or Federally-aided mortgage on the housing development as provided in the act, or the Authority or HUD has an interest in the property; but in no event beyond December 31, 2043. If (a) the construction of the housing development project does not commence or the Sponsors fail to obtain a mortgage loan within two (2) years from the effective date of this ordinance, or (b) if transfer of title is not effectuated to Walter French Limited Dividend Housing Association Limited Partnership within two (2) years from the effective date of this ordinance or (c) if the Sponsors change the scope or purpose of the seventy-six (76) units of housing within the housing development project without the consent of the City, by and through its representatives, and in accordance with the requirements of the Lansing City charter, and the Sponsor or other responsible party does not cure the violation within ninety (90) days after written notice is given to the Sponsor, then this ordinance shall automatically expire, terminate and be of no further effect.

Section 2. All ordinances, resolutions or rules, ordinances, parts of ordinances, including Ordinance No 1290, dated September 13, 2021, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they pertain to Walter French at the time this exemption commences.

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

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

Development	Walter French 4	**Mortgage Assumptions:**	
Financing	Tax Exempt	Debt Coverage Ratio	1.15
MSHDA No.	3966	Mortgage Interest Rate	5.450%
Step	Commitment	Pay Rate	5.450%
Date	5.2.22	Mortgage Term	40 years
Type	Adaptive Reuse	Income from Operations	No
		PBV and/or Existing Section 8 Assistance	Yes

Instructions

			% of Revenue	Per Unit	Total	Initial Inflation Factor	Beginning in Year	Future Inflation Factor
Total Development Income Potential								
Annual Rental Income				10,733	257,580	1.0%	6	2.0%
Annual Non-Rental Income				73	1,750	1.0%	6	2.0%
Total Project Revenue				10,805	259,330			
Total Development Expenses								
							Future Vacancy	
Vacancy Loss	8.00%	of annual rent potential		859	20,606		6	5.0%
Management Fee	562	per unit per year		562	13,488	3.0%	1	3.0%
Administration				1,136	27,264	3.0%	1	3.0%
Project-paid Fuel				373	8,952	3.0%	6	3.0%
Common Electricity				333	8,000	4.0%	6	3.0%
Water and Sewer				688	16,500	5.0%	6	5.0%
Operating and Maintenance				1,261	30,264	3.0%	1	3.0%
Real Estate Taxes				0		5.0%	1	5.0%
Payment in Lieu of Taxes (PILOT)	4.00%	Applied to: All Units		339	8,141			
Insurance				418	10,032	3.0%	1	3.0%
Replacement Reserve	300	per unit per year		300	7,200	3.0%	1	3.0%
Other:				0		3.0%	1	3.0%
Other:				0		3.0%	1	3.0%
Total Expenses			58.01%	**6,269**	**150,447**			
Base Net Operating Income				4,537	108,883	Override		
Part A Mortgage Payment			36.51%	3,945	94,681			
Part A Mortgage				**64,163**	**1,539,905**			
Non MSHDA Financing Mortgage Payment				0				
Non MSHDA Financing Type:				**0**				
Base Project Cash Flow (excludes ODR)			5.48%	592	14,202			

Development Walter French 4
Financing Tax Exempt
MSHDA No. 3966
Step Commitment
Date 5.2.22
Type Adaptive Reuse

Instructions

Income Limits for	Ingham County				(Effective April 18,2022)	
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
30% of area median	18,600	21,240	23,910	26,550	28,680	30,810
40% of area median	24,800	28,320	31,880	35,400	38,240	41,080
50% of area median	31,000	35,400	39,850	44,250	47,800	51,350
60% of area median	37,200	42,480	47,820	53,100	57,360	61,620

Rental Income

Unit	No. of Units	Unit Type	Bedrooms	Baths	Net Sq. Ft.	Contract Rent	Utilities	Total Housing Expense	Gross Rent	Current Section 8 Contract Rent	% of Gross Rent	% of Total Units	Gross Square Feet	% of Total Square Feet	TC Units Square Feet	Unit Type	Max Allowed Housing Expense
60%	Area Median Income Units																
30%	Tenant AMI Restriction (if different from rent restriction)																
Yes	Local PHA Project Based Voucher Units																
Family	Occupancy																
A	2	Apartment	1	1.0	603	996	0	996	23,904		9.3%	8.3%	1,206	6.7%	1,206	HTF	996
B	1	Apartment	2	1.5	982	1,195	0	1,195	14,340		5.6%	4.2%	982	5.4%	982	HTF	1,195
C							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
									38,244	0	14.8%	12.5%	2,188	12.1%	2,188		
60%	Area Median Income Units																
60%	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
Family	Occupancy																
A	8	Apartment	1	1.0	603	793	77	870	76,128	0	29.6%	33.3%	4,824	26.7%	4,824		996
B	10	Apartment	2	1.5	982	943	107	1,050	113,160	0	43.9%	41.7%	9,820	54.4%	9,820		1,195
C	1	0	0	0.0	0	1,178	127	1,305	14,136	0	5.5%	4.2%	0	0.0%	0		930
D		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									203,424	0	79.0%	79.2%	14,644	81.2%	14,644		
60%	Area Median Income Units																
60%	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
Family	Occupancy																
A	2	Apartment	1	1.0	603	663	77	740	15,912	0	6.2%	8.3%	1,206	6.7%	1,206	High HOME	740
B		Apartment	2	1.5	982		107	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
C		0	0	0.0	0		127	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									15,912	0	6.2%	8.3%	1,206	6.7%	1,206		
Mgrs									0	0	0.0%	0.0%	0	0.0%	0		
													18,038		**18,038**		

Total Revenue Units	**24**
Manager Units	**0**
Income Average	60.00%
Set Aside	100.00%

Gross Rent Potential	**257,580**
Average Monthly Rent	**894**
Gross Square Footage	**18,038**

HOME Units SF/Total Units SF	6.7%	**Within Range**
# HOME Units/# Total Units	8.3%	**Within Range**

Utility Allowances

	Electricity	A/C	Gas	Water/ Sewer	Other	Total	Override
A						0	77.00
B						0	107.00
C						0	127.00
D						0	
E						0	
F						0	
G						0	
H						0	

Annual Non-Rental Income

Misc. and Interest	850
Laundry	900
Carports	
Other:	
Other:	
	1,750

Total Income	**Annual**	**Monthly**
Rental Income	257,580	21,465
Non-Rental Income	1,750	146
Total Project Revenue	259,330	21,611

Development	Walter French 4
Financing	Tax Exempt
MSHDA No.	3966
Step	Commitment
Date	5.2.22
Type	Adaptive Reuse

Instructions

TOTAL DEVELOPMENT COSTS

		Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis
Acquisition						
Land		0		0%	0	0
Existing Buildings		0		100%	0	0
Other:		0		0%	0	0
	Subtotal	**0**	**0**			
Construction/Rehabilitation						
Off Site Improvements		0		100%	0	0
On-site Improvements		0		100%	0	0
Landscaping and Irrigation		0		100%	0	0
Structures		177,356	4,256,547	100%	4,256,547	4,256,547
Community Building and/or Maintenance Facility		0		100%	0	0
Construction not in Tax Credit basis (i.e.Carports and Commercial Space)		0		0%	0	0
General Requirements	% of Contract 4.98% **Within Range**	8,824	211,774	100%	211,774	211,774
Builder Overhead	% of Contract 2.00% **Within Range**	3,724	89,366	100%	89,366	89,366
Builder Profit	% of Contract 6.00% **Within Range**	11,394	273,461	100%	273,461	273,461
Permits, Bond Premium, Tap Fees, Cost Cert.		4,702	112,843	100%	112,843	112,843
Other:		0		100%	0	0
	Subtotal	**206,000**	**4,943,991**			
	15% of acquisition and $15,000/unit test:		**met**			
Professional Fees						
Design Architect Fees		3,416	81,984	100%	81,984	81,984
Supervisory Architect Fees		854	20,496	100%	20,496	20,496
Engineering/Survey		1,111	26,660	100%	26,660	26,660
Legal Fees		775	18,600	100%	18,600	18,600
	Subtotal	**6,156**	**147,740**			
Interim Construction Costs						
Property & Casualty Insurance		233	5,580	100%	5,580	5,580
Construction Loan Interest	Override	5,441	130,588	73%	94,973	94,973
Title Work		323	7,750	100%	7,750	0
Construction Taxes		438	10,500	100%	10,500	10,500
Other:		0		100%	0	0
	Subtotal	**6,434**	**154,418**			
Permanent Financing						
Loan Commitment Fee to MSHDA	2%	3,878	93,063	0%	0	0
Other:		0		0%	0	0
	Subtotal	**3,878**	**93,063**			
Other Costs (In Basis)						
Application Fee		83	2,000	100%	2,000	2,000
Market Study		161	3,875	100%	3,875	3,875
Environmental Studies		155	3,720	100%	3,720	3,720
Cost Certification		167	4,000	100%	4,000	4,000
Equipment and Furnishings		833	20,000	100%	20,000	0
Temporary Tenant Relocation		0		100%	0	0
Construction Contingency		26,695	640,674	100%	640,674	640,674
Appraisal and C.N.A.		146	3,500	100%	3,500	3,500
Other:		0		100%	0	0
	Subtotal	**28,240**	**677,769**			
Other Costs (NOT In Basis)						
Start-up and Organization		208	5,000	0%	0	0
Tax Credit Fees (based on 2022 QAP)	15,278 **Within Range**	637	15,279	0%	0	0
Compliance Monitoring Fee (based on 2022 QAP)		475	11,400	0%	0	0
Marketing Expense		417	10,000	0%	0	0
Syndication Legal Fees		1,875	45,000	0%	0	0
Rent Up Allowance	6.0 months	2,127	51,049	0%	0	0
Other:		0		0%	0	0
	Subtotal	**5,739**	**137,728**			

Summary of Acquisition Price		As of	
Attributed to Land	0	1st Mortgage Balance	
Attributed to Existing Structures	0	Subordinate Mortgage(s)	
Other:	0	Subordinate Mortgage(s)	
Fixed Price to Seller	0	Subordinate Mortgage(s)	
		Premium/(Deficit) vs Existing Debt	0

Construction Loan Term	Months
Construction Contract	16
Holding Period (50% Test)	
Rent Up Period	6
Construction Loan Period	22

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

Override

		Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis	**OAR Funded Yr 1**	**4 Month OAR**
Project Reserves								
Operating Assurance Reserve	4.0 months Funded in Cas	3,405	81,709	0%	0	0	81,709	81,709
Replacement Reserve	Required	700	16,800	0%	0	0		
Operating Deficit Reserve		0	0	0%	0	0		
Rent Subsidy Reserve		0	0	0%	0	0		
Syndicator Held Reserve		0	0	0%	0	0		
Rent Lag Escrow		0	0	0%	0	0		
Tax and Insurance Escrows		0	0	0%	0	0		
Other:		0		0%	0	0		
Other:		0		0%	0	0		
	Subtotal	**4,105**	**98,509**					
Miscellaneous								
Deposit to Development Operating Account (1MGRP)	Not Required	0	0	0%	0	0		
Other (Not in Basis):		0	0	0%	0	0		
Other (In Basis):		0	0	100%	0	0		
Other (In Basis):		0	0	100%	0	0		
	Subtotal	**0**	**0**					
Total Acquisition Costs		**0**	**0**					
Total Construction Hard Costs		**206,000**	**4,943,991**					
Total Non-Construction ("Soft") Costs		**54,551**	**1,309,227**					
Developer Overhead and Fee								
Maximum 930,595		**38,775**	**930,595**	100%	930,595	930,595		
7.5% of Acquisition/Project Reserves	Override		**5% Attribution Test**					
15% of All Other Development Costs			**met**					
Total Development Cost		**299,326**	**7,183,813**					

LIHTC Basis	**Historic Basis**	**221(d)(3) Limit**	**Aggregate Basis**
6,818,898	**6,791,148**	4,239,265	**6,818,898**
		Non-elevator	

TOTAL DEVELOPMENT SOURCES

		% of TDC	Per Unit	Total	# of Units	Gap to Hard Debt Ratio	Home Subsidy Limit	HOME Unit Mix	HTF Unit Mix
MSHDA Permanent Mortgage		21.44%	64,163	1,539,905					
Conventional/Other Mortgage		0.00%	0	0					
Equity Contribution from Tax Credit Syndication		25.84%	77,352	1,856,441					
MSHDA NSP Funds		0.00%	0		0.00	66.77%	375,298	1 One Bedroom	1 One Bedroom, 1 Bath, (
MSHDA HOME		1.87%	5,583	134,000	3.00			1 Two Bedroom	1 Two Bedroom, 1.5 Bath
Mortgage Resource Funds		10.58%	31,667	760,000				1 Zero Bedroom	1 Zero Bedroom, 0 Bath, (
MSHDA Housing Trust Funds or TCAP		2.30%	6,875	165,000	3.00				
Local HOME		0.00%	0						
Income from Operations		0.15%	458	10,983					
Other Equity	HTC as determined by Alliant	15.13%	45,291	1,086,976					
Transferred Reserves:		0.00%	0	0					
Other:	CDBG City of Lansing	10.44%	31,250	750,000	**Deferred Dev Fee**				
Other:	Owner equity	8.73%	26,139	627,335					
Deferred Developer Fee		3.52%	10,549	253,173	27.21%				
Total Permanent Sources				**7,183,813**					

Sources Equal Uses?	**Balanced**
Surplus/(Gap)	**0**

MSHDA Construction Loan	**50.03%**	**149,757**	**3,594,158**
Construction Loan Rate	5.450%		
Repaid from equity prior to final closing			**2,054,253**

Eligible Basis for LIHTC/TCAP		**Value of LIHTC/TCAP**		
Acquisition	0	Acquisition	0	
Construction	5,460,668	Construction	218,427	Override
Acquisition Credit %	4.00%	Total Yr Credit	218,427	
Rehab/New Const Credit %	4.00%	Equity Price	$0.8500	
Qualified Percentage	100.00%	Equity Effective Price	$0.8500	Override
QCT/DDA Basis Boost	100%	Equity Contribution	1,856,441	
Historic?	Yes			

Initial Owner's Equity Calculation	
Equity Contribution from Tax Credit Syndication	1,856,441
Brownfield Equity	
Historic Tax Credit Equity	1,086,976
General Partner Capital Contributions	
Other Equity Sources	
New Owner's Equity	**2,943,417**

Existing Reserve Analysis			
DCE Interest:		Current Owner's Reserves:	0
Insurance:		Reserves Transferred in to Project	0
Taxes:		Tax/Ins Escrows transferred to project	0
Rep. Reserve:			
ORC:			
DCE Principal:			
Other:			

Development Walter French 4
Financing Tax Exempt
MSHDA No. 3966
Step Commitment
Date 5.2.22
Type Adaptive Reuse

Amenities Check List

	Ceiling Fan				
	Coat Closet				
	Dishwasher				
	Exterior Storage				
	Frost Free Refridgerator				
	Garbage Disposal				
	Individual Entry				
	Microwave				
	Mini-blinds				
	Patio/balcany				
	Self-cleaning oven				
	Walk-in closet				
	Basketball Court				
	Playground				
	Clubhouse				
	Community room				
	Computer / Business Center				
	Elevator				
	Exercise room				
	On-site management				
	Picnic area				
	Other:				
	Laundry Type:				
	Air Conditioning:				
	Security: Lighting				
	Security: Intercom				
	Security: Other				
	Carport	Fee ($):		# of spaces:	
	Attached Garage	Fee ($):		# of spaces:	
	Detached Garage	Fee ($):		# of spaces:	

Congregate Facilities

	24-hour on-site management
	Activities
	Emergency Pullcord
	Healthcare services
	Housekeeping
	Activities director
	Library
	Movie theatre
	Transportation services

Development Walter French 4
Financing Tax Exempt
MSHDA No. 3966
Step Commitment
Date 5.2.22
Type Adaptive Reuse

Replacement Reserve Analysis

Cost Inflation	103%
RR Period	20

Min. Deposit	16,800
15 Year	0
20 Year	0

Required Initial Deposit **16,800**
Per Unit **700**

Year	Starting Balance	RR Needs	Contribution	Net Annual Change	Interest	Ending Balance
1	16,800		7,200	7,200	504	24,504
2	24,504		7,416	7,416	735	32,655
3	32,655		7,638	7,638	980	41,273
4	41,273		7,868	7,868	1,238	50,379
5	50,379		8,104	8,104	1,511	59,994
6	59,994		8,347	8,347	1,800	70,141
7	70,141		8,597	8,597	2,104	80,842
8	80,842		8,855	8,855	2,425	92,122
9	92,122		9,121	9,121	2,764	104,007
10	104,007		9,394	9,394	3,120	116,521
11	116,521		9,676	9,676	3,496	129,693
12	129,693		9,966	9,966	3,891	143,551
13	143,551		10,265	10,265	4,307	158,123
14	158,123		10,573	10,573	4,744	173,440
15	173,440		10,891	10,891	5,203	**189,534**
16	189,534		11,217	11,217	5,686	206,437
17	206,437		11,554	11,554	6,193	224,184
18	224,184		11,901	11,901	6,726	242,810
19	242,810		12,258	12,258	7,284	262,352
20	262,352		12,625	12,625	7,871	**282,848**

Total Units	24
Interest Rate on Reserves	3%
Year 1 RR Deposits	300
Min Initial Deposit ($700/unit)	16800

Cash Flow Projections

Development Walter French 4
Financing Tax Exempt
MSHDA No. 3966
Step Commitment
Date 5.2.22
Type Adaptive Reuse

	Initial Inflator	Starting in Yr	Future Inflator		1	2	3	4	5	6	7	8	9	10
Income														
Annual Rental Income	1.0%	6	2.0%		257,580	260,156	262,757	265,385	268,039	273,400	278,868	284,445	290,134	295,936
Annual Non-Rental Income	1.0%	6	2.0%		1,750	1,768	1,785	1,803	1,821	1,857	1,895	1,933	1,971	2,011
Total Project Revenue					**259,330**	**261,923**	**264,543**	**267,188**	**269,860**	**275,257**	**280,762**	**286,377**	**292,105**	**297,947**
Expenses														
Vacancy Loss	8.0%	6	5.0%		20,606	20,812	21,021	21,231	21,443	13,670	13,943	14,222	14,507	14,797
Management Fee	3.0%	1	3.0%		13,488	13,893	14,309	14,739	15,181	15,636	16,105	16,589	17,086	17,599
Administration	3.0%	1	3.0%		27,264	28,082	28,924	29,792	30,686	31,606	32,555	33,531	34,537	35,573
Project-paid Fuel	3.0%	6	3.0%		8,952	9,221	9,497	9,782	10,076	10,378	10,689	11,010	11,340	11,680
Common Electricity	4.0%	6	3.0%		8,000	8,320	8,653	8,999	9,359	9,640	9,929	10,227	10,533	10,849
Water and Sewer	5.0%	6	5.0%		16,500	17,325	18,191	19,101	20,056	21,059	22,112	23,217	24,378	25,597
Operating and Maintenance	3.0%	1	3.0%		30,264	31,172	32,107	33,070	34,062	35,084	36,137	37,221	38,338	39,488
Real Estate Taxes	5.0%	1	5.0%		0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)					8,141	8,179	8,216	8,251	8,284	8,746	8,888	9,031	9,175	9,321
Insurance	3.0%	1	3.0%		10,032	10,333	10,643	10,962	11,291	11,630	11,979	12,338	12,708	13,089
Replacement Reserve	3.0%	1	3.0%		7,200	7,416	7,638	7,868	8,104	8,347	8,597	8,855	9,121	9,394
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses					150,447	154,753	159,200	163,794	168,541	165,796	170,933	176,241	181,723	187,388
Debt Service														
Debt Service Part A					94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681
Debt Service Conventional/Other Financing					0	0	0	0	0	0	0	0	0	0
Total Expenses					**245,128**	**249,433**	**253,881**	**258,475**	**263,222**	**260,476**	**265,614**	**270,921**	**276,404**	**282,068**
Cash Flow/(Deficit)					**14,202**	**12,490**	**10,662**	**8,713**	**6,638**	**14,781**	**15,148**	**15,456**	**15,701**	**15,879**
Cash Flow Per Unit					592	520	444	363	277	616	631	644	654	662
Debt Coverage Ratio on Part A Loan					1.15	1.13	1.11	1.09	1.07	1.16	1.16	1.16	1.17	1.17
Debt Coverage Ratio on Conventional/Other Financing					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	3%				Average Cash Flow as % of Net Income									
Operating Deficit Reserve (ODR) Analysis														
Maintained Debt Coverage Ratio (Hard Debt)	1.00													
Maintained Operating Reserve (No Hard Debt)	250			Initial Deposit										
Initial Balance				**0**	0	0	0	0	0	0	0	0	0	0
Total Annual Draw to achieve 1.0 DCR					0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR					0	0	0	0	0	0	0	0	0	0
Total 1.0 DCR and Maintained DCR					0	0	0	0	0	0	0	0	0	0
Interest					0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR					0	0	0	0	0	0	0	0	0	0
Maintained Cash Flow Per Unit					592	520	444	363	277	616	631	644	654	662
Maintained Debt Coverage Ratio on Part A Loan					1.15	1.13	1.11	1.09	1.07	1.16	1.16	1.16	1.17	1.17
Maintained Debt Coverage Ratio on Conventional/Other					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR				**0**										
Non-standard ODR				**0**										
Operating Assurance Reserve Analysis				81,709										
Required in Year:	1			Initial Deposit										
Initial Balance				**81,709**	81,709	84,161	86,685	89,286	91,965	94,723	97,565	100,492	103,507	106,612
Interest Income					2,451	2,525	2,601	2,679	2,759	2,842	2,927	3,015	3,105	3,198
Ending Balance					84,161	86,685	89,286	91,965	94,723	97,565	100,492	103,507	106,612	109,810
Deferred Developer Fee Analysis														
Initial Balance					253,173	238,971	226,481	215,819	207,106	200,468	185,688	170,540	155,083	139,382
Dev Fee Paid					14,202	12,490	10,662	8,713	6,638	14,781	15,148	15,456	15,701	15,879
Ending Balance — Repaid in y	0				238,971	226,481	215,819	207,106	200,468	185,688	170,540	155,083	139,382	123,504
Mortgage Resource Fund Loan														
Interest Rate on Subordinate Financing	3%			Initial Balance										
Principal Amount of all MSHDA Soft Funds				**760,000**	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
Current Yr Int					22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800
Accrued Int					0	22,800	45,600	68,400	91,200	114,000	136,800	159,600	182,400	205,200
Subtotal				% of Cash Flow	782,800	805,600	828,400	851,200	874,000	896,800	919,600	942,400	965,200	988,000
Annual Payment Due				**50%**	0	0	0	0	0	0	0	0	0	0
Year End Balance					782,800	805,600	828,400	851,200	874,000	896,800	919,600	942,400	965,200	988,000

Cash Flow Projections

	Initial Inflator	Starting in Yr	Future Inflator		11	12	13	14	15	16	17	18	19	20
Income														
Annual Rental Income	1.0%	6	2.0%		301,855	307,892	314,050	320,331	326,738	333,273	339,938	346,737	353,671	360,745
Annual Non-Rental Income	1.0%	6	2.0%		2,051	2,092	2,134	2,176	2,220	2,264	2,310	2,356	2,403	2,451
Total Project Revenue					**303,906**	**309,984**	**316,184**	**322,507**	**328,958**	**335,537**	**342,248**	**349,092**	**356,074**	**363,196**
Expenses														
Vacancy Loss	8.0%	6	5.0%		15,093	15,395	15,703	16,017	16,337	16,664	16,997	17,337	17,684	18,037
Management Fee	3.0%	1	3.0%		18,127	18,671	19,231	19,808	20,402	21,014	21,644	22,294	22,962	23,651
Administration	3.0%	1	3.0%		36,641	37,740	38,872	40,038	41,239	42,476	43,751	45,063	46,415	47,808
Project-paid Fuel	3.0%	6	3.0%		12,031	12,392	12,763	13,146	13,541	13,947	14,365	14,796	15,240	15,697
Common Electricity	4.0%	6	3.0%		11,175	11,510	11,856	12,211	12,578	12,955	13,344	13,744	14,156	14,581
Water and Sewer	5.0%	6	5.0%		26,877	28,221	29,632	31,113	32,669	34,302	36,017	37,818	39,709	41,695
Operating and Maintenance	3.0%	1	3.0%		40,672	41,892	43,149	44,444	45,777	47,150	48,565	50,022	51,522	53,068
Real Estate Taxes	5.0%	1	5.0%		0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)					9,467	9,615	9,764	9,914	10,065	10,216	10,369	10,522	10,675	10,829
Insurance	3.0%	1	3.0%		13,482	13,887	14,303	14,732	15,174	15,630	16,098	16,581	17,079	17,591
Replacement Reserve	3.0%	1	3.0%		9,676	9,966	10,265	10,573	10,891	11,217	11,554	11,901	12,258	12,625
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses					193,240	199,288	205,538	211,996	218,672	225,571	232,704	240,077	247,701	255,583
Debt Service														
Debt Service Part A					94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681	94,681
Debt Service Conventional/Other Financing					0	0	0	0	0	0	0	0	0	0
Total Expenses					**287,921**	**293,969**	**300,218**	**306,677**	**313,352**	**320,252**	**327,385**	**334,758**	**342,381**	**350,264**
Cash Flow/(Deficit)					**15,985**	**16,016**	**15,966**	**15,831**	**15,605**	**15,285**	**14,863**	**14,334**	**13,693**	**12,932**
Cash Flow Per Unit					666	667	665	660	650	637	619	597	571	539
Debt Coverage Ratio on Part A Loan					1.17	1.17	1.17	1.17	1.16	1.16	1.16	1.15	1.14	1.14
Debt Coverage Ratio on Conventional/Other Financing					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	3%													
Operating Deficit Reserve (ODR) Analaysis														
Maintained Debt Coverage Ratio (Hard Debt)	1.00													
Maintained Operating Reserve (No Hard Debt)	250			Initial Deposit										
Initial Balance				**0**	0	0	0	0	0	0	0	0	0	0
Total Annual Draw to achieve 1.0 DCR					0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR					0	0	0	0	0	0	0	0	0	0
Total 1.0 DCR and Maintained DCR					0	0	0	0	0	0	0	0	0	0
Interest					0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR					0	0	0	0	0	0	0	0	0	0
Maintained Cash Flow Per Unit					666	667	665	660	650	637	619	597	571	539
Maintained Debt Coverage Ratio on Part A Loan					1.17	1.17	1.17	1.17	1.16	1.16	1.16	1.15	1.14	1.14
Maintained Debt Coverage Ratio on Conventional/Other					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR				**0**										
Non-standard ODR				**0**										
Operating Assurance Reserve Analysis				81,709										
Required in Year:	1			Initital Deposit										
Initial Balance				**81,709**	109,810	113,105	116,498	119,993	123,593	127,300	131,119	135,053	139,105	143,278
Interest Income					3,294	3,393	3,495	3,600	3,708	3,819	3,934	4,052	4,173	4,298
Ending Balance					113,105	116,498	119,993	123,593	127,300	131,119	135,053	139,105	143,278	147,576
Deferred Developer Fee Analysis														
Initial Balance					123,504	107,519	91,503	75,538	59,707	44,101	28,817	13,954	0	0
Dev Fee Paid					15,985	16,016	15,966	15,831	15,605	15,285	14,863	13,954	0	0
Ending Balance — Repaid in y	0				107,519	91,503	75,538	59,707	44,101	28,817	13,954	0	0	0
Mortgage Resource Fund Loan														
Interest Rate on Subordinate Financing	3%			Initial Balance										
Principal Amount of all MSHDA Soft Funds				**760,000**	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
Current Yr Int					22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800	22,800
Accrued Int					228,000	250,800	273,600	296,400	319,200	342,000	364,800	387,600	410,210	426,163
Subtotal				% of Cash Flow	1,010,800	1,033,600	1,056,400	1,079,200	1,102,000	1,124,800	1,147,600	1,170,400	1,193,010	1,208,963
Annual Payment Due				**50%**	0	0	0	0	0	0	0	190	6,846	6,466
Year End Balance					1,010,800	1,033,600	1,056,400	1,079,200	1,102,000	1,124,800	1,147,600	1,170,210	1,186,163	1,202,497

Development	Walter French 9%
Financing	Taxable
MSHDA No.	4022
Step	Commitment
Date	5.1.2022
Type	Adaptive Reuse

Mortgage Assumptions:

Debt Coverage Ratio	1.15	
Mortgage Interest Rate	6.250%	
Pay Rate	6.250%	
Mortgage Term	40	years
Income from Operations	No	
PBV and/or Existing Section 8 Assistance	Yes	

Instructions

Total Development Income Potential					Per Unit	Total	Initial Inflation Factor	Beginning in Year	Future Inflation Factor
Annual Rental Income					12,170	632,820	1.0%	6	2.0%
Annual Non-Rental Income					34	1,750	1.0%	6	2.0%
Total Project Revenue					12,203	634,570			
Total Development Expenses									
								Future Vacancy	
Vacancy Loss	8.00%	of annual rent potential			974	50,626		6	5.0%
Management Fee	562	per unit per year			562	29,224	3.0%	1	3.0%
Administration					941	48,942	3.0%	1	3.0%
Project-paid Fuel					748	38,890	3.0%	6	3.0%
Common Electricity					615	32,000	4.0%	6	3.0%
Water and Sewer					688	35,776	5.0%	6	5.0%
Operating and Maintenance					1,261	65,572	3.0%	1	3.0%
Real Estate Taxes					0		5.0%	1	5.0%
Payment in Lieu of Taxes (PILOT)	4.00%	Applied to:	All Units		366	19,021			
Insurance					392	20,368	3.0%	1	3.0%
Replacement Reserve	300	per unit per year			300	15,600	3.0%	1	3.0%
Other: Audit/Synd					163	8,468	3.0%	1	3.0%
Other:					0		3.0%	1	3.0%

	% of Revenue			
Total Expenses	57.44%	**7,009**	**364,487**	
Base Net Operating Income		5,194	270,083	Override
Part A Mortgage Payment	37.01%	4,516	234,855	
Part A Mortgage		**66,293**	**3,447,223**	
Non MSHDA Financing Mortgage Payment		0		
Non MSHDA Financing Type:		**0**		
Base Project Cash Flow (excludes ODR)	5.55%	677	35,228	

Development	Walter French 9%
Financing	Taxable
MSHDA No.	4022
Step	Commitment
Date	5.1.2022
Type	Adaptive Reuse

Instructions

Income Limits for	Ingham County		(Effective April 18,2022)			
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
30% of area median	18,600	21,240	23,910	26,550	28,680	30,810
40% of area median	24,800	28,320	31,880	35,400	38,240	41,080
50% of area median	31,000	35,400	39,850	44,250	47,800	51,350
60% of area median	37,200	42,480	47,820	53,100	57,360	61,620

Rental Income

Unit	No. of Units	Unit Type	Bedrooms	Baths	Net Sq. Ft.	Contract Rent	Utilities	Total Housing Expense	Gross Rent	Current Section 8 Contract Rent	% of Gross Rent	% of Total Units	Gross Square Feet	% of Total Square Feet	TC Units Square Feet	Unit Type	Max Allowed Housing Expense
60%	Area Median Income Units																
30%	Tenant AMI Restriction (if different from rent restriction)																
Yes	Local PHA Project Based Voucher Units																
Family	Occupancy																
A	3	Apartment	1	1.0	600	996	0	996	35,856		5.7%	5.8%	1,800	4.6%	1,800		996
B	6	Apartment	2	1.5	850	1,195	0	1,195	86,040		13.6%	11.5%	5,100	12.9%	5,100		1,195
C	4	Apartment	3	2.0	1,250	1,380	0	1,380	66,240		10.5%	7.7%	5,000	12.7%	5,000		1,380
D							0	0	0		0.0%	0.0%	0	0.0%	0		N/A
									188,136	0	29.7%	25.0%	11,900	30.2%	11,900		
60%	Area Median Income Units																
40%	Tenant AMI Restriction (if different from rent restriction)																
Yes	Local PHA Project Based Voucher Units																
Family	Occupancy																
A	3	Apartment	1	1.0	600	996	0	996	35,856	0	5.7%	5.8%	1,800	4.6%	1,800		996
B	1	Apartment	2	1.5	850	1,195	0	1,195	14,340	0	2.3%	1.9%	850	2.2%	850		1,195
C		Apartment	3	2.0	1,250		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									50,196	0	7.9%	7.7%	2,650	6.7%	2,650		
60%	Area Median Income Units																
30%	Tenant AMI Restriction (if different from rent restriction)																
Yes	MSHDA Project Based Voucher Units																
Family	Occupancy																
A	12	Apartment	1	1.0	600	920	0	920	132,480	0	20.9%	23.1%	7,200	18.3%	7,200		996
B	7	Apartment	2	1.5	850	1,123	0	1,123	94,332	0	14.9%	13.5%	5,950	15.1%	5,950		1,195
C		Apartment	3	2.0	1,250		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									226,812	0	35.8%	36.5%	13,150	33.3%	13,150		
60%	Area Median Income Units																
60%	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
Family	Occupancy																
A	9	Apartment	1	1.0	600	793	77	870	85,644	0	13.5%	17.3%	5,400	13.7%	5,400		996
B	6	Apartment	2	1.5	850	943	107	1,050	67,896	0	10.7%	11.5%	5,100	12.9%	5,100		1,195
C	1	Apartment	3	2.0	1,250	1,178	127	1,305	14,136	0	2.2%	1.9%	1,250	3.2%	1,250		1,380
									167,676	0	26.5%	30.8%	11,750	29.8%	11,750		
	Area Median Income Units																
	Tenant AMI Restriction (if different from rent restriction)																
	MSHDA Project Based Voucher Units																
	Occupancy																
A		Apartment	1	1.0	600		77	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
B		Apartment	2	1.5	850		107	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
C		Apartment	3	2.0	1,250		127	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
D		0	0	0.0	0		0	0	0	0	0.0%	0.0%	0	0.0%	0		N/A
									0	0	0.0%	0.0%	0	0.0%	0		
Mgrs									0	0	0.0%	0.0%	0	0.0%	0		
													39,450		**39,450**		

Total Revenue Units	**52**
Manager Units	**0**
Income Average	60.00%
Set Aside	100.00%

Gross Rent Potential	**632,820**
Average Monthly Rent	**1,014**
Gross Square Footage	**39,450**

HOME Units SF/Total Units SF	0.0%	**Within Range**
# HOME Units/# Total Units	0.0%	**Within Range**

Utility Allowances

	Electricity	A/C	Gas	Water/ Sewer	Other	Total	Override
A						0	77.00
B						0	107.00
C						0	127.00
D						0	
E						0	
F						0	
G						0	
H						0	

Annual Non-Rental Income

Misc. and Interest	850
Laundry	900
Carports	
Other:	
Other:	
	1,750

Total Income	**Annual**	**Monthly**
Rental Income	632,820	52,735
Non-Rental Income	1,750	146
Total Project Revenue	634,570	52,881

Development Walter French 9%
Financing Taxable
MSHDA No. 4022
Step Commitment
Date 5.1.2022
Type Adaptive Reuse

Instructions

TOTAL DEVELOPMENT COSTS

		Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis
Acquisition						
Land		0		0%	0	0
Existing Buildings		0		100%	0	0
Other:		0		0%	0	0
	Subtotal	0	0			
Construction/Rehabilitation						
Off Site Improvements		0		100%	0	0
On-site Improvements		12,426	646,134	100%	646,134	0
Landscaping and Irrigation		0		100%	0	0
Structures		187,918	9,771,745	100%	9,771,745	9,771,745
Community Building and/or Maintenance Facility		0		100%	0	0
Construction not in Tax Credit basis (i.e.Carports and Commercial Space		9,615	500,000	0%	0	0
General Requirements	% of Contract 5.74% Within Range	12,051	626,677	100%	626,677	626,677
Builder Overhead	% of Contract 2.00% Within Range	4,440	230,891	100%	230,891	230,891
Builder Profit	% of Contract 6.00% Out of Range	13,587	706,527	100%	706,527	706,527
Permits, Bond Premium, Tap Fees, Cost Cert.		5,080	264,158	100%	264,158	264,158
Other:		0		100%	0	0
	Subtotal	245,118	12,746,132			
	15% of acquisition and $15,000/unit test:		met			
Professional Fees						
Design Architect Fees		8,738	454,400	100%	454,400	454,400
Supervisory Architect Fees		2,338	121,600	100%	121,600	121,600
Engineering/Survey		1,066	55,420	100%	55,420	55,420
Legal Fees		796	41,400	100%	41,400	41,400
	Subtotal	12,939	672,820			
Interim Construction Costs						
Property & Casualty Insurance		239	12,420	100%	12,420	12,420
Construction Loan Interest	Override	7,636	397,085	73%	288,789	288,789
Title Work		447	23,250	100%	23,250	0
Construction Taxes		604	31,400	100%	31,400	31,400
Other:		769	40,000	100%	40,000	40,000
	Subtotal	9,695	504,155			
Permanent Financing						
Loan Commitment Fee to MSHDA	2%	3,665	190,601	0%	0	0
Other:		0		0%	0	0
	Subtotal	3,665	190,601			
Other Costs (In Basis)						
Application Fee		48	2,500	100%	2,500	2,500
Market Study		250	13,000	100%	13,000	13,000
Environmental Studies		692	36,000	100%	36,000	36,000
Cost Certification		154	8,000	100%	8,000	8,000
Equipment and Furnishings		1,592	82,800	100%	82,800	0
Temporary Tenant Relocation		0		100%	0	0
Construction Contingency		25,963	1,350,091	100%	1,350,091	1,350,091
Appraisal and C.N.A.		80	4,140	100%	4,140	4,140
Other:		77	4,000	100%	4,000	4,000
	Subtotal	28,856	1,500,531			
Other Costs (NOT In Basis)						
Start-up and Organization		169	8,762	0%	0	0
Tax Credit Fees (based on 2022 QAP)	95,023 Out of Range	1,665	86,599	0%	0	0
Compliance Monitoring Fee (based on 2022 QAP)		475	24,700	0%	0	0
Marketing Expense		0		0%	0	0
Syndication Legal Fees		1,154	60,000	0%	0	0
Rent Up Allowance	6.0 months	2,450	127,420	0%	0	0
Other:		0		0%	0	0
	Subtotal	5,913	307,481			

Project Reserves		Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis

		Per Unit	Total	% in Basis	Included in Tax Credit Basis	Included in Historic TC Basis
Project Reserves						
Operating Assurance Reserv 4.0 months	Funded in Cas	3,842	199,781	0%	0	0
Replacement Reserve	Required	700	36,400	0%	0	0
Operating Deficit Reserve		0	0	0%	0	0
Rent Subsidy Reserve		0	0	0%	0	0
Syndicator Held Reserve		0	0	0%	0	0
Rent Lag Escrow		0	0	0%	0	0
Tax and Insurance Escrows		0	0	0%	0	0
Other: Support Service Reserve		4,904	255,000	0%	0	0
Other:		0		0%	0	0
	Subtotal	9,446	491,181			
Miscellaneous						
Deposit to Development Operating Account (1MGRF	Not Required	0	0	0%	0	0
Other (Not in Basis):		0	0	0%	0	0
Other (In Basis):		0	0	100%	0	0
Other (In Basis):		0	0	100%	0	0
	Subtotal	0	0			
Total Acquisition Costs		0	0			
Total Construction Hard Costs		245,118	12,746,132			
Total Non-Construction ("Soft") Costs		70,515	3,666,769			
Developer Overhead and Fee						
Maximum 1,500,000		28,846	1,500,000	100%	1,500,000	1,500,000
7.5% of Acquisition/Project Reserves	Override		5% Attribution Test			
15% of All Other Development Costs			met			
Total Development Cost		344,479	17,912,901			

OAR Funded Yr 1	4 Month OAR
199,781	199,781

LIHTC Basis	Historic Basis	221(d)(3) Limit	Aggregate Basis
16,315,342	15,563,158	9,544,619	16,315,342
		Non-elevator	

TOTAL DEVELOPMENT SOURCES

		% of TDC	Per Unit	Total
MSHDA Permanent Mortgage		19.24%	66,293	3,447,223
Conventional/Other Mortgage		0.00%	0	0
Equity Contribution from Tax Credit Syndication		67.65%	233,055	12,118,876
MSHDA NSP Funds		0.00%	0	
MSHDA HOME		0.00%	0	
Mortgage Resource Funds		0.00%	0	
MSHDA Housing Trust Funds or TCAP		0.00%	0	
Local HOME		0.00%	0	
Income from Operations		0.15%	511	26,568
Other Equity	HTC per Alliant Numbers	9.56%	32,930	1,712,366
Transferred Reserves:		0.00%	0	0
Other:		0.00%	0	
Other:		0.00%	0	
Deferred Developer Fee		3.39%	11,690	607,868
Total Permanent Sources				17,912,901

# of Units	Gap to Hard Debt Ratio	Home Subsidy Limit	HOME Unit Mix	HTF Unit Mix
0.00	0.00%	0	0 One Bedroor	0 One Bedroom, 1 Bath,
0.00			0 Two Bedroor	0 Two Bedroom, 1.5 Bath
0.00			0 Three Bedroo	0 Three Bedroom, 2 Bath

Deferred Dev Fee
40.52%

Sources Equal Uses?	**Balanced**
Surplus/(Gap)	**0**

MSHDA Construction Loan	**53.20%**	**183,270**	**9,530,028**
Construction Loan Rate 6.250%			
Repaid from equity prior to final closing			6,082,805

Eligible Basis for LIHTC/TCAP		Value of LIHTC/TCAP		
Acquisition	0	Acquisition	0	
Construction	15,843,253	Construction	1,425,893	Override
Acquisition Credit %	4.00%	Total Yr Credit	1,425,893	
Rehab/New Const Credit %	9.00%	Equity Price	$0.8500	
Qualified Percentage	100.00%	Equity Effective Price	$0.8500	Override
QCT/DDA Basis Boost	120%	Equity Contribution	12,118,876	
Historic?	Yes			

Existing Reserve Analysis			
DCE Interest:		Current Owner's Reserves:	0
Insurance:		Reserves Transferred in to Project	0
Taxes:		Tax/Ins Escrows transferred to project	0
Rep. Reserve:			
ORC:			
DCE Principal:			
Other:			

Summary of Acquisition Price		As of	
Attributed to Land	0	1st Mortgage Balance	
Attributed to Existing Structure	0	Subordinate Mortgage(s)	
Other:	0	Subordinate Mortgage(s)	
Fixed Price to Seller	0	Subordinate Mortgage(s)	
		Premium/(Deficit) vs Existing Debt	0

Construction Loan Term	Months
Construction Contract	16
Holding Period (50% Test)	
Rent Up Period	6
Construction Loan Period	22

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

Override

Initial Owner's Equity Calculation	
Equity Contribution from Tax Credit Syndication	12,118,876
Brownfield Equity	
Historic Tax Credit Equity	
General Partner Capital Contributions	
Other Equity Sources	
New Owner's Equity	**12,118,876**

Development Walter French 9%
Financing Taxable
MSHDA No. 4022
Step Commitment
Date 5.1.2022
Type Adaptive Reuse

Amenities Check List

	Ceiling Fan				
	Coat Closet				
	Dishwasher				
	Exterior Storage				
	Frost Free Refridgerator				
	Garbage Disposal				
	Individual Entry				
	Microwave				
	Mini-blinds				
	Patio/balcany				
	Self-cleaning oven				
	Walk-in closet				
	Basketball Court				
	Playground				
	Clubhouse				
	Community room				
	Computer / Business Center				
	Elevator				
	Exercise room				
	On-site management				
	Picnic area				
	Other:				
	Laundry Type:				
	Air Conditioning:				
	Security: Lighting				
	Security: Intercom				
	Security: Other				
	Carport	Fee ($):		# of spaces:	
	Attached Garage	Fee ($):		# of spaces:	
	Detached Garage	Fee ($):		# of spaces:	

Congregate Facilities

	24-hour on-site management
	Activities
	Emergency Pullcord
	Healthcare services
	Housekeeping
	Activities director
	Library
	Movie theatre
	Transportation services

Development	Walter French 9%
Financing	Taxable
MSHDA No.	4022
Step	Commitment
Date	5.1.2022
Type	Adaptive Reuse

Replacement Reserve Analysis

Cost Inflation	103%	Min. Deposit	36,400
RR Period	20	15 Year	0
		20 Year	0

Required Initial Deposit	**36,400**
Per Unit	**700**

Year	Starting Balance	RR Needs	Contribution	Net Annual Change	Interest	Ending Balance
1	36,400		15,600	15,600	1,092	53,092
2	53,092		16,068	16,068	1,593	70,753
3	70,753		16,550	16,550	2,123	89,425
4	89,425		17,047	17,047	2,683	109,155
5	109,155		17,558	17,558	3,275	129,987
6	129,987		18,085	18,085	3,900	151,972
7	151,972		18,627	18,627	4,559	175,158
8	175,158		19,186	19,186	5,255	199,599
9	199,599		19,762	19,762	5,988	225,348
10	225,348		20,354	20,354	6,760	252,463
11	252,463		20,965	20,965	7,574	281,002
12	281,002		21,594	21,594	8,430	311,026
13	311,026		22,242	22,242	9,331	342,599
14	342,599		22,909	22,909	10,278	375,786
15	375,786		23,596	23,596	11,274	**410,656**
16	410,656		24,304	24,304	12,320	447,280
17	447,280		25,033	25,033	13,418	485,732
18	485,732		25,784	25,784	14,572	526,088
19	526,088		26,558	26,558	15,783	568,429
20	568,429		27,355	27,355	17,053	**612,836**

Total Units	52
Interest Rate on Reserves	3%
Year 1 RR Deposits	300
Min Initial Deposit ($700/unit)	36400

Cash Flow Projections

Development Walter French 9%
Financing Taxable
MSHDA No. 4022
Step Commitment
Date 5.1.2022
Type Adaptive Reuse

	Initial Inflator	Starting in Yr	Future Inflator		1	2	3	4	5	6	7	8	9	10
Income														
Annual Rental Income	1.0%	6	2.0%		632,820	639,148	645,540	651,995	658,515	671,685	685,119	698,821	712,798	727,054
Annual Non-Rental Income	1.0%	6	2.0%		1,750	1,768	1,785	1,803	1,821	1,857	1,895	1,933	1,971	2,011
Total Project Revenue					**634,570**	**640,916**	**647,325**	**653,798**	**660,336**	**673,543**	**687,014**	**700,754**	**714,769**	**729,064**
Expenses														
Vacancy Loss	8.0%	6	5.0%		50,626	51,132	51,643	52,160	52,681	33,584	34,256	34,941	35,640	36,353
Management Fee	3.0%	1	3.0%		29,224	30,101	31,004	31,934	32,892	33,879	34,895	35,942	37,020	38,131
Administration	3.0%	1	3.0%		48,942	50,410	51,923	53,480	55,085	56,737	58,439	60,192	61,998	63,858
Project-paid Fuel	3.0%	6	3.0%		38,890	40,057	41,258	42,496	43,771	45,084	46,437	47,830	49,265	50,743
Common Electricity	4.0%	6	3.0%		32,000	33,280	34,611	35,996	37,435	38,559	39,715	40,907	42,134	43,398
Water and Sewer	5.0%	6	5.0%		35,776	37,565	39,443	41,415	43,486	45,660	47,943	50,340	52,857	55,500
Operating and Maintenance	3.0%	1	3.0%		65,572	67,539	69,565	71,652	73,802	76,016	78,296	80,645	83,065	85,557
Real Estate Taxes	5.0%	1	5.0%		0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)					19,021	19,085	19,143	19,197	19,246	20,352	20,671	20,992	21,316	21,642
Insurance	3.0%	1	3.0%		20,368	20,979	21,608	22,257	22,924	23,612	24,320	25,050	25,802	26,576
Replacement Reserve	3.0%	1	3.0%		15,600	16,068	16,550	17,047	17,558	18,085	18,627	19,186	19,762	20,354
Other: Audit/Synd	3.0%	1	3.0%		8,468	8,722	8,984	9,253	9,531	9,817	10,111	10,415	10,727	11,049
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses					364,487	374,937	385,733	396,887	408,411	401,384	413,712	426,440	439,585	453,160
Debt Service														
Debt Service Part A					234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855
Debt Service Conventional/Other Financing					0	0	0	0	0	0	0	0	0	0
Total Expenses					**599,342**	**609,792**	**620,588**	**631,742**	**643,266**	**636,239**	**648,567**	**661,295**	**674,440**	**688,015**
Cash Flow/(Deficit)					**35,228**	**31,124**	**26,737**	**22,057**	**17,070**	**37,303**	**38,447**	**39,458**	**40,329**	**41,049**
Cash Flow Per Unit					677	599	514	424	328	717	739	759	776	789
Debt Coverage Ratio on Part A Loan					1.15	1.13	1.11	1.09	1.07	1.16	1.16	1.17	1.17	1.17
Debt Coverage Ratio on Conventional/Other Financing					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	3%				Average Cash Flow as % of Net Income									
Operating Deficit Reserve (ODR) Analysis														
Maintained Debt Coverage Ratio (Hard Debt)	1.00													
Maintained Operating Reserve (No Hard Debt)	250			Initial Deposit										
Initial Balance				**0**	0	0	0	0	0	0	0	0	0	0
Total Annual Draw to achieve 1.0 DCR					0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR					0	0	0	0	0	0	0	0	0	0
Total 1.0 DCR and Maintained DCR					0	0	0	0	0	0	0	0	0	0
Interest					0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR					0	0	0	0	0	0	0	0	0	0
Maintained Cash Flow Per Unit					677	599	514	424	328	717	739	759	776	789
Maintained Debt Coverage Ratio on Part A Loan					1.15	1.13	1.11	1.09	1.07	1.16	1.16	1.17	1.17	1.17
Maintained Debt Coverage Ratio on Conventional/Other					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR				**0**										
Non-standard ODR				**0**										
Operating Assurance Reserve Analysis				199,781										
Required in Year:	1			Initial Deposit										
Initial Balance				**199,781**	199,781	205,774	211,947	218,306	224,855	231,600	238,548	245,705	253,076	260,668
Interest Income					5,993	6,173	6,358	6,549	6,746	6,948	7,156	7,371	7,592	7,820
Ending Balance					205,774	211,947	218,306	224,855	231,600	238,548	245,705	253,076	260,668	268,488
Deferred Developer Fee Analysis														
Initial Balance					607,868	572,640	541,516	514,779	492,723	475,653	438,349	399,902	360,444	320,115
Dev Fee Paid					35,228	31,124	26,737	22,057	17,070	37,303	38,447	39,458	40,329	41,049
Ending Balance — Repaid in y	0				572,640	541,516	514,779	492,723	475,653	438,349	399,902	360,444	320,115	279,066
Mortgage Resource Fund Loan														
Interest Rate on Subordinate Financing	3%			Initial Balance										
Principal Amount of all MSHDA Soft Funds				**0**	0	0	0	0	0	0	0	0	0	0
Current Yr Int					0	0	0	0	0	0	0	0	0	0
Accrued Int					0	0	0	0	0	0	0	0	0	0
Subtotal				% of Cash Flow	0	0	0	0	0	0	0	0	0	0
Annual Payment Due				**50%**	0	0	0	0	0	0	0	0	0	0
Year End Balance					0	0	0	0	0	0	0	0	0	0

Cash Flow Projections

	Initial Inflator	Starting in Yr	Future Inflator		11	12	13	14	15	16	17	18	19	20
Income														
Annual Rental Income	1.0%	6	2.0%		741,595	756,427	771,555	786,986	802,726	818,781	835,156	851,859	868,897	886,275
Annual Non-Rental Income	1.0%	6	2.0%		2,051	2,092	2,134	2,176	2,220	2,264	2,310	2,356	2,403	2,451
Total Project Revenue					**743,646**	**758,519**	**773,689**	**789,163**	**804,946**	**821,045**	**837,466**	**854,215**	**871,299**	**888,725**
Expenses														
Vacancy Loss	8.0%	6	5.0%		37,080	37,821	38,578	39,349	40,136	40,939	41,758	42,593	43,445	44,314
Management Fee	3.0%	1	3.0%		39,275	40,453	41,666	42,916	44,204	45,530	46,896	48,303	49,752	51,244
Administration	3.0%	1	3.0%		65,774	67,747	69,780	71,873	74,029	76,250	78,538	80,894	83,320	85,820
Project-paid Fuel	3.0%	6	3.0%		52,265	53,833	55,448	57,111	58,825	60,589	62,407	64,279	66,208	68,194
Common Electricity	4.0%	6	3.0%		44,700	46,041	47,422	48,845	50,310	51,819	53,374	54,975	56,625	58,323
Water and Sewer	5.0%	6	5.0%		58,275	61,189	64,249	67,461	70,834	74,376	78,095	81,999	86,099	90,404
Operating and Maintenance	3.0%	1	3.0%		88,123	90,767	93,490	96,295	99,184	102,159	105,224	108,381	111,632	114,981
Real Estate Taxes	5.0%	1	5.0%		0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)					21,971	22,302	22,634	22,969	23,305	23,642	23,981	24,321	24,661	25,002
Insurance	3.0%	1	3.0%		27,373	28,194	29,040	29,911	30,808	31,733	32,685	33,665	34,675	35,715
Replacement Reserve	3.0%	1	3.0%		20,965	21,594	22,242	22,909	23,596	24,304	25,033	25,784	26,558	27,355
Other: Audit/Synd	3.0%	1	3.0%		11,380	11,722	12,073	12,436	12,809	13,193	13,589	13,996	14,416	14,849
Other:	3.0%	1	3.0%		0	0	0	0	0	0	0	0	0	0
Subtotal: Operating Expenses					467,181	481,663	496,622	512,075	528,040	544,535	561,578	579,190	597,391	616,201
Debt Service														
Debt Service Part A					234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855	234,855
Debt Service Conventional/Other Financing					0	0	0	0	0	0	0	0	0	0
Total Expenses					**702,036**	**716,518**	**731,477**	**746,930**	**762,895**	**779,390**	**796,433**	**814,045**	**832,246**	**851,056**
Cash Flow/(Deficit)					**41,610**	**42,001**	**42,212**	**42,233**	**42,051**	**41,655**	**41,032**	**40,170**	**39,054**	**37,670**
Cash Flow Per Unit					800	808	812	812	809	801	789	772	751	724
Debt Coverage Ratio on Part A Loan					1.18	1.18	1.18	1.18	1.18	1.18	1.17	1.17	1.17	1.16
Debt Coverage Ratio on Conventional/Other Financing					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate on Reserves	3%													
Operating Deficit Reserve (ODR) Analaysis														
Maintained Debt Coverage Ratio (Hard Debt)	1.00													
Maintained Operating Reserve (No Hard Debt)	250			Initial Deposit										
Initial Balance				**0**	0	0	0	0	0	0	0	0	0	0
Total Annual Draw to achieve 1.0 DCR					0	0	0	0	0	0	0	0	0	0
Total Annual Deposit to achieve Maintained DCR					0	0	0	0	0	0	0	0	0	0
Total 1.0 DCR and Maintained DCR					0	0	0	0	0	0	0	0	0	0
Interest					0	0	0	0	0	0	0	0	0	0
Ending Balance at Maintained DCR					0	0	0	0	0	0	0	0	0	0
Maintained Cash Flow Per Unit					800	808	812	812	809	801	789	772	751	724
Maintained Debt Coverage Ratio on Part A Loan					1.18	1.18	1.18	1.18	1.18	1.18	1.17	1.17	1.17	1.16
Maintained Debt Coverage Ratio on Conventional/Other					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Standard ODR				**0**										
Non-standard ODR				**0**										
Operating Assurance Reserve Analysis				199,781										
Required in Year:	1			Initital Deposit										
Initial Balance				**199,781**	268,488	276,543	284,839	293,385	302,186	311,252	320,589	330,207	340,113	350,316
Interest Income					8,055	8,296	8,545	8,802	9,066	9,338	9,618	9,906	10,203	10,509
Ending Balance					276,543	284,839	293,385	302,186	311,252	320,589	330,207	340,113	350,316	360,826
Deferred Developer Fee Analysis														
Initial Balance					279,066	237,456	195,455	153,243	111,010	68,959	27,304	0	0	0
Dev Fee Paid					41,610	42,001	42,212	42,233	42,051	41,655	27,304	0	0	0
Ending Balance — Repaid in y	0				237,456	195,455	153,243	111,010	68,959	27,304	0	0	0	0
Mortgage Resource Fund Loan														
Interest Rate on Subordinate Financing	3%			Initial Balance										
Principal Amount of all MSHDA Soft Funds				**0**	0	0	0	0	0	0	0	0	0	0
Current Yr Int					0	0	0	0	0	0	0	0	0	0
Accrued Int					0	0	0	0	0	0	0	0	0	0
Subtotal				% of Cash Flow	0	0	0	0	0	0	0	0	0	0
Annual Payment Due				**50%**	0	0	0	0	0	0	0	0	0	0
Year End Balance					0	0	0	0	0	0	0	0	0	0

June 28, 2022

Capital Area Housing Partnership("Owner")
Attn:

Re: Prevailing Wage ("Davis-Bacon") Determination for Walter French(the "Development")

To Whom it May Concern:

City of Lansing policy requires the enforcement of the Davis-Bacon Act and other federal labor standards and requirements with respect to all housing developments receiving a benefit from the City of Lansing. The City of Lansing has agreed to grant tax exempt status to the Development and to accept a payment in lieu of taxes pursuant to the contract between the City of Lansing and the Owner. The Davis-Bacon Act requires the Owner and the Contractor to agree to pay prevailing wages to all laborers and mechanics providing work at the Development, and to certify the payment of those prevailing wage rates. The applicable Davis-Bacon prevailing wage determinations for this Development are as set forth by the Michigan Department of Labor and Economic Opportunity. The Federal Labor Standards provisions are also attached to this letter.

Please indicate your agreement to pay at least the greater of (1) the minimum hourly wage rate established by Michigan law or (2) the basic hourly prevailing wage rates set by the Michigan Department of Labor and Economic Opportunity and to comply with Federal Labor Standards during the construction of the Development by indicating your concurrence in the spaces provided for that purpose below. These prevailing wage determinations must be incorporated into the Construction Contract between the Owner and the Contractor (the "Contract"). The Owner and Contractor must also certify to the City of Lansing on a quarterly basis, beginning in ______________________, and ending upon completion of construction (as evidenced by the issuance of Certificates of Occupancy or equivalent on all of the units in the Development), that all laborers and mechanics have been paid prevailing wages as required by this Letter and under the Contract. The Certification issued by the Owner shall be in the form attached hereto as Exhibit A.

Sincerely,

CITY OF LANSING

By:________________________________

We hereby agree to require the Contractor to comply with the prevailing wage and other requirements contained in this letter, and to incorporate these requirements and the Federal Labor Standards Provisions in the Contract and each subcontract, as set forth in Exhibit B.

The provisions of this Letter may be enforced by the Owner, the City of Lansing, the U.S. Department of Labor, and, to the extent permitted by law, any person intended to be benefitted by them. A breach of the provisions of this Letter shall be considered a material breach of the Contract and shall give the Owner the rights following a default under the Contract. A breach of the provisions of this Letter may also result in the debarment of the Contractor from future participation in U.S. Government contracts under 29 CFR Part 98.

SPONSOR:
Capital Area Housing Partnership
By: Rawley Van Fossen
Its: Executive Director

Rawley Van Fossen

We hereby agree to comply with the prevailing wage and other requirements listed in this letter and agree that these requirements are hereby incorporated in the Contract. We further agree that representatives of each of the foregoing parties with enforcement rights shall have full and free access, during working hours and after reasonable notice, to all our labor- related books of account and records, including, but not limited to, time sheets, company payrolls and certified payrolls, relating to the work under the Contract, including the right to make excerpts or transcripts from such books of account and records and related and supporting documents and statements. We further agree that we shall promptly respond to all requests for information made by the City of Lansing respecting compliance with these requirements.

We shall further cause and require to be included in all subcontracts a provision that representatives of the City of Lansing shall have full and free access, during working hours and after reasonable notice, to all labor-related books of account and records, including, but not limited to, time sheets, company payrolls and certified payrolls, of the subcontractor relating to the work under the Contract, including the right to make excerpts or transcripts from such books of account and records and related and supporting documents and statements.

GENERAL CONTRACTOR:
Rohde Construction Company, Inc.

By: Chad White
Its: President

ORDINANCE #1271

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF LANSING BY ADDING A NEW SECTION 888.32 FOR THE PURPOSES OF PROVIDING FOR A SERVICE CHARGE IN LIEU OF TAXES FOR SEVENTY-SIX (76) LOW INCOME MULTI-FAMILY DWELLING UNITS IN A PROJECT KNOWN AS WALTER FRENCH, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AS AMENDED.

THE CITY OF LANSING ORDAINS:

SECTION 1. That Chapter 888 of the Code of Ordinances of the City of Lansing, Michigan be amended to add a new Section 888.32 to read as follows:

888.32 WALTER FRENCH

(A) *PURPOSE.* IT IS ACKNOWLEDGED THAT IT IS A PROPER PUBLIC PURPOSE OF THE STATE AND ITS POLITICAL SUBDIVISIONS TO PROVIDE HOUSING FOR ITS RESIDENTS OF LOW AND MODERATE INCOME AND TO ENCOURAGE THE DEVELOPMENT OF SUCH HOUSING BY PROVIDING FOR A SERVICE CHARGE IN LIEU OF PROPERTY TAXES IN ACCORDANCE WITH THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, BEING PUBLIC ACT 346 OF 1966, AS AMENDED [MCL 125.1401, ET SEQ.]. THE CITY IS AUTHORIZED BY SUCH ACT TO ESTABLISH OR CHANGE THE SERVICE CHARGE TO BE PAID IN LIEU OF TAXES BY ANY OR ALL CLASSES OF HOUSING EXEMPT FROM TAXATION UNDER SUCH ACT AT ANY AMOUNT IT CHOOSES, NOT TO EXCEED THE TAXES THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT SUCH HOUSING FOR PERSONS OF LOW AND MODERATE INCOME IS A PUBLIC NECESSITY, AND AS THE CITY WILL BE BENEFITED AND IMPROVED BY SUCH HOUSING, THE ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE.

(B) *DEFINITIONS.*

(1) "*ACT*" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, BEING PUBLIC ACT 346 OF 1966, AS AMENDED.

(2) "*ANNUAL SHELTER RENTS*" MEANS THE TOTAL COLLECTIONS DURING AN AGREED ANNUAL PERIOD FROM ALL PERSONS OF LOW OR MODERATE INCOME, OCCUPYING THE HOUSING DEVELOPMENT REPRESENTING RENTS FOR OCCUPANCY, WHICH RENTAL AMOUNTS SHALL BE EXCLUSIVE OF CHARGES FOR GAS, ELECTRICITY, HEAT OR OTHER UTILITIES FURNISHED TO THE OCCUPANTS.

(3) "*AUTHORITY*" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY.

(4) "*HOUSING DEVELOPMENT " OR " DEVELOPMENT*" MEANS A DEVELOPMENT WHICH CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR PERSONS OF LOW AND MODERATE INCOME AND SUCH ELEMENTS OF OTHER HOUSING, COMMERCIAL, RECREATIONAL, INDUSTRIAL,

COMMUNAL AND EDUCATIONAL FACILITIES AS THE AUTHORITY MAY DETERMINE WILL IMPROVE THE QUALITY OF THE DEVELOPMENT AS IT RELATES TO HOUSING FOR PERSONS OF LOW AND MODERATE INCOME. FOR THE PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS WALTER FRENCH, AND CONSISTS OF SEVENTY-SIX (76) UNITS OF RENTAL HOUSING LOCATED WITHIN LANSING AT:

THAT PART OF ASSESSOR'S PLAT NO. 46, ON THE NORTHEAST ¼ OF SECTION 28, T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED IN LIBER 12 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS, BEGINNING ON THE SOUTH RIGHT OF WAY LINE OF MT. HOPE AVENUE, 43.0 FEET SOUTH OF THE NORTH SECTION LINE, AT A POINT 100.0 FEET EASTERLY OF THE WEST LINE OF LOT 5 OF SAID ASSESSOR'S PLAT NO. 46, RUNNING THENCE ALONG SAID RIGHT OF WAY LINE NORTH 89º11'30" EAST 593.667 FET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY 53.53 FEET ALONG THE ARC OF A 30 FOOT RADIUS CURVE TO THE RIGHT WHOSE CHORD BEARS SOUTH 39º41'30" EAST 46.71 FEET TO THE WESTERLY RIGHT OF WAY LINE OF CEDAR STREET; THENCE ALONG SAID WESTERLY LINE THE FOLLOWING FIVE COURSES, SOUTH 11º25'30" WEST 118.66 FEET; THENCE SOUTHERLY 197.93 FEET ALONG THE ARC OF A 917.22 FOOT RADIUS CURSE TO THE LEFT WHOSE CHORD BEARS SOUTH 5º14'25" WEST 197.53 FEET TO A POINT OF TANGENCY; THENCE SOUTH 0º56'30" EAST 5.43 FEET; THENCE SOUTH 10º34'39" WEST 22.18 FEET; THENCE SOUTH 0º56'30" EAST 83.05 FEET; THENCE SOUTH 89º08' WEST 403.42 FEET; THENCE SOUTH 350.30 FEET; THENCE WEST 268.84 FEET; THENCE NORTH 648.14 FEET; THENCE NORTH 89º11'30" EAST 100.0 FEET; THENCE NORTH 0º53' WEST 162.0 FEET TO THE POINT OF BEGINNING; ALSO LOT 65 OF CHITTENDEN'S SUBDIVISION OF A PART OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 28, T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED IN LIBER 5 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS.

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

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

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

(8) "*MORTGAGE LOAN*" MEANS A LOAN TO BE MADE BY A PRIVATE ENTITY AND INSURED BY HUD, OR A LOAN FROM THE AUTHORITY FOR THE FINANCING OF THE PURCHASE AND REHABILITATION OF THE HOUSING DEVELOPMENT.

(9) "PREVAILING WAGE" MEANS THE WAGES AND FRINGE BENEFITS RECEIVED BY MECHANICS AND LABORERS THAT ARE AT LEAST THE

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

(10)"*SPONSOR*" MEANS A PERSON OR OTHER ENTITY WITH A HOUSING DEVELOPMENT WHICH IS FINANCED OR ASSISTED PURSUANT TO THE ACT. FOR PURPOSES OF THIS SECTION, THE SPONSOR OF WALTER FRENCH IS CAPITAL AREA HOUSING PARTNERSHIP, OR ITS SUCCESSORS OR ASSIGNS.

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

(C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

(1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF WALTER FRENCH IN RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION AND UPON THE QUALIFICATION OF THE SEVENTY-SIX (76) UNITS OF HOUSING IN THE HOUSING DEVELOPMENT FOR EXEMPTION FROM ALL PROPERTY TAXES AS ESTABLISHED IN THIS SECTION, AND PROVIDED THAT PREVAILING WAGE IS PAID FOR ALL WORK PERFORMED AT THE HOUSING DEVELOPMENT AFTER THE ENACTMENT OF THIS SECTION.

(2) SUBJECT TO THE CONDITIONS AND REQUIREMENTS OF THIS SECTION AND THE ACT, THE SEVENTY-SIX (76) UNITS IN THE HOUSING DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS WALTER FRENCH AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL BE EXEMPT FROM ALL PROPERTY TAXES FOR NOT MORE THAN TWENTY (20) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2023.

(3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE SEVENTY-SIX (76) UNITS IN THE HOUSING DEVELOPMENT, THE SPONSOR SHALL PAY, AND THE CITY WILL ACCEPT, AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES, IN THE SUM EQUAL TO, SIX PERCENT (6%) OF THE DIFFERENCE BETWEEN THE ANNUAL SHELTER RENTS ACTUALLY COLLECTED AND UTILITIES.

(4) THE EXEMPTION PROVIDED UNDER THIS SECTION SHALL COMMENCE WHEN THE SPONSOR COMPLIES WITH SECTION 15A(1) OF 1966 PA 346, AS AMENDED, CODIFIED AS MCL 125.415A(1), WHICH PROVIDES: THE OWNER OF A HOUSING PROJECT ELIGIBLE FOR THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER (THE CITY ASSESSOR) A NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY THAT THE PROJECT IS ELIGIBLE

FOR THE EXEMPTION. THE OWNER THEN SHALL FILE OR CAUSE TO BE FILED THE CERTIFIED NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE EXEMPTION IS TO BEGIN.

(5) IN ADDITION TO THE CERTIFICATION REQUIRED PURSUANT TO SUBSECTION (C)(4), THE SPONSOR SHALL PROVIDE FOR THE HOUSING DEVELOPMENT ANNUALLY IN WRITING TO THE CITY ASSESSOR FOR THE PRECEDING YEAR IN WHICH THE PROPERTY TAX EXEMPTION WAS IN EFFECT:

A. THE ANNUAL AUDITED ACCOUNTING REPORT FOR THE PAYMENT IN LIEU OF TAXES; AND

B. A CERTIFIED STATEMENT IDENTIFYING ALL THE UNITS RENTED TO PERSONS OF LOW OF MODERATE INCOME; AND

C. IF REQUESTED BY THE CITY, PROOF THAT THE HOUSING DEVELOPMENT UNITS HAVE NOT INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM, UNLESS THE CITY HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION; AND

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

(D) *LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.* NOTWITHSTANDING SUBSECTION (C), THE SERVICE CHARGE TO BE PAID EACH YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW OR MODERATE INCOME PERSONS SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

(E) *PAYMENT OF ANNUAL SERVICE CHARGE.* THE SERVICE CHARGE IN LIEU OF TAXES, AS ESTABLISHED UNDER THIS SECTION, SHALL BE PAYABLE IN THE SAME MANNER AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE MADE ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH SUCH CHARGE IS CALCULATED.

(F) *CONTRACTUAL EFFECT.* NOTWITHSTANDING THE PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT BETWEEN THE CITY AND THE SPONSOR WITH THE AUTHORITY AS THIRD-PARTY BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND ACCEPT PAYMENT IN LIEU OF TAXES AS PREVIOUSLY DESCRIBED, IS EFFECTUATED BY THE ENACTMENT OF THIS SECTION.

(G) *DURATION.* THIS SECTION SHALL REMAIN IN EFFECT AND SHALL NOT TERMINATE FOR TWENTY (20) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2023, PROVIDED THAT THE SPONSOR COMPLIES WITH THE REQUIREMENTS OF THE ACT AND THIS SECTION, AND FURTHER PROVIDED

THAT THE HOUSING DEVELOPMENT CONTINUES TO BE RENTED TO LOW OR MODERATE INCOME PERSONS AT RENTS DETERMINED UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM, AS THE SAME MAYBE FURTHER AMENDED OR SUPERSEDED, OR THERE IS AN AUTHORITY-AIDED OR FEDERALLY-AIDED MORTGAGE ON THE HOUSING DEVELOPMENT AS PROVIDED IN THE ACT, OR THE AUTHORITY OR HUD HAS AN INTEREST IN THE PROPERTY; BUT IN NO EVENT BEYOND DECEMBER 31, 2042. IF THE SPONSOR CHANGES THE SCOPE OR PURPOSE OF THE SEVENTY-SIX (76) UNITS OF HOUSING WITHIN THE DEVELOPMENT WITHOUT THE CONSENT OF THE CITY OF LANSING, BY AND THROUGH ITS REPRESENTATIVES, AND IN ACCORDANCE WITH THE REQUIREMENTS OF THE LANSING CITY CHARTER, OR IF THE PREVAILING WAGE IS NOT PAID FOR ALL WORK PERFORMED AT THE HOUSING DEVELOPMENT AFTER ENACTMENT OF THIS SECTION AND THE SPONSOR OR OTHER RESPONSIBLE PARTY DOES NOT CURE THE VIOLATION AFTER NOTICE IS GIVEN AS PROVIDED IN THE MANNER CONSISTENT WITH THE METHOD CONTAINED IN SECTION 206.18(b) OF THESE CODIFIED ORDINANCES, THEN THIS SECTION SHALL AUTOMATICALLY EXPIRE AND BE OF NO EFFECT.

SECTION 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they pertain to Walter French at the time this exemption commences.

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

SECTION 4. This Ordinance shall take effect on the 30th day after enactment unless given immediate effect by the City Council.

ORDINANCE WAS RECONSIDERED, AMENDED AND READOPTED AT THE 9/20/2021 MEETING

ORDINANCE #1290

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND THE CODE OF ORDINANCES OF THE CITY OF LANSING BY ADDING A NEW SECTION 888.32 FOR THE PURPOSES OF PROVIDING FOR A SERVICE CHARGE IN LIEU OF TAXES FOR SEVENTY-SIX (76) LOW INCOME MULTI-FAMILY DWELLING UNITS IN A PROJECT KNOWN AS WALTER FRENCH, PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, (BEING PUBLIC ACT 346 OF 1966, AS AMENDED [MCL 125.1401, ET SEQ.]) (THE "ACT").

THE CITY OF LANSING ORDAINS:

SECTION 1. That Chapter 888 of the Code of Ordinances of the City of Lansing, Michigan be amended to add a new Section _______ to read as follows:

888.___ WALTER FRENCH

(A) *PURPOSE.* IT IS ACKNOWLEDGED THAT IT IS A PROPER PUBLIC PURPOSE OF THE STATE AND ITS POLITICAL SUBDIVISIONS TO PROVIDE HOUSING FOR ITS RESIDENTS OF LOW AND MODERATE INCOME AND TO ENCOURAGE THE DEVELOPMENT OF SUCH HOUSING BY PROVIDING FOR A SERVICE CHARGE IN LIEU OF PROPERTY TAXES IN ACCORDANCE WITH THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, BEING PUBLIC ACT 346 OF 1966, AS AMENDED [MCL 125.1401, ET SEQ.]. THE CITY IS AUTHORIZED BY SUCH ACT TO ESTABLISH OR CHANGE THE SERVICE CHARGE TO BE PAID IN LIEU OF TAXES BY ANY OR ALL CLASSES OF HOUSING EXEMPT FROM TAXATION UNDER SUCH ACT AT ANY AMOUNT IT CHOOSES, NOT TO EXCEED THE TAXES THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT SUCH HOUSING FOR PERSONS OF LOW AND MODERATE INCOME IS A PUBLIC NECESSITY, AND AS THE CITY WILL BE BENEFITED AND IMPROVED BY SUCH HOUSING, THE ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE.

(B) *DEFINITIONS.*

(1) "*ACT*" MEANS THE STATE HOUSING DEVELOPMENT AUTHORITY ACT, BEING PUBLIC ACT 346 OF 1966, AS AMENDED.

(2) "*ANNUAL SHELTER RENTS*" MEANS THE TOTAL COLLECTIONS DURING AN AGREED ANNUAL PERIOD FROM ALL PERSONS OF LOW OR MODERATE INCOME, OCCUPYING THE HOUSING DEVELOPMENT REPRESENTING RENTS FOR OCCUPANCY, WHICH RENTAL AMOUNTS SHALL BE EXCLUSIVE OF CHARGES FOR GAS, ELECTRICITY, HEAT OR OTHER UTILITIES FURNISHED TO THE OCCUPANTS.

(3) "*AUTHORITY*" MEANS THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY.

(4) "*HOUSING DEVELOPMENT" OR "DEVELOPMENT*" MEANS A DEVELOPMENT WHICH CONTAINS A SIGNIFICANT ELEMENT OF HOUSING FOR PERSONS OF LOW AND MODERATE INCOME AND SUCH ELEMENTS

OF OTHER HOUSING, COMMERCIAL, RECREATIONAL, INDUSTRIAL, COMMUNAL AND EDUCATIONAL FACILITIES AS THE AUTHORITY MAY DETERMINE WILL IMPROVE THE QUALITY OF THE DEVELOPMENT AS IT RELATES TO HOUSING FOR PERSONS OF LOW AND MODERATE INCOME. FOR THE PURPOSE OF THIS SECTION, THE NAME OF THIS DEVELOPMENT IS WALTER FRENCH, AND CONSISTS OF SEVENTY-SIX (76) UNITS OF RENTAL HOUSING LOCATED WITHIN LANSING AT:

THAT PART OF ASSESSOR'S PLAT NO. 46, ON THE NORTHEAST ¼ OF SECTION 28, T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED IN LIBER 12 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS, BEGINNING ON THE SOUTH RIGHT OF WAY LINE OF MT. HOPE AVENUE, 43.0 FEET SOUTH OF THE NORTH SECTION LINE, AT A POINT 100.0 FEET EASTERLY OF THE WEST LINE OF LOT 5 OF SAID ASSESSOR'S PLAT NO. 46, RUNNING THENCE ALONG SAID RIGHT OF WAY LINE NORTH 89º11'30" EAST 593.667 FET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY 53.53 FEET ALONG THE ARC OF A 30 FOOT RADIUS CURVE TO THE RIGHT WHOSE CHORD BEARS SOUTH 39º41'30" EAST 46.71 FEET TO THE WESTERLY RIGHT OF WAY LINE OF CEDAR STREET; THENCE ALONG SAID WESTERLY LINE THE FOLLOWING FIVE COURSES, SOUTH 11º25'30" WEST 118.66 FEET; THENCE SOUTHERLY 197.93 FEET ALONG THE ARC OF A 917.22 FOOT RADIUS CURSE TO THE LEFT WHOSE CHORD BEARS SOUTH 5º14'25" WEST 197.53 FEET TO A POINT OF TANGENCY; THENCE SOUTH 0º56'30" EAST 5.43 FEET; THENCE SOUTH 10º34'39" WEST 22.18 FEET; THENCE SOUTH 0º56'30" EAST 83.05 FEET; THENCE SOUTH 89º08' WEST 403.42 FEET; THENCE SOUTH 350.30 FEET; THENCE WEST 268.84 FEET; THENCE NORTH 648.14 FEET; THENCE NORTH 89º11'30" EAST 100.0 FEET; THENCE NORTH 0º53' WEST 162.0 FEET TO THE POINT OF BEGINNING; ALSO LOT 65 OF CHITTENDEN'S SUBDIVISION OF A PART OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 28, T4N, R2W, CITY OF LANSING, INGHAM COUNTY, MICHIGAN, RECORDED IN LIBER 5 OF PLATS, PAGE 7, INGHAM COUNTY RECORDS.

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

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

(8) "*MORTGAGE LOAN*" MEANS A LOAN THAT IS FEDERALLY-AIDED (AS DEFINED IN SECTION 11 OF THE ACT) OR A LOAN OR GRANT MADE OR

TO BE MADE BY THE AUTHORITY TO THE SPONSOR FOR THE CONSTRUCTION, REHABILITATION, ACQUISITION AND/OR PERMANENT FINANCING OF A HOUSING PROJECT AND SECURED BY A MORTGAGE ON THE HOUSING PROJECT.

(9) "*SPONSOR*" MEANS A PERSON OR OTHER ENTITY WITH A HOUSING DEVELOPMENT WHICH IS FINANCED OR ASSISTED PURSUANT TO THE ACT. FOR PURPOSES OF THIS SECTION, THE SPONSOR OF WALTER FRENCH IS CAPITAL AREA HOUSING PARTNERSHIP, OR ITS SUCCESSORS OR ASSIGNS.

(10)"*UTILITIES*" MEANS FUEL, WATER, SANITARY SEWER AND/OR ELECTRICAL SERVICE, WHICH IS PAID FOR BY THE HOUSING DEVELOPMENT.

(C) *ESTABLISHMENT OF ANNUAL SERVICE CHARGE.*

(1) THE CITY ACKNOWLEDGES THAT THE SPONSOR AND THE AUTHORITY HAVE ESTABLISHED THE ECONOMIC FEASIBILITY OF WALTER FRENCH IN RELIANCE UPON THE ENACTMENT AND CONTINUING EFFECT OF THIS SECTION AND UPON THE QUALIFICATION OF THE SEVENTY-SIX (76) UNITS OF HOUSING IN THE HOUSING DEVELOPMENT FOR EXEMPTION FROM ALL PROPERTY TAXES AS ESTABLISHED IN THIS SECTION,

(2) SUBJECT TO THE CONDITIONS AND REQUIREMENTS OF THIS SECTION AND THE ACT, THE SEVENTY-SIX (76) UNITS IN THE HOUSING DEVELOPMENT FOR PERSONS OF LOW AND MODERATE INCOME IDENTIFIED AS WALTER FRENCH AND THE PROPERTY ON WHICH THEY ARE CONSTRUCTED SHALL BE EXEMPT FROM ALL PROPERTY TAXES FOR NOT MORE THAN TWENTY (20) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2023.

(3) IN LIEU OF ALL SAID PROPERTY TAXES ON THE SEVENTY-SIX (76) UNITS IN THE HOUSING DEVELOPMENT, THE SPONSOR SHALL PAY, AND THE CITY WILL ACCEPT, AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN THE SUM EQUAL TO SIX PERCENT (6%) OF THE ANNUAL SHELTER RENTS.

(4) THE EXEMPTION PROVIDED UNDER THIS SECTION SHALL COMMENCE WHEN THE SPONSOR COMPLIES WITH SECTION 15A(1) OF 1966 PA 346, AS AMENDED, CODIFIED AS MCL 125.1415a(1), WHICH PROVIDES: THE OWNER OF A HOUSING PROJECT ELIGIBLE FOR THE EXEMPTION SHALL FILE WITH THE LOCAL ASSESSING OFFICER (THE CITY ASSESSOR) A NOTIFICATION OF THE EXEMPTION, WHICH SHALL BE IN AN AFFIDAVIT FORM AS PROVIDED BY THE AUTHORITY. THE COMPLETED AFFIDAVIT FORM FIRST SHALL BE SUBMITTED TO THE AUTHORITY FOR CERTIFICATION BY THE AUTHORITY THAT THE PROJECT IS ELIGIBLE FOR THE EXEMPTION. THE OWNER THEN SHALL FILE OR CAUSE TO BE FILED THE CERTIFIED NOTIFICATION OF THE EXEMPTION WITH THE LOCAL ASSESSING OFFICER BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR IN WHICH THE EXEMPTION IS TO BEGIN.

(5) IN ADDITION TO THE CERTIFICATION REQUIRED PURSUANT TO SUBSECTION (C)(4), THE SPONSOR SHALL PROVIDE FOR THE HOUSING

DEVELOPMENT ANNUALLY IN WRITING TO THE CITY ASSESSOR FOR THE PRECEDING YEAR IN WHICH THE PROPERTY TAX EXEMPTION WAS IN EFFECT:

A. THE ANNUAL AUDITED ACCOUNTING REPORT FOR THE PAYMENT IN LIEU OF TAXES; AND
B. A CERTIFIED STATEMENT IDENTIFYING ALL THE UNITS RENTED TO PERSONS OF LOW OR MODERATE INCOME; AND
C. IF REQUESTED BY THE CITY, PROOF THAT THE HOUSING DEVELOPMENT UNITS HAVE NOT INCREASED, DECREASED, OR BEEN ALTERED IN ANY FORM, UNLESS THE CITY HAS OTHERWISE AMENDED THE PROVISIONS OF THIS SECTION.

(D) *LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE.* NOTWITHSTANDING SUBSECTION (C), THE SERVICE CHARGE TO BE PAID EACH YEAR IN LIEU OF TAXES FOR THE PART OF THE HOUSING DEVELOPMENT PROJECT THAT IS TAX EXEMPT AND OCCUPIED BY OTHER THAN LOW OR MODERATE INCOME PERSONS SHALL BE EQUAL TO THE FULL AMOUNT OF THE TAXES THAT WOULD OTHERWISE BE DUE AND PAYABLE ON THAT PORTION OF THE HOUSING DEVELOPMENT PROJECT IF THE PROJECT WERE NOT TAX EXEMPT.

(E) *PAYMENT OF ANNUAL SERVICE CHARGE.* THE SERVICE CHARGE IN LIEU OF TAXES, AS ESTABLISHED UNDER THIS SECTION, SHALL BE PAYABLE IN THE SAME MANNER AS GENERAL PROPERTY TAXES ARE PAYABLE TO THE CITY, EXCEPT THAT THE ANNUAL PAYMENT SHALL BE MADE ON OR BEFORE JULY 1 OF THE YEAR FOLLOWING THE YEAR UPON WHICH SUCH CHARGE IS CALCULATED. COLLECTION PROCEDURES SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF THE GENERAL PROPERTY TAX ACT (1893 PA 206 AS AMENDED; MCL 211.1 ET.SEQ.)

(F) *CONTRACTUAL EFFECT.* NOTWITHSTANDING THE PROVISIONS OF SECTION 15(A)(5) OF THE ACT TO THE CONTRARY, A CONTRACT BETWEEN THE CITY AND THE SPONSOR WITH THE AUTHORITY AS THIRD-PARTY BENEFICIARY UNDER THE CONTRACT, TO PROVIDE TAX EXEMPTION AND ACCEPT PAYMENT IN LIEU OF TAXES AS PREVIOUSLY DESCRIBED, IS EFFECTUATED BY THE ENACTMENT OF THIS SECTION.

(G) *DURATION.* THIS SECTION SHALL REMAIN IN EFFECT AND SHALL NOT TERMINATE FOR TWENTY (20) YEARS, COMMENCING WITH AND INCLUDING TAX YEAR 2023, PROVIDED THAT THE SPONSOR COMPLIES WITH THE REQUIREMENTS OF THE ACT AND THIS SECTION, AND FURTHER PROVIDED THAT THE HOUSING DEVELOPMENT CONTINUES TO BE RENTED TO LOW OR MODERATE INCOME PERSONS AT RENTS DETERMINED UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM, AS THE SAME MAYBE FURTHER AMENDED OR SUPERSEDED, OR THERE IS AN AUTHORITY-AIDED OR FEDERALLY-AIDED MORTGAGE ON THE HOUSING DEVELOPMENT AS PROVIDED IN THE ACT, OR THE AUTHORITY OR HUD HAS AN INTEREST IN THE PROPERTY; BUT IN NO EVENT BEYOND DECEMBER 31, 2042. IF (A) THE REHABILITATION OF THE HOUSING DEVELOPMENT PROJECT DOES NOT COMMENCE OR THE SPONSORS FAIL TO OBTAIN A MORTGAGE LOAN WITHIN

TWO (2) YEARS FROM THE EFFECTIVE DATE OF THIS ORDINANCE, OR (B) IF TRANSFER OF TITLE IS NOT EFFECTUATED TO WALTER FRENCH LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP WITHIN TWO (2) YEARS FROM THE EFFECTIVE DATE OF THIS ORDINANCE OR (C) IF THE SPONSORS CHANGE THE SCOPE OR PURPOSE OF THE SEVENTY-SIX (76) UNITS OF HOUSING WITHIN THE HOUSING DEVELOPMENT PROJECT WITHOUT THE CONSENT OF THE CITY, BY AND THROUGH ITS REPRESENTATIVES, AND IN ACCORDANCE WITH THE REQUIREMENTS OF THE LANSING CITY CHARTER, AND THE SPONSOR OR OTHER RESPONSIBLE PARTY DOES NOT CURE THE VIOLATION WITHIN NINETY (90) DAYS AFTER WRITTEN NOTICE IS GIVEN TO THE SPONSOR, THEN THIS ORDINANCE SHALL AUTOMATICALLY EXPIRE, TERMINATE AND BE OF NO FURTHER EFFECT.

SECTION 2. All ordinances, resolutions or rules, ordinances, parts of ordinances, including Ordinance No 1271, dated January 21, 2021, resolutions or rules inconsistent with the provisions hereof are hereby repealed as they pertain to Walter French at the time this exemption commences.

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

SECTION 4. This Ordinance shall take effect on the 30th day after enactment unless given immediate effect by the City Council.

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

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Lansing that a public hearing be set for Monday, August 8th, 2022 in the Tony Benavides Lansing City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of supporting and/or opposing the Ordinance establishing a Payment in Lieu of Taxes (PILOT) for Walter French, located at 1900 S. Cedar Street in Lansing.

CAPITAL AREA
HOUSING
PARTNERSHIP

600 W. MAPLE STREET
SUITE D
LANSING, MI 48906

(517) 332-4663
CAPITALAREAHOUSING.ORG

WALTER FRENCH APARTMENTS

Request for PILOT modification

Changes in funding/costs that affect project feasibility:

A. Total project cost:

Prior Project Cost	$ 24,902,944
Current Project Cost	$ 25,542,826
Difference	$ 639,882

B. Interest rate for permanent debt increased .5% and 1.3%

C. Increase in permanent mortgages due to increased costs and reduce tax credit pricing, which increased annual mortgage payments:

Prior Permanent Debt	$ 4,521,797
Current Permanent Debt	$ 5,357,259
Increase in Annual Payment	$ 86,010

D. Requirement for increase in previously committed investment by owner of $386,000

Estimated change in payments between 4% (new) and 6% (current) PILOT payments

Estimated PILOT Calculation for Walter French

		6% PILOT Calculation	4% PILOT Calculation	Current Taxes
Gross Rents - 76 units		821,932	917,405	
Less Vacancy	8%	(65,755)	(73,392)	
Less Landlord Paid Utilities		(63,798)	(63,798)	
Less Water & Sewer		(58,040)	(58,040)	
Net Collected Rents		634,339	722,175	
PILOT Percentage		6%	4%	
Estimated PILOT Payment 2023		$ 38,060	$ 28,887	$21,586

sdmitted & mto