

# **City of Flint, Michigan**

*Third Floor, City Hall  
1101 S. Saginaw Street  
Flint, Michigan 48502  
[www.cityofflint.com](http://www.cityofflint.com)*



## **Meeting Agenda - Final**

**Monday, April 22, 2019**

**5:30 PM**

**Council Chambers**

### **CITY COUNCIL**

*Herbert J. Winfrey, President, Ward 6  
Monica Galloway, Vice President, Ward 7*

*Eric Mays, Ward 1*

*Maurice D. Davis, Ward 2*

*Santino J. Guerra, Ward 3*

*Kate Fields, Ward 4*

*Jerri Winfrey-Carter, Ward 5*

*Allan Griggs, Ward 8*

*Eva L. Worthing, Ward 9*

*Inez M. Brown, City Clerk*

**CALL TO ORDER****ROLL CALL****PLEDGE OF ALLEGIANCE****PRAYER OR BLESSING****READING OF DISORDERLY PERSONS CITY CODE SUBSECTION**

*Any person that persists in disrupting this meeting will be in violation of Flint City Code Section 31-10, Disorderly Conduct, Assault and Battery, and Disorderly Persons, and will be subject to arrest for a misdemeanor. Any person who prevents the peaceful and orderly conduct of any meeting will be given one warning. If they persist in disrupting the meeting, that individual will be subject to arrest. Violators shall be removed from meetings.*

**REQUEST FOR CHANGES AND/OR ADDITIONS TO AGENDA**

*Council shall vote to adopt any amended agenda.*

**PRESENTATION OF MINUTES****PUBLIC HEARINGS****190129.6      Public Hearing/Ordinance No. 190129**

A public hearing for Ordinance No. 190129, an ordinance to amend the Code of the City of Flint by amending Chapter 18 (Taxation; Funds; Purchasing), Article I (In General), Section 18-4.1 (Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons), which shall be amended by adding subsection (BB) [Shiloh Commons II, MHT Limited Dividend Housing Association, LLC, and MHT Housing, Inc. - Shiloh Commons]. [NOTE: Ordinance to become effective immediately upon publication.]

**PUBLIC SPEAKING**

*Per the amended Rules Governing Meetings of the Council (as adopted by the City Council on Monday, June 12, 2017), three (3) minutes per speaker. Only one speaking opportunity per speaker. Numbered slips will be provided prior to the start of the meeting to those wishing to speak during this agenda item. No additional speakers or slips will be accepted after the meeting begins. Speakers may not allocate or "donate" their allotted time to another person. Council members may not speak during Public Speaking, nor may they make response comments to speakers. Council members may use their five (5) minutes for Final Comments to address any issues that have been addressed by Public Speakers.*

**PETITIONS AND UNOFFICIAL COMMUNICATIONS**

**COMMUNICATIONS (from Mayor and Other City Officials)****ADDITIONAL COMMUNICATIONS****APPOINTMENTS****RESOLUTIONS****190142 Gorno Ford/Four (4) Police Vans**

Resolution authorizing the Department of Purchases and Supplies, upon City Council's approval, to hereby authorized to issue a purchase order to Gorno Ford for four (4) Ford vans, with upfitting, in an amount NOT-TO-EXCEED \$195,043.00, as requested by Police [Fleet/Central Garage Fund Acct. No. 661-451.100-977.500].

**190145 MDOT Contract/Michigan Department of Transportation (MDOT)/Traffic Signal Upgrade Work**

Resolution resolving that the appropriate city officials are authorized to do all things necessary to enter into MDOT Contract No. 19-5147 (Job Nos. 130885CON, 138091CON and 130902CON), including local contributions of \$76,200.00, plus potential overruns in the amount of \$10,000.00, for a total of \$86,200.00, AND, resolving that Mayor Karen W. Weaver is the duly authorized city Official authorized to sign MDOT Contract No. 19-5147, on behalf of the City of Flint [Major Street Acct. No. 202-441.702-801.000.] [NOTE: MDOT has submitted to the City of Flint Contract No. 19-5147, Job Nos. 130885CON, 138091CON and 130902CON, to be executed for the purpose of fixing the rights and obligations of the parties in agreeing to three parts: Part A is traffic signal upgrades at Averill Avenue and Court Street, Part B is traffic signal upgrades at Averill Avenue and the Davison Road intersection, and Part C is traffic signal upgrades at Saginaw Street and Hemphill Road. All three parts include box span traffic signal layout, traffic signal timing upgrade and concrete sidewalk work.]

**190146 Grant Acceptance/Budget Amendment/Transfer of Funds/Community Foundation of Greater Flint/City of Flint/Implementation/Community Recovery Plan Resident Facilitator Project**

Resolution resolving that the appropriate City of Flint officials, upon City Council's approval, are hereby authorized to do all things necessary to appropriate grant funding, and abide by terms and conditions of the grant from the Community Foundation of Greater Flint, in the amount of \$7,500.00, to Grant Fund Acct. No. 296-171.250, under Grant Code LCF19-CRPRF, as requested by the Mayor's Office. [NOTE: The city was awarded grant funding from the Community Foundation of Greater Flint in the annual amount of \$7,500.00 from March 11, 2019 through September 30, 2019. The grant is for the implementation of the Community Recovery Plan Resident Facilitator Project, which is designed to promote community engagement and leadership

and will implement policies and programs related to recovery as it relates to the Flint Water Crisis.]

- 190147** Budget Amendment/Transfer of Funds/Michigan Department of Environmental Quality (MDEQ)/Environmental Remediation/Clark Commons Phase I/Choice Neighborhoods Implementation

Resolution resolving that the appropriate City of Flint officials, upon City Council's approval, are hereby authorized to do all things necessary to execute a grant contract with the Michigan Department of Environmental Quality (MDEQ) [in the amount of \$499,995.00], and process a budget amendment for the appropriation of funds under SDEQ-19-BRDP Acct. No. 296-721.200-539.000 and SDEQ-19-BRDP Acct. No. 296-721.200-801.000. [NOTE: The city was awarded grant funding from the Michigan Department of Environmental Quality (MDEQ) for Phase I environmental remediation in the Clark Commons development, which will include remediating known environmental contaminants such as printing chemicals, petroleum projects and other hazardous materials previously used, stored and handled.]

- 190157** Grant Agreement/U.S. Department of Justice/Office of Justice Programs/FY2018 Technology Innovation for Public Safety (TIPS) Grant

Resolution resolving that the appropriate city officials, upon City Council's approval, are hereby authorized to do all things necessary to enter into the Office of Justice Programs grant agreement between the City of Flint and the Department of Justice, in the amount of \$499,694.00, for the period of October 1, 2018 through September 30, 2020, AND, resolving that the funds in the amount of \$499,694.00 available from this grant be accepted by the City of Flint, and that said appropriation be made to the City of Flint Grant Fund (296FD) to be used solely for the above stated purpose as set forth in the grant agreement and related documents. [NOTE: The Office of Justice Programs Grant, 2018-DG-BX-K003, is a two-year grant, funded by the U.S. Department of Justice, with no local match required. The TIPS grant will fund three crime analysts, software, maintenance support and various pieces of equipment.]

## **RESOLUTIONS (May Be Referred from Special Affairs)**

- 180590** Approval/City of Flint Statement of Policy/Anti-Bullying

Resolution resolving that the Flint City Council agrees to adopt the Anti-Bullying Policy, as requested by Human Resources.

- 180591** Approval/City of Flint Statement of Policy/Harassment and Discrimination in the Work Place/Complaint Procedure

Resolution resolving that the Flint City Council agrees to adopt the Harassment and Discrimination in the Work Place Policy, and Complaint Procedure, as requested by Human Resources. [NOTE: Policy last adopted on April 22, 2015.]

- 190011** Approval/City of Flint Statement of Policy/Alcohol & Drug Free Workplace &

## Testing Policy

Resolution resolving that the Flint City Council agrees to adopt the Alcohol & Drug Free Workplace & Testing Policy, as requested by Human Resources.

**190076.1** Approval/Reduction of Lanes/Atherton Road/Dupont Street/From Four to Three Lanes

Resolution resolving that the proper city officials, upon City Council's approval, are authorized to do all things necessary to reduce the number of lanes on Atherton Road and Dupont Street, from four lanes to three, as requested by Transportation. [NOTE: The lane changes are for Atherton Road from Van Slyke Road to Dort Highway, and for Dupont Street from University Avenue to Flushing Road, and from Pasadena Avenue to West Bishop Avenue.]

**190097** Set Hearing Date/Submission/Section 108 Loan Application/U.S. Department of Housing & Urban Development (HUD)/Fresh Start Hutchinson Neighborhood Grocery Store

Resolution resolving that a public hearing to consider submission of a \$2.6 million Section 108 Loan Application for partial funding of the Fresh Start Hutchinson Neighborhood Grocery Store will be held on the 25th of March, 2019, at 5:30 p.m. in City Council Chambers, 3rd Floor, City Hall, Flint, and that notice of such hearing be published in an official paper of general circulation not less than ten (10) days prior to said hearing, as requested by Community and Economic Development.

**190144** Contract/City of Flint/County of Genesee/Flint Holding Facility Operation

Resolution resolving that the appropriate city officials are to do all things necessary to enter into the an agreement with Genesee County for operation of the Flint Holding Facility. [NOTE: The City of Flint Police Department includes a 110-person holding facility with the ability to hold detainees for up to 72 hours. The Genesee County Sheriff currently operates the holding facility. The city and the sheriff have agreed to the terms of a contract for the sheriff to continue operating the facility for a contract price NOT-TO-EXCEED \$2,608,152.00. The agreement is contingent on the city receiving funding from the State of Michigan to pay the full costs of the contract and the sheriff receiving a continued waiver from the Michigan Department of Corrections.] [NOTE: According to the Staff Review Form, the contract is for 12 months beginning October 1, 2018 and ending November 30, 2019.]

**190148** Public Hearing/Industrial Facilities Exemption Certificate/Genesee Packaging, Inc./1101 N. Center Road/Zone 2

Resolution resolving that a public hearing to consider an Industrial Facilities Exemption Certificate (Public Act 198 of 1974, as amended) for Genesee Packaging, Inc., shall be held on May 13, 2019, at 5:30 p.m. in City Council Chambers, Flint City Hall, 1101 South Saginaw Street, Flint, and the City Clerk shall cause notice of such hearing to be published in an official paper of general circulation not less than ten (10) days prior to said hearing, AND,

resolving that at said hearing, the above referred to and any other interested parties shall have the opportunity to be heard relative to said application. [NOTE: According to the Staff Review, Genesee Packaging, Inc. (GPI) proposes to move its Dort Highway operations and a portion of its North Street operations to occupy space at the facility, located on 78 acres at 1101 North Center Road, a building formerly housing Delphi East operations. While the entire facility is 550,000 square feet, GPI has leased 290,267 square feet of the building for office use, warehousing, distribution and its packaging operations. The interior of the space will be fully restored at a cost of approximately \$9.7 million.]

- 190149** Public Hearing/Industrial Facilities Exemption Certificate/Genesee Packaging, Inc./1101 N. Center Road/Zones 3 & 4

Resolution resolving that a public hearing to consider an Industrial Facilities Exemption Certificate (Public Act 198 of 1974, as amended) for Genesee Packaging, Inc., shall be held on May 13, 2019, at 5:30 p.m. in City Council Chambers, Flint City Hall, 1101 South Saginaw Street, Flint, and the City Clerk shall cause notice of such hearing to be published in an official paper of general circulation not less than ten (10) days prior to said hearing, AND, resolving that at said hearing, the above referred to and any other interested parties shall have the opportunity to be heard relative to said application. [NOTE: According to the Staff Review, Genesee Packaging, Inc. (GPI) proposes to move its Dort Highway operations and a portion of its North Street operations to occupy space at the facility, located on 78 acres at 1101 North Center Road, a building formerly housing Delphi East operations. While the entire facility is 550,000 square feet, GPI has leased 290,267 square feet of the building for office use, warehousing, distribution and its packaging operations. The interior of the space will be fully restored at a cost of approximately \$9.7 million.]

- 190158** Settlement/David Howard, U.S. Bankruptcy Court No. 18-32956

Resolution resolving that the City Administrator authorizes settlement in the matter of David Howard, U.S. Bankruptcy Court No. 18-32956, in the amount of \$1,000.00, in satisfaction of any and all claims arising out of said matter, with payment drawn from appropriated funds in the Litigation and Suits Line Item No. 677-266.200-956.300. [NOTE: An Executive Session was requested on this matter on March 25, 2019.]

## **LIQUOR LICENSES**

## **INTRODUCTION AND FIRST READING OF ORDINANCES**

### **INTRODUCTION AND FIRST READING OF ORDINANCES (May Be Referred from S.A.)**

- 190159** Amendment/Ordinance/Chapter 35 (Personnel)/Article VI (Personnel Code)/Section 35-112.14 (Adoption - Job Description and Qualifications - Ombudsperson)

An ordinance to amend the Flint City Code of Ordinances by amending Chapter 35 (Personnel), Article VI (Personnel Code) to add Section 35-112.14 (Adoption - Job Description and Qualifications - Ombudsperson).

## **SECOND READING AND ADOPTION OF ORDINANCES**

**190129** Amendment/Ordinance/Chapter 18 (Taxation; Funds; Purchasing)/Article I (In General)/Section 18-4.1 (Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons)

An ordinance to amend the Code of the City of Flint by amending Chapter 18, (Taxation; Funds; Purchasing); Article I, (In General); Section 18-4.1, (Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons) shall be amended by adding subsection (BB). [NOTE: The PILOT is for Shiloh Commons II, MHT Limited Dividend Housing Association, LLC, and MHT Housing, Inc. The annual service charge for the class of persons of low and moderate income shall be equal to four (4) percent of the annual shelter rents, exclusive of charges for gas, electricity, heat or other utilities.]

## **FINAL COUNCIL COMMENTS**

## **ADJOURNMENT**

190142

(Bid #19000021)

SUBMISSION NO.: \_\_\_\_\_

PRESENTED: 4-17-19

ADOPTED: \_\_\_\_\_

**RESOLUTION TO GORNO FORD FOR FOUR (4) POLICE VANS**

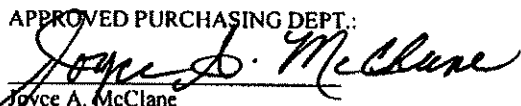
BY THE CITY ADMINISTRATOR:

The Fleet Division is requesting the issuance of a purchase order to procure four (4) Ford vans to be used in the Police Department as part of the FY19 vehicle replacement plan; and

Gorno Ford, 22025 Allen Rd., Woodhaven, MI has submitted a cost to purchase said vehicles through the State of Michigan MiDeal program contract #VAN-0126A. Funding for said services will come from the following account: 661-451.100-977.500; and

IT IS RESOLVED, that the Department of Purchases and Supplies, upon City Council's approval, is hereby authorized to issue a purchase order to Gorno Ford for four (4) Ford vans in an amount not to exceed \$195,043.00. (Fleet/Central Garage Fund)

APPROVED PURCHASING DEPT.:

  
Joyce A. McClane  
Purchasing Manager

APPROVED AS TO FINANCE:

  
Ayunna Domphe  
Deputy Chief Financial Officer

APPROVED AS TO FORM:

  
Angela Wheeler  
Chief Legal Officer

  
Steve Branch, City Administrator



## RESOLUTION STAFF REVIEW

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**DATE:**  
2/15/19

**Agenda Item Title:**  
Purchase of Replacement Vehicles

**Prepared By:**  
Mike Rule

**Background/Summary of Proposed Action:**

As part of the vehicle replacement plan for FY19, the Fleet Department is requesting to purchase (4) vehicles to be utilized by the Police Department. The Ford vans, by request of the Police Department, will replace their current raid, prisoner, PAL and IB Tech vans that range in age from 1999 to 2001 and are in poor condition.

The specified vehicles have a purchase cost of \$195,043.00, using the MiDeal Contract # VAN-0126A base pricing with additional detailed upgrades.

The (4) vehicles that will be replaced shall be removed from service and sold at public auction.

**Financial Implications:**

**Budgeted?** Yes ☒ No ☐ Please explain if no

**Account No.:** 661-451.100-977.500

**Pre-encumbered?** Yes ☒ No ☐ Req# 190001471

**Other Implications (i.e., collective bargaining):**

**Staff Recommendation:** Approval

**Staff Person:**   
(Dept Head or other authorized staff)

Michael Rule, Fleet Manager

190145

SUBMISSION NO.: \_\_\_\_\_

PRESENTED: 4-17-19

ADOPTED: \_\_\_\_\_

Resolution Authorizing Appropriate City of Flint Officials to Do All Things Necessary to enter into MDOT Contract 19-5147, Job No. 130885CON, 138091CON AND 130902CON for the purpose of fixing the rights and obligations of the parties in agreeing to traffic signal upgrade work in the City of Flint at Averill Avenue and Court Street, Averill Avenue and Davison Road and Saginaw Street and Hemphill Road intersections

BY THE MAYOR:

MDOT has submitted to the City of Flint Contract 1951478, Job No. 130885CON, 138091CON AND 130902CON, to be executed for the purpose of fixing the rights and obligations of the parties in agreeing to three parts: Part A is traffic signal upgrades at Averill Avenue and Court St., Part B is traffic signal upgrades at Averill Avenue and Davison Road intersection and Part C is traffic signal upgrades at Saginaw Street and Hemphill Road. All three parts include box span traffic signal layout, traffic signal timing upgrade and concrete sidewalk work; and all together with necessary related work.

The present estimated project cost is \$381,200.00, with a Federal share of \$305,000 and the local share of \$76,200 (City of Flint), which is the equivalent of 20% of the project cost after a deduction of Federal aid. The State of Michigan allows overruns without City of Flint authorization, so the City of Flint has allowed an additional \$10,000 to be used if necessary. Funding is available in account 202-441.702-801.000.

**IT IS RESOLVED**, that appropriate City Officials are authorized to do all things necessary to enter into MDOT Contract No. 19-5147, including local contribution of \$76,200.00 plus potential overruns in the amount of \$10,000.00 for a total of \$86,200.00. (Major Street Fund)

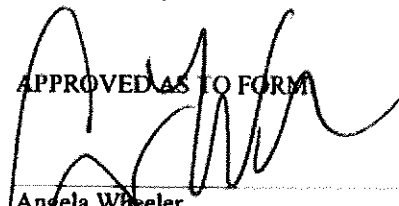
**IT IS FURTHER RESOLVED**, I, Dr. Karen W. Weaver, Mayor, am the duly authorized City official authorized to sign MDOT Contract 19-5147 on behalf of the City of Flint.

APPROVED AS TO FINANCE:

  
Tamar A. Lewis  
Deputy Finance Director

  
Steve Branch, City Administrator

APPROVED AS TO FORM

  
Angela Wheeler  
Chief Legal Officer

## RESOLUTION STAFF REVIEW

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**DATE:** 16:58

**Agenda Item Title:** MDOT – Traffic signal upgrades at Averill Avenue and Court St., Averill Avenue and Davison Road and Saginaw Street and Hemphill intersections

**Prepared By:** Kathryn Neumann for Betty Wideman

**Background/Summary of Proposed Action:** MDOT has proposed traffic signal upgrades at the following intersections: Averill Avenue and Court St.; Averill Avenue and Davison Road and Saginaw Street and Hemphill Road. All three upgrades include box span traffic signal layout, traffic signal timing upgrade and concrete sidewalk work; and all together with necessary related work.

**Financial Implications:** There is money in the account listed

**Budgeted Expenditure?** Yes ☒ No ☐ Please explain if no:

**Account No.:** 202-441.702-801.000 \*

**Pre-encumbered?** Yes ☒ No ☐ Requisition 190001955 *mmp*

**Other Implications (i.e., collective bargaining):** None

**Staff Recommendation:** Recommend Approval

**Staff Person:** Betty J. Wideman

Betty Wideman, Transportation Division Manager

March 12, 2019

EXHIBIT I

CONTROL SECTION	HSIP 25000; HSIP 25609
JOB NUMBER	130885CON; 130891CON;130902CON
PROJECT	1900(516)(517)(551)

ESTIMATED COST

CONTRACTED WORK

	<u>PART A</u>	<u>PART B</u>	<u>PART C</u>	<u>TOTAL</u>
Estimated Cost	\$96,100	\$123,600	\$161,500	\$381,200

COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$96,100	\$123,600	\$161,500	\$381,200
Less Federal Funds*	<u>\$76,900</u>	<u>\$ 98,900</u>	<u>\$129,200</u>	<u>\$305,000</u>
BALANCE (REQUESTING PARTY'S SHARE)	\$19,200	\$ 24,700	\$ 32,300	\$ 76,200

\*Federal Funds for the PART C portion of the PROJECT are limited to an amount as described in Section 5.

NO DEPOSIT

190146

RESOLUTION NO.: \_\_\_\_\_

PRESENTED: 4-17-19

ADOPTED: \_\_\_\_\_

**RESOLUTION TO ADOPT BUDGET FOR THE COMMUNITY RECOVERY PLAN RESIDENT FACILITATOR PROJECT THROUGH THE COMMUNITY FOUNDATION OF GREATER FLINT**

**BY THE MAYOR:**

**WHEREAS**, the City was awarded grant funding from The Community Foundation of Greater Flint (CFGF) in the annual amount of \$7,500 for the period of March 11<sup>th</sup>, 2019 through September 30<sup>th</sup>, 2019; and

**WHEREAS**, this grant is for the implementation of the Community Recovery Plan Resident Facilitator Project, which is designed to promote community engagement and leadership and will implement policies and programs related to recovery as it relates to the Flint Water Crisis; and

**WHEREAS**, this program is an effort led by the City of Flint Chief Recovery Officer, Jameca Patrick-Singleton, with efforts from a steering committee that has members from several organizations including; The City of Flint, Neighborhoods United, AmeriCorps, The Flint/Genesee County Chamber, U of M - Flint, Community Foundation of Greater Flint, Ruth Mott Foundation, Center for Civil Justice, McLaren Flint and Many others;

**IT IS RESOLVED** that the appropriate City officials are authorized to do all things necessary to appropriate grant funding, and abide by terms and conditions of the grant from The Community Foundation of Greater Flint, in the amount of \$7,500 to Grant Fund **296-171.520**, under the Grant Code **LCF19-CRPRF**.


Approved as to Form:

  
Angela Wheeler, Chief Legal Officer

  
Steve Branch, City Administrator

Approved as to Finances:

  
Ayunna Domphe, Interim CFO

  
Dr. Karen W. Weaver, Mayor

**CITY COUNCIL:**

\_\_\_\_\_  
Herbert Winfrey, Council President

## **RESOLUTION STAFF REVIEW**

### **Date:**

April 8, 2019

### **Agenda Item Title:**

## **RESOLUTION TO ADOPT BUDGET FOR THE COMMUNITY RECOVERY PLAN RESIDENT FACILITATOR PROJECT THROUGH THE COMMUNITY FOUNDATION OF GREATER FLINT**

### **Prepared By:**

Department of Community Recovery, Mayor's Office

### **Background/Summary of Proposed Action:**

CFGF has awarded grant funding for a Community Recovery Plan Resident Facilitator Project whose efforts will be directed by the City of Flint Chief Recovery Officer, Jameca Patrick-Singleton. This project will help the City serve its mission of assuring residents, businesses, students and visitors that they will receive municipal services in a customer friendly, financially responsible and equitable manner, in order to insure equality of opportunity for all persons. The project will achieve this by facilitating a resident driven recovery plan, created by residents, in partnership with other stakeholders that formed into a steering committee. This plan, designed to include information gathered from residents within the community, will serve as a blueprint for implementing policies and programs, and will ensure maximum resident involvement and engagement.

Resident facilitators will be trained to facilitate community listening sessions. The community listening sessions will take place in areas that people are currently gathering such as neighborhood meetings, parent group meetings and places of worship. In addition, larger meetings will be scheduled in which residents will be invited to participate in dialogue about recovery.

This project will serve City of Flint residents and is a community effort with several organizations being represented on the steering committee including; City of Flint, Neighborhoods United, AmeriCorps, The Flint/Genesee County Chamber, U of M- Flint, Community Foundation of Greater Flint, Ruth Mott Foundation, Center for Civil Justice, McLaren Flint and many others. Specifically, 60 residents will receive stipends to facilitate meetings.

### **Financial Implications:**

The \$7,500 will be added to the budget in department 296-171.520 with grant code LCF19-CRPRF.

Budgeted Expenditure: Yes \_\_\_\_ No XX

Please explain, if no: Resolution establishes budget in  
General Ledger

Pre-encumbered: Yes \_\_\_\_ No \_\_\_\_

Requisition #: \_\_\_\_\_

Reviewed and Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

**Other Implications:** No other implications are known at this time.

**Staff Recommendation:** Staff recommends approval of this resolution.

**APPROVAL**

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For good. For ever.

#### BOARD OF TRUSTEES 2019

**George Wilkinson, Chair**  
NorthGate

Word of Life Christian Church

**Leanne H. Panduren, Vice Chair**  
Rowe Professional Services

**Mark Piper, Treasurer**  
Piper Realty

**Heldi McAra, Secretary**  
The Paw Palace  
100K Ideas

**Isaiah Oliver, President and CEO**  
Community Foundation  
of Greater Flint

**Linda Morris Belford**  
Accent Resources, PLLC  
Franklin of Michigan

**Chris Graff**  
Hank Graff Chevrolet

**Carol Hurand**  
Community Volunteer

**Sylvana Jajou, Student**  
Grand Blanc High School

**Timothy Johnson II, Student**  
Genesee Early College

**Tim Knecht**  
Cline, Cline & Giffin

**Sonya LaGore**  
OLV Investment Group

**Robert Landaal**  
Landaal Packaging Systems

**Carma Lewis**  
Flint Neighborhoods United

**Nita Kulkarni, M.D.**  
Physician

**Patrick McGuire**  
Farm Bureau Insurance

**Mark Miller**  
General Motors

**Marjory Raymer**  
Flintside

**Lawrence A. Reynolds, M.D.**  
Physician

**Manal B. Saab**  
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**Julie Serra**  
Retired Educator

**Ron Stack**  
Cyclefit Multisports

**Sherri E. Stephens**  
Stephens Wealth  
Management Group

**Rafael C. Turner**  
Ruth Mott Foundation

**Shannon White**  
Funchitecture, LLC

MS06219

March 19, 2019

The Honorable Karen Williams Weaver  
City of Flint – Mayor's Office  
1101 South Saginaw Street  
Flint, MI 48502

Re: #190205, Community Recovery Plan Resident Facilitator Project

Dear Mayor Weaver:

On behalf of the Board of Trustees of the Foundation, it is a pleasure to inform you that a grant of \$7,500.00 has been awarded to City of Flint from the **Poverty Fund**.

All grantees are required to sign a grant agreement and return to the Community Foundation of Greater Flint before payment is issued. Please review the attached agreement and submit a signed version to [swhittedge@cfgf.org](mailto:swhittedge@cfgf.org) for payment processing.

We believe in sharing this good news with the public. Should you decide to share the news in any public announcement of this grant, such as annual reports, newsletters, media releases, etc., please acknowledge the above-named fund(s) of the Community Foundation of Greater Flint. Please refer to the "Grant Reporting Requirements & Press Release Guidelines" document for more information.

The Community Foundation of Greater Flint is proud to support your mission and wishes your organization every success.

Sincerely,

Isaiah M Oliver  
President and CEO

Community Foundation Building

500 South Saginaw Street • Suite 200 • Flint, Michigan 48502 • 810.767.8270 • [cfgf.org](http://cfgf.org)



Grant Agreement  
Between  
**The Community Foundation of Greater Flint**  
and  
**City of Flint**

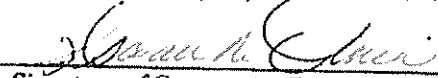
Grant #190205, Community Recovery Plan Resident Facilitator Project

A grant of \$7,500.00 has been awarded to City of Flint from the Poverty Fund. This grant is to be used for the following purpose: *A recovery plan facilitator incentive program.*

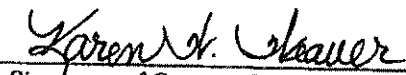
The use of these funds is bound by the following conditions:

1. Grant funds must be used in accordance with the purpose outlined above and budget included in your proposal.
2. Grantee must be a tax-exempt public charity as described in Internal Revenue Code section 170(b)(1)(A). Grantee will notify the Foundation of any information concerning a change in tax exempt status.
3. The grant period for this program is March 1, 2019 through September 30, 2019. A final report is required and is due thirty (30) days following the end of the grant period. The report form is available on the Grantseekers portion of our website at [www.cfgf.org](http://www.cfgf.org).
4. If grantee's exempt status changes or funds are not used for the purposes described in this agreement the Foundation reserves the right to have all grant funds immediately returned.
5. If the project requires any changes (such as the grant period, report deadline, budget, or purpose), a request must be submitted in writing and approved by your Program Officer prior to the change being made.

Please acknowledge your agreement to the above conditions by signing and returning a copy of this document. If at any time you have any questions or concerns, please contact your Program Officer, Lynn Williams, at (810) 767-8304 or [lwilliams@cfgf.org](mailto:lwilliams@cfgf.org).

 3/20/19  
Signature of Community Foundation of Greater Flint President/CEO Date

Isaiah M. Oliver, President and CEO  
Print Name and Title

 4-3-19  
Signature of Grantee President, CEO, or authorized representative Date

Karen W. Weaver  
Print Name and Title

190147

RESOLUTION NO.: \_\_\_\_\_

PRESENTED: 4-17-2019

ADOPTED: \_\_\_\_\_

**RESOLUTION APPROVING A BUDGET AMENDMENT AND AUTHORIZATION TO ENTER INTO  
GRANT CONTRACT WITH MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY TO  
ASSIST WITH ENVIRONMENTAL REMEDIATION AT CLARK COMMONS PHASE I OF CHOICE  
NEIGHBORHOODS IMPLEMENTATION**

**BY THE MAYOR:**

The City was awarded grant funding from the Michigan Department of Environmental Quality in the amount of \$499,995.00; and

This grant is in alignment with the implementation of the *Imagine Flint* South Flint Community Plan Choice Neighborhoods Initiative; and

In order to offset the costs of Phase I environmental remediation in the Clark Commons development, the City and Norstar applied for the Michigan Department of Environmental Quality Brownfield Redevelopment Program and were successful in securing \$499,995.00. Phase I funding will be used to assist in remediating known environmental contaminants such as printing chemicals, petroleum products, and other hazardous materials previously used, stored, and handled.

**IT IS RESOLVED** that appropriate City officials are authorized to do all things necessary to execute a grant contract with the Michigan Department of Environmental Quality and process a budget amendment for the appropriation of funds under grant code SDEQ-19-BRDP, account numbers, 296-721.200-539.000 and 296-721.200-801.000 in the amount of \$499,995.00

APPROVED AS TO FINANCE:

Ayunna Dompok  
Deputy Chief Financial Officer

APPROVED AS TO FORM:

Angela Wheeler  
Chief Legal Officer

ADMINISTRATION:

Dr. Karen W. Weaver  
Mayor

CITY COUNCIL:

Herbert Winfrey  
City Council President

## BUDGET AMENDMENT STAFF REVIEW FORM

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**DATE:** March 29, 2019

**Agenda Item Title:** RESOLUTION APPROVING A BUDGET AMENDMENT AND AUTHORIZATION TO ENTER INTO GRANT CONTRACT WITH MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY TO ASSIST WITH ENVIRONMENTAL REMEDIATION AT CLARK COMMONS PHASE I OF CHOICE NEIGHBORHOODS IMPLEMENTATION

**Prepared By:** Kristin Stevenson, Planner II

**Background/Summary of Proposed Action:** In March 2019, the City was awarded \$499,995.00 in grant funds from the Michigan Department of Environmental Quality (MDEQ) to remove 18-24 inches of impacted soil throughout the Clark Commons Phase I development and replace it with imported, clean fill. This grant aligns with the Transformation Plan created through the South Flint Choice Neighborhoods Initiative. A grant contract in the amount of \$499,995.00 is required with the MDEQ to implement brownfield remediation efforts for Phase I of Choice Neighborhoods housing development.

The contract with MDEQ will allow for the City's development partner, Norstar Development USA, L.P. (Norstar) to mitigate known contaminants on the sites planned for redevelopment (Clark Commons Phase I). Due to historical uses in the area, it is expected printing chemicals, petroleum products, and other hazardous materials would have been used, stored, and handled on these sites. In order to develop the land into quality rental housing, these historical uses need to be mitigated. The City and Norstar applied for the Brownfield Redevelopment Program in order to offset some of the costs of remediation.

This Brownfield Redevelopment Grant and the corresponding contract with MDEQ will allow the City and Norstar to further implement many strategies identified in the master plan and specifically "create multi-income housing by integrating public and affordable housing into new developments".

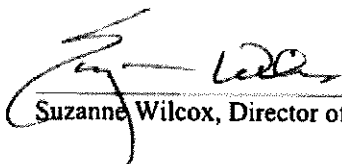
**Financial Implications:** This grant leverages existing funds throughout the community and delivers no impact to the City's General Fund accounts.

**Budgeted Expenditure:** Yes ☒ No ☐ Please explain, if no:

**Pre-encumbered:** Yes ☐ No ☒

**Account No.:** To be appropriated by Finance under grant code SDEQ-19-BRDP and under accounts 296-721.200-539.000 (revenue) and 296-721.200-801.000 (expense)

**Staff Recommendations:** The Director of the Department of Planning and Development recommends approval of this budget amendment.



Suzanne Wilcox, Director of Planning and Development

**RESOLUTION REVIEW FORM**

FROM: PLANNING  
Division

DATE  
NO.

April 5, 2019

Law Office Login # \_\_\_\_\_

**RESOLUTION APPROVING A BUDGET AMENDMENT AND AUTHORIZATION TO ENTER INTO GRANT CONTRACT WITH MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY TO ASSIST WITH ENVIRONMENTAL REMEDIATION AT CLARK COMMONS PHASE 1 OF CHOICE NEIGHBORHOODS IMPLEMENTATION**

RESOLUTION NAME: \_\_\_\_\_

Date In: 4/5/2019

**1. RESOLUTION REVIEW - P&D / PLANNING**

The attached RESOLUTION is approved by the P&D Director. By signing, the Director approves this resolution to be processed for signatures.

By: Suzanne Wilcox  
Director

DATE: 4/5/19

(Date)

Date In: \_\_\_\_\_

**2. RESOLUTION REVIEW - LAW DEPARTMENT**

The attached RESOLUTION is submitted to the Legal Department for Approval as to FORM ONLY:

The Legal Department has reviewed the RESOLUTION as to Form on \_\_\_\_\_ and by signing this form approves as to its \_\_\_\_\_

(Date)

By: Angela Wheeler  
City Attorney

DATE: 4/8/19

Date In: \_\_\_\_\_

**3. RESOLUTION REVIEW - FINANCE**

The attached RESOLUTION is submitted to the FINANCE Department for approval as to FINANCE COMPLIANCE:

The Finance Department reviewed this RESOLUTION, on \_\_\_\_\_ and by signing this form approves as to FINANCE COMPLIANCE.

(Date)

By: Ayunna Dompheh  
Deputy Chief Financial Officer

DATE: 4/9/19



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



LIESL EICHLER CLARK  
DIRECTOR

March 20, 2019

The Honorable Karen Weaver  
Mayor of Flint  
1101 South Saginaw Street  
Flint, Michigan 48502

Dear Mayor Weaver:

I am pleased to inform you that the Michigan Department of Environmental Quality (MDEQ) has completed its review of your January 2019 application for funding under the Brownfield Redevelopment Program. Your application for the Clark Commons I Redevelopment Project was awarded a \$499,995 Renew Michigan Grant. The grant was approved by Chief Deputy Director Aaron B. Keatley on March 12, 2019.

Your brownfield coordinator, Ms. Janet Michaluk, will forward a grant contract for your signature. The contract describes the terms and conditions for the expenditure of funds. Ms. Michaluk will work with you to initiate the project once the contract is signed by you and the MDEQ.

If you have questions regarding your award, please contact Ms. Carrie Geyer, Manager, Brownfield Assessment and Redevelopment Section, Remediation and Redevelopment Division, at 517-284-5182; [geyer1@michigan.gov](mailto:geyer1@michigan.gov); or MDEQ, P.O. Box 30426, Lansing, Michigan 48909-7926.

Sincerely,

Susan Leeming, Director  
Remediation and Redevelopment Division  
517-284-5144

cc: Senator Jim Ananich  
Representative Sheldon Neeley  
Ms. Liesl Eichler Clark, Director, MDEQ  
Mr. Aaron B. Keatley, Chief Deputy Director, MDEQ  
Ms. Sarah M. Howes, Director of Policy and Legislative Affairs, MDEQ  
Mr. Scott Dean, Communications Director, MDEQ  
Ms. Carrie Geyer, MDEQ  
Ms. Janet Michaluk, MDEQ  
File #2019-1376



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



LIESL EICHLER CLARK  
DIRECTOR

March 21, 2019

The Honorable Karen Weaver  
Mayor of Flint  
1101 South Saginaw Street  
Flint, Michigan 48502

Dear Mayor Weaver:

SUBJECT: Renew Michigan Fund Grant  
Clark Commons I  
Tracking Code: 2019-1376  
Location Code: 8G02

Congratulations on your recent Brownfield Redevelopment grant award for the Clark Commons I project. I've attached an electronic contract for your signature. The grant will be available to the City of Flint once the contract is signed by an authorized representative of the City of Flint and the Department of Environmental Quality (DEQ).

Please return contract via email:

1. Print and sign the attached document
2. Scan the signed version
3. Email the scanned file to [barksi@michigan.gov](mailto:barksi@michigan.gov) and to me.

After the contract is signed, a work plan describing the proposed work must be submitted and approved prior to undertaking any activities or incurring any other expenses. Expenses incurred prior to the date that the grant contract is signed by the DEQ are not eligible for payment under the Brownfield Redevelopment Grant and Loan Program, unless specific prior approval is made by the Director of the DEQ.

If you have any questions or concerns, please feel free to contact me. I look forward to working with you on this project.

Sincerely,

Janet Michaluk  
Brownfield Redevelopment Coordinator  
Brownfield Assessment and Redevelopment Section  
Remediation and Redevelopment Division  
517-643-0314

Enclosures

cc: Ms. Carrie Geyer, DEQ  
Ms. Dawn Austin, DEQ  
Mr. Mark Kussro, DEQ  
File #2019-1376

**CONTRACT REVIEW FORM**FROM: Kristin Stevenson

DATE

4/5/2019

NAME

CONTRACT#

DEPARTMENT:

Planning & Dev

NO.

Contractor:

Michigan Dept. of Environmental  
Quality

Law Office Login #

CONTRACT SUBJECT MATTER:

The purpose of this contract is for the MDEQ to provide funding to the City of Flint in exchange for environmental remediation work to be performed at Clark Commons Phase I of the Choice Neighborhoods development project.

Date in: 4/5/2019**1. CONTRACT REVIEW - Planning & Zoning Division**

The attached CONTRACT/C.O. is approved by the Planning & Zoning Division Head in the Department of Planning and Development. By signing, the Division Head approves this CONTRACT/C.O. to be processed for signatures.

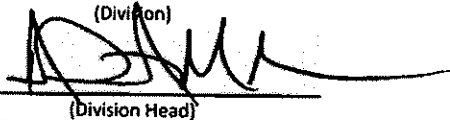
Planning & Zoning

(Division)

April 5, 2019

(Date)

By:



(Division Head)

4/5/19

(Date)

Date in: 4/5/2019**2. CONTRACT REVIEW - PLANNING AND DEVELOPMENT**

The attached CONTRACT is approved by the Director of the Department. By signing, the Director approves this CONTRACT/C.O. to be processed for signatures.

By:



(Director)

4/5/19

(Date)

**3. CONTRACT REVIEW - LAW DEPARTMENT**

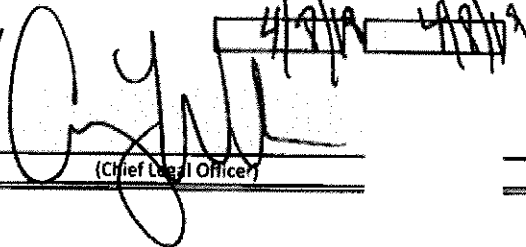
REVIEW AND APPROVAL:

DATE IN

DATE OUT

Staff Initials

City Attorney



(Chief Legal Officer)

AKW4/8/19

(Date)



**BROWNFIELD GRANT CONTRACT  
BETWEEN THE  
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY  
AND CITY OF FLINT**

This Grant Contract ("Contract") is made between the Michigan Department of Environmental Quality, Remediation and Redevelopment Division (hereafter "State"), and the City of Flint (hereafter "Grantee").

The purpose of this Contract is to provide funding in exchange for work to be performed for the project named below. The State is authorized to provide grant assistance pursuant to the funding sources identified in Appendix A. This Contract is subject to the terms and conditions specified herein.

Project Name: **Clark Commons I**  
Amount of Grant: **\$499,995**  
Start Date: **Date executed by DEQ**

Location Code: **8G02**  
Tracking Code: **2019-1376**  
End Date: **Two years after Start Date**

**GRANTEE CONTACT:**

Name/Title

Kristin Stevenson, Choice Neighborhood Coordinator

Organization

City of Flint

Address

1101 South Saginaw Street  
Flint, Michigan 48502

Telephone number

810-766-7426

E-mail address

kstevenson@cityofflint.com

Federal ID number

38-60044611

**STATE'S CONTACT:**

Name/Title

Janet Michaluk, Brownfield Coordinator

Division

Remediation and Redevelopment Division

Address

Constitution Hall, South Tower, 1<sup>st</sup> Floor  
525 West Allegan Street  
P.O. Box 30426  
Lansing, Michigan 48909

Telephone number

517-643-0314

E-mail address

michalukj@michigan.gov

The individuals signing below certify by their signatures that they are authorized to sign this Grant Contract on behalf of their agencies, and that the parties will fulfill the terms of this Contract, including any attached appendices, as set forth herein.

**FOR THE GRANTEE:**

Honorable Karen Weaver  
Mayor of Flint

4-10-19

Date

**FOR THE STATE:**

Susan Leeming, Director  
Remediation and Redevelopment Division  
Michigan Department of Environmental Quality

Grant Execution Date / Contract Start Date  
Contract End Date is two years after this date



## **I. PROJECT SCOPE**

This Contract and its appendices constitute the entire Contract between the State and the Grantee and may be modified only by written agreement between the State and the Grantee.

(A) The scope of this project is limited to the activities specified in Appendix A and such activities as are authorized by the State under this Contract. Any change in project scope requires prior written approval in accordance with Section III, Changes, in this Contract.

(B) By acceptance of this Contract, the Grantee commits to complete the project identified in Appendix A within the time period allowed for in this Contract and in accordance with the terms and conditions of this Contract.

## **II. CONTRACT PERIOD**

Upon signature by the State, the Contract shall be effective from the Start Date until the End Date on page 1. The State shall have no responsibility to provide funding to the Grantee for project work performed except between the Start Date and the End Date specified on page 1. Expenditures made by the Grantee prior to the Start Date or after the End Date of this Contract are not eligible for payment under this Contract.

## **III. CHANGES**

Any changes to this Contract other than budget line item revisions less than 20 percent of the budget line item shall be requested by the Grantee or the State in writing and implemented only upon approval in writing by the State. The State reserves the right to deny requests for changes to the Contract or to the appendices. No changes can be implemented without approval by the State.

## **IV. GRANTEE DELIVERABLES AND REPORTING REQUIREMENTS**

The Grantee shall submit deliverables and follow reporting requirements specified in Appendix A of this Contract.

(A) The Grantee must complete and submit quarterly progress reports according to a form and format prescribed by the State and must include supporting documentation of eligible project expenses. These reports shall be due according to the following:

<b>Reporting Period</b>	<b>Due Date</b>
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	Before October 15*
October 1 – December 31	January 31

\*Due to the State's year-end closing procedures, there will be an accelerated due date for the report covering July 1 – September 30. Advance notification regarding the due date for the quarter ending September 30 will be sent to the Grantee. If the Grantee is unable to submit a report in early October for the quarter ending September 30, an estimate of expenditures through September 30 must be submitted to allow the State to complete its accounting for that fiscal year.

The forms provided by the State shall be submitted to the State's contact at the address on page 1. All required supporting documentation (invoices, proof of payment, etc.) for expenses must be included with the report.

(B) The Grantee shall provide a final project report in a format prescribed by the State. The Grantee shall submit the final status report, including all supporting documentation for expenses, along with

the final project report and any other outstanding products within 30 days from the End Date of the Contract.

(C) The Grantee must provide three (3) copies of all products and deliverables in accordance with Appendix A.

(D) All products shall acknowledge that the project was supported in whole or in part by the State, per the guidelines provided by the program.

(E) If 15 percent (15%) or more of the grant amount is expended in a single quarter, payment requests may be submitted once monthly during that quarter.

#### **V. GRANTEE RESPONSIBILITIES**

(A) The Grantee agrees to abide by all applicable local, state, and federal laws, rules, ordinances, and regulations in the performance of this grant.

(B) All local, state, and federal permits, if required, are the responsibility of the Grantee. Award of this grant is not a guarantee of permit approval by the State.

(C) The Grantee shall be solely responsible to pay all applicable taxes and fees, if any, that arise from the Grantee's receipt or execution of this grant.

(D) The Grantee is responsible for the professional quality, technical accuracy, timely completion, and coordination of all designs, drawings, specifications, reports, and other services submitted to the State under this Contract. The Grantee shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in drawings, designs, specifications, reports, or other services.

(E) The State's approval of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve the Grantee of responsibility for the technical adequacy of the work. The State's review, approval, acceptance, or payment for any of the services shall not be construed as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract.

(F) The Grantee acknowledges that it is a crime to knowingly and willingly file false information with the State for the purpose of obtaining this Contract or any payment under the Contract, and that any such filing may subject the Grantee, its agents, and/or employees to criminal and civil prosecution and/or termination of the grant.

#### **VI. USE OF MATERIAL**

Unless otherwise specified in this Contract, the Grantee may release information or material developed under this Contract, provided it is acknowledged that the State funded all or a portion of its development.

The State, and federal awarding agency, if applicable, retains a royalty-free, nonexclusive and irrevocable right to reproduce, publish, and use in whole or in part, and authorize others to do so, any copyrightable material or research data submitted under this grant whether or not the material is copyrighted by the Grantee or another person. The Grantee will only submit materials that the State can use in accordance with this paragraph.

#### **VII. ASSIGNABILITY**

The Grantee shall not assign this Contract or assign or delegate any of its duties or obligations under this Contract to any other party without the prior written consent of the State. The State does not

assume responsibility regarding the contractual relationships between the Grantee and any subcontractor.

#### **VIII. SUBCONTRACTS**

The State reserves the right to deny the use of any consultant, contractor, associate, or other personnel to perform any portion of the project. The Grantee is solely responsible for all contractual activities performed under this Contract. Further, the State will consider the Grantee to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Grant. All subcontractors used by the Grantee in performing the project shall be subject to the provisions of this Contract and shall be qualified to perform the duties required.

#### **IX. NON-DISCRIMINATION**

The Grantee shall comply with the Elliott Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 *et seq.*, and all other federal, state, and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Grantee agrees to include in every subcontract entered into for the performance of this Contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Contract.

#### **X. UNFAIR LABOR PRACTICES**

The Grantee shall comply with the Employers Engaging in Unfair Labor Practices Act, 1980 PA 278, as amended, MCL 423.321 *et seq.*

#### **XI. LIABILITY**

(A) The Grantee, not the State, is responsible for all liabilities as a result of claims, judgments, or costs arising out of activities to be carried out by the Grantee under this Contract, if the liability is caused by the Grantee, or any employee or agent of the Grantee acting within the scope of their employment or agency.

(B) Nothing in this Contract should be construed as a waiver of any governmental immunity by the Grantee, the State, its agencies, or their employees as provided by statute or court decisions.

#### **XII. CONFLICT OF INTEREST**

No government employee, or member of the legislative, judicial, or executive branches, or member of the Grantee's Board of Directors, its employees, partner agencies, or their families shall benefit financially from any part of this Contract.

#### **XIII. ANTI-LOBBYING**

If all or a portion of this Contract is funded with state funds, then the Grantee shall not use any of the grant funds awarded in this Contract for the purpose of lobbying as defined in the State of Michigan's lobbying statute, MCL 4.415(2). "Lobbying" means communicating directly with an official of the executive branch of state government or an official in the legislative branch of state government for the purpose of influencing legislative or administrative action." The Grantee shall not use any of the grant funds awarded in this Contract for the purpose of litigation against the

State. Further, the Grantee shall require that language of this assurance be included in the award documents of all subawards at all tiers.

#### **XIV. DEBARMENT AND SUSPENSION**

By signing this Contract, the Grantee certifies to the best of its knowledge and belief that it, its agents, and its subcontractors:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or the state.
- (2) Have not within a three-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, as defined in 45 CFR 1185; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in subsection (2).
- (4) Have not within a three-year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.
- (5) Will comply with all applicable requirements of all other state or federal laws, executive orders, regulations, and policies governing this program.

#### **XV. AUDIT AND ACCESS TO RECORDS**

The State reserves the right to conduct a programmatic and financial audit of the project, and the State may withhold payment until the audit is satisfactorily completed. The Grantee will be required to maintain all pertinent records and evidence pertaining to this Contract, including grant and any required matching funds, in accordance with generally accepted accounting principles and other procedures specified by the State. The State or any of its duly authorized representatives must have access, upon reasonable notice, to such books, records, documents, and other evidence for the purpose of inspection, audit, and copying. The Grantee will provide proper facilities for such access and inspection. All records must be maintained for a minimum of ten (10) years after the final payment has been issued to the Grantee by the State.

#### **XVI. INSURANCE**

(A) The Grantee must maintain insurance or self-insurance that will protect it from claims that may arise from the Grantee's actions under this Contract.

(B) The Grantee must comply with applicable workers' compensation laws while engaging in activities authorized under this Contract.

#### **XVII. OTHER SOURCES OF FUNDING**

The Grantee guarantees that any claims for reimbursement made to the State under this Contract must not be financed by any source other than the State under the terms of this Contract. If funding is received through any other source, the Grantee agrees to delete from Grantee's billings, or to immediately refund to the State, the total amount representing such duplication of funding.

## **XVIII. COMPENSATION**

(A) A breakdown of costs allowed under this Contract is identified in Appendix A. The State will pay the Grantee a total amount not to exceed the amount on page 1 of this Contract, in accordance with Appendix A, and only for expenses incurred and paid. All other costs necessary to complete the project are the sole responsibility of the Grantee.

(B) Expenses incurred by the Grantee prior to the Start Date or after the End Date of this Contract are not allowed under the Contract, unless otherwise specified in Appendix A.

(C) The State will approve payment requests after approval of reports and related documentation as required under this Contract.

(D) The State reserves the right to request additional information necessary to substantiate payment requests.

(E) Payments under this Contract may be processed by Electronic Funds Transfer (EFT). The Grantee may register to receive payments by EFT at the SIGMA Vendor Self-Service website (<http://www.michigan.gov/sigmavss>).

(F) An amount equal to ten percent (10%) of the grant award will be withheld by the State until the project is completed in accordance with Section XIX, Closeout, and Appendix A.

## **XIX. CLOSEOUT**

(A) A determination of project completion, which may include a site inspection and an audit, shall be made by the State after the Grantee has met any match obligations, satisfactorily completed the activities, and provided products and deliverables described in Appendix A.

(B) Upon issuance of final payment from the State, the Grantee releases the State of all claims against the State arising under this Contract. Unless otherwise provided in this Contract or by State law, final payment under this Contract shall not constitute a waiver of the State's claims against the Grantee.

(C) The Grantee shall immediately refund to the State any payments in excess of the costs allowed by this Contract.

## **XX. CANCELLATION**

This Contract may be canceled by the State, upon 30 days written notice, due to Executive Order, budgetary reduction, other lack of funding, upon request by the Grantee, or upon mutual agreement by the State and Grantee. The State may honor requests for just and equitable compensation to the Grantee for all satisfactory and eligible work completed under this Contract up until 30 days after written notice, upon which time all outstanding reports and documents are due to the State and the State will no longer be liable to pay the grantee for any further charges to the grant.

## **XXI. TERMINATION**

(A) This Contract may be terminated by the State as follows.

(1) Upon 30 days written notice to the Grantee:

- a. If the Grantee fails to comply with the terms and conditions of the Contract, or with the requirements of the authorizing legislation cited on page 1, or the rules promulgated thereunder, or other applicable law or rules.

- b. If the Grantee knowingly and willingly presents false information to the State for the purpose of obtaining this Contract or any payment under this Contract.
  - c. If the State finds that the Grantee, or any of the Grantee's agents or representatives, offered or gave gratuities, favors, or gifts of monetary value to any official, employee, or agent of the State in an attempt to secure a subcontract or favorable treatment in awarding, amending, or making any determinations related to the performance of this Contract.
  - d. If the Grantee or any subcontractor, manufacturer, or supplier of the Grantee appears in the register of persons engaging in unfair labor practices that is compiled by the Michigan Department of Licensing and Regulatory Affairs or its successor.
  - e. During the 30-day written notice period, the State shall withhold payment for any findings under subparagraphs a through d, above and the Grantee will immediately cease charging to the grant and stop earning match for the project (if applicable).
- (2) Immediately and without further liability to the State if the Grantee, or any agent of the Grantee, or any agent of any subcontract is:
- a. Convicted of a criminal offense incident to the application for or performance of a State, public, or private contract or subcontract;
  - b. Convicted of a criminal offense, including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees;
  - c. Convicted under State or federal antitrust statutes; or
  - d. Convicted of any other criminal offense that, in the sole discretion of the State, reflects on the Grantee's business integrity.
  - e. Added to the federal or state Suspension and Debarment list.

(B) If a grant is terminated, the State reserves the right to require the Grantee to repay all or a portion of funds received under this Contract.

## **XXII. IRAN SANCTIONS ACT**

By signing this Contract the Grantee is certifying that it is not an Iran-linked business, and that its contractors are not Iran-linked businesses, as defined in MCL 129.312.

## **XXIII. ACCESS AGREEMENTS**

A voluntary access agreement or court-ordered access must be secured by the Grantee prior to performance of the scope of work described in Appendix A for any portion of the project area or property where grant activities will be undertaken and that is not owned by the Grantee. Evidence of access must be provided to the State at its request.

## **XXIV. GRANT ADMINISTRATION**

The use of a Grant Administrator to review work plans, reports, and other documents prepared by the Contractor(s), review invoices, write project status reports, and coordinate project activities and communications is eligible for reimbursement conditional upon the State's approval of a scope of work and budget prior to incurring grant administration costs. Grant administration costs will be limited to three percent (3%) [ten percent (10%) (for areawides only)] of the total grant amount.

## **XXV. INELIGIBLE EXPENSES**

Although the following costs may be related to the scope of work described in Appendix A, the following are ineligible for reimbursement under the grant:

Office equipment; software; insurance, except liability insurance required pursuant to this Contract; taxes, except sales taxes; replacement or purchase of equipment; drinking water supply replacement, defined as but is not limited to, providing bottled water, constructing a new well, and extending or constructing a water supply system ; operation and maintenance, defined as the activities necessary to provide for continued effectiveness and integrity of a response activity after construction of the response activity means or measures. The term includes activities such as groundwater removal and treatment; restoration of property or infrastructure, unless included in Appendix A; fees for attorneys or legal advice; grant recipient staff time for application submittal; costs incurred for environmental activities under a local Brownfield Redevelopment Authority Plan; costs incurred for activities outside a State-approved work plan; labor overtime; and training. Travel costs for either vehicle use or vehicle mileage will be reimbursed, but not both. Vehicle mileage will be reimbursed at a maximum of the federal rate allowed by the Internal Revenue Service at the time the costs are incurred. Fees, such as those incurred for state or local permits; underground storage tank registration; late fees; or other fees may be eligible at the State's discretion. Other expenses may be determined ineligible in the course of invoice reviews.

#### **XXVI. BIDS, CONTRACTORS**

(A) For contracts over \$20,000, the Grantee shall provide, or cause to be provided, the qualifications of the selected contractor(s) to the State. The State reserves the right to object to the selected contractor(s) or their qualifications. If the State has objections, it will inform the Grantee in writing within 30 days of receipt of the selected contractor's qualifications.

(B) For any contract over \$20,000, except professional services, the Grantee shall solicit, or cause to be solicited, bids from at least three qualified contractors. The Grantee shall provide to the State, copies of all bids received. If the contractor that submitted the lowest bid is not the contractor selected, the Grantee must submit written justification for the selection.

(C) Any contractor(s) retained for corrective action on regulated underground storage tanks shall be a qualified underground storage tank consultant that meets the requirements of Section 21325 of Part 213, Leaking Underground Storage Tanks of the NREPA.

(D) Any contractor(s) retained for asbestos abatement shall possess appropriate qualifications to perform asbestos abatement.

(E) Contractor markup on subcontractors and equipment is limited to a maximum of ten percent (10%) of the original cost, and subject to approval by the State.

#### **XXVII. WORK PLANS AND PROJECT IMPLEMENTATION**

(A) Prior to conducting any activities except property acquisition under the Contract, the Grantee or its contractor shall submit a detailed work plan to the State for its approval. Work plans must include a description of the proposed activities, a budget, and a schedule for conducting the activities under Appendix A. A supplementary work plan, budget, and schedule are required for each subsequent phase of work. The Grantee and its contractor shall not proceed with grant-funded activities until the State approves the work plan, budget, and schedule in writing. The State may approve, modify and approve, or require amendments to the work plan.

(B) The Grantee or its contractor shall implement the work plan upon the State's written approval and according to the schedules contained therein. Changes or additions to the work plan may be submitted in writing and are subject to approval by the State. Changes to work plans without prior approval from the State, or performance of activities that are not part of an approved work plan or an amendment to a work plan, are considered ineligible expenses and may result in the Grantee being responsible for payment of unapproved activities.

## **XXVIII. ECONOMIC DEVELOPMENT**

(A) The Grant Recipient acknowledges by its signature of this Contract that there have been no material changes in the economic development proposal, property ownership, or other conditions of the property or project since the date the grant funds were awarded.

(B) In the event the proposed development changes or is not implemented, the Grantee shall immediately notify the State in writing and shall secure a new development project for the property within six (6) months after such notification. The Grantee shall then notify the State in writing of the proposed development. The alternate development project is also subject to approval by the State.

## **XXIX. OTHER TERMS AND CONDITIONS**

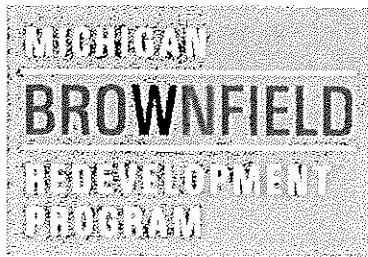
(A) The State may withhold the grant until the State determines that the Grantee is able to proceed with the project scope described in Appendix A, pursuant to Part 196, Section 19612(3), of the NREPA.

(B) Following completion of the project, the State may conduct annual compliance inspections for two (2) years to determine whether the project is being maintained for the use specified in this Contract.

(C) The Grantee acknowledges, by signature of this Contract, that the State is not obligated to provide additional funding for this project. The Grantee shall assume responsibility for any additional environmental activity costs necessary to complete the project in excess of the approved Grant.

(D) If necessary to allow for completion of the project, the Grantee and State may mutually agree to extend the term of the contract. Contract extensions should be requested by the Grantee or the State in writing, prior to the contract end date. The term of the contract may be extended up to a maximum of four additional 1-year periods. This contract may only be extended by a signed agreement between both parties.





## BROWNFIELD REDEVELOPMENT GRANT / LOAN APPENDIX A

Project Details			
<b>Project name and address</b>	Clark Commons I Scattered sites bounded by North Saginaw Street, Merrill Place, Root Street, and Louisa Street	<b>Grantee / Borrower</b>	City of Flint
<b>Tracking code</b>	2019-1376	<b>Location Code</b>	8G02
<b>Private investment</b>	\$15,773,553	<b>Jobs created</b>	2 full time equivalent (FTE)
<b>Grant amount</b>	\$499,995	<b>Loan amount</b>	\$0
<b>Funding Source</b>	Renew Michigan Grant (RMG)		

**PROJECT DESCRIPTION:** The city of Flint is receiving a grant for investigation, baseline environmental assessment (BEA), and due care implementation to address soil, groundwater, and soil gas contamination including vapor intrusion mitigation and exposure barriers, as necessary.

Norstar Development USA, L.P. was the selected developer for Phase I of the Clark Commons project, the first segment of the South Flint Community Plan (SFCP). The SFCP is a community driven comprehensive mixed-use development plan focusing on mixed-income (public, affordable, and market rate) infill housing units and the strengthening of the commercial corridor along Saginaw Street. Phase I will consist of 62 new housing units and at least one commercial building across 28 currently vacant parcels (see Figure 1).

### ANTICIPATED SCOPE OF WORK / BUDGET:

The scope of work includes, but is not limited to:

- Investigation and BEA
- Due care activities including, but not limited to, contaminated soil management, vapor intrusion mitigation and exposure barriers, and associated oversight, sampling, and reporting

Eligible activities include:

Eligible Activity	Grant
1. Investigation and BEA	\$102,965
2. Due care activities	\$373,030
3. Third-party environmental oversight professional (up to 5 percent of grant amount)	\$24,000
Total	\$499,995

In addition to the broad budget items listed above, grant and loan funds may be used for work plan and budget development, bid solicitation, technical specifications, and other administrative tasks approved by the Department of Environmental Quality (DEQ) grant coordinator. Tasks not listed above must be approved prior to the performance of those tasks.

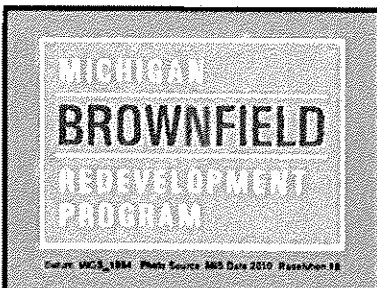
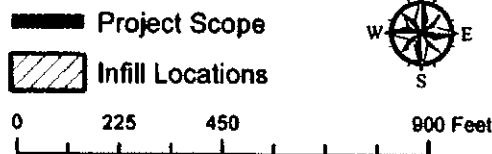
Prior to the start of any grant or loan eligible work, a work plan must be submitted to the DEQ for review and approval. Work performed outside of an approved work plan may not be eligible for grant or loan reimbursement. Work plan development will be paid for under the budget items listed above. A budget maximum of up to \$5,000 is approved for work plan development. If an individual work plan or multiple work plans collectively exceed the \$5,000 cap, specific approval must be received prior to the development of the work plan or work plans beyond a development cost of \$5,000 in order to be considered grant or loan eligible.

Progress reports must be submitted quarterly even if there are not any expenses incurred for the quarter. Progress reports must include invoices for expenses incurred during the quarter and copies of checks or statements showing all consultants / contractors were paid for the previous quarter.

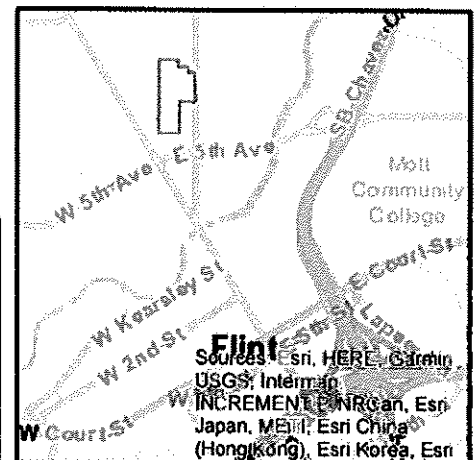
**SCHEDULE:** Work will be initiated on approved projects within two weeks of State approval unless otherwise approved by the State. The project will proceed on the following schedule:

Task	Schedule
1. Investigation and BEA	1 <sup>st</sup> quarter after start date
2. Due care activities	1 <sup>st</sup> - 4 <sup>th</sup> quarter after start date
3. Third-party environmental oversight professional	1 <sup>st</sup> - 4 <sup>th</sup> quarter after start date

# CLARK COMMONS



**VARIOUS ADDRESSES**  
 FLINT, GENESSE  
 T7N R6E  
 FIGURE 1  
 MDEQ Remediation &  
 Redevelopment Division  
 January 2019



SUBMISSION NO. 190157  
PRESENTED: 4-17-19  
ADOPTED: \_\_\_\_\_

***Resolution entering into a grant agreement with the Department of Justice Office of Justice Programs to accept funds for the FY18 Technology Innovation for Public Safety (TIPS) Grant***

**BY THE CITY ADMINISTRATOR**

The City of Flint Police Department has been awarded the FY18 Technology Innovation for Public Safety Grant, also known as TIPS, in the amount of \$499,694.00, from the Department of Justice Office of Justice Programs.

The Office of Justice Programs Grant, 2018-DG-BX-K003, is a two-year grant, funded by the Department of Justice, with no local match required. The TIPS grant will fund three Crime Analysts, software, Maintenance support and various pieces of equipment.

**THEREFORE BE IT RESOLVED**, That the appropriate city officials are hereby authorized to do all things necessary to enter into the Office of Justice Programs grant agreement between the City of Flint and the Department of Justice, in the amount of \$499,694.00, for the period of October 1, 2018 through September 30, 2020.

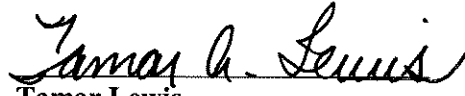
**BE IT FURTHER RESOLVED**, That the funds in the amount of \$499,694.00 available from this grant, be accepted by the City of Flint, and that said appropriation be made to the City of Flint Grant Fund (296FD) to be used solely for the above stated purpose as set forth in the grant agreement and related documents.

**APPROVED AS TO FORM:**

  
Angela Wheeler  
Chief Legal Officer

  
Steve Branch, City Administrator

**APPROVED AS TO FINANCE:**

  
Tamar Lewis  
Deputy Finance Director

\_\_\_\_\_  
Herbert J. Winfrey, President  
City Council

## RESOLUTION STAFF REVIEW FORM

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**DATE:** 04/05/19

**Agenda Item Title:** 2018 Technology Innovation for Public Safety Grant (TIPS)

**Prepared By:** Rick Johnson, Police Financial Coordinator

**Background/Summary of Proposed Action:** This grant is to use technology to reduce crime. The Flint Police Department is requesting to enter into a Grant Agreement with the Department of Justice in the amount of \$499,694.00 and that these funds available from the TIPS grant be recognized as received by the City of Flint and that appropriations in like amount be made to the City of Flint Police Department Grant Operating accounts. Grant runs from October 01, 2018 thru September 30, 2020.

**Financial Implications:** The City will be reimbursed for all qualifying expenditures up to the full amount of the grant, \$499,694.00, from Department of Justice.

**Budgeted Expenditure:** Yes \_\_\_ No X Please explain, if no: Grant amount was unknown at time of budget

<b><u>Account #:</u></b>	<b>Revenue:</b> 296-301.601-538.000 – FDOJ-TIPS18	\$499,694.00
	<b>Expense:</b> 296-301.601-702.000 – FDOJ-TIPS18	\$118,560.00
	296-301.600-719.100 – FDOJ-TIPS18	\$10,672.00
	296-301.601-931.000 – FDOJ-TIPS18	\$93,562.00
	296-301.601-958.000 – FDOJ-TIPS18	\$2,600.00
	296-301.600-977.000 – FDOJ-TIPS18	\$274,300.00

**Pre-encumbered:** Yes \_\_\_ No X **Requisition #:** Budgetary Resolution

**Other Implications (i.e., collective bargaining):** None

**Staff Recommendation:** Recommend Approval

**Staff Person:**   
Timothy Johnson, Chief of Police



**U.S. Department of Justice**

**Office of Justice Programs**

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Office of the Assistant Attorney General

*Washington, D.C. 20531*

September 25, 2018

Chief Timothy Johnson  
Flint Police Department  
210 East 5th Street  
Flint, MI 48502-1636

Dear Chief Johnson:

On behalf of Attorney General Jefferson Sessions III, it is my pleasure to inform you that the Office of Justice Programs has approved your application for funding under the FY 18 Technology Innovation for Public Safety (TIPS) Addressing Precipitous Increases in Crime in the amount of \$499,694 for Flint Police Department.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:

- Program Questions, Tahitia Barringer, Program Manager at (202) 616-3294; and
- Financial Questions, the Office of the Chief Financial Officer, Customer Service Center (CSC) at (800) 458-0786, or you may contact the CSC at [ask.ocfo@usdoj.gov](mailto:ask.ocfo@usdoj.gov).

Congratulations, and we look forward to working with you.

Sincerely,

A handwritten signature in black ink, reading "Matt Dummermuth", is positioned above the printed name.

Matt Dummermuth  
Principal Deputy Assistant Attorney General

Enclosures



U.S. Department of Justice  
Office of Justice Programs  
Bureau of Justice Assistance

Cooperative Agreement

PAGE 1 OF 13

1. RECIPIENT NAME AND ADDRESS (Including Zip Code) Flint Police Department 210 East 5th Street Flint, MI 48502-1636		4. AWARD NUMBER: 2018-DG-BX-K003	
		5. PROJECT PERIOD: FROM 10/01/2018 TO 09/30/2020 BUDGET PERIOD: FROM 10/01/2018 TO 09/30/2020	
2a. GRANTEE IRS/VENDOR NO. 386004611		6. AWARD DATE 09/25/2018	7. ACTION Initial
2b. GRANTEE DUNS NO. 072780067		8. SUPPLEMENT NUMBER 00	
3. PROJECT TITLE Using Technology to Reduce Violence Project		9. PREVIOUS AWARD AMOUNT \$ 0	
		10. AMOUNT OF THIS AWARD \$ 499,694	
		11. TOTAL AWARD \$ 499,694	
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).			
13. STATUTORY AUTHORITY FOR GRANT This project is supported under FY18(BJA - JAG 5% carve-out) 34 USC 10157(b)			
14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number) 16.738 - Edward Byrne Memorial Justice Assistance Grant Program			
15. METHOD OF PAYMENT GPRS			
AGENCY APPROVAL		GRANTEE ACCEPTANCE	
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Matt Dummermuth Principal Deputy Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Timothy Johnson Chief	
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL	19A. DATE
AGENCY USE ONLY			
20. ACCOUNTING CLASSIFICATION CODES FISCAL FUND BUD. DIV. YEAR CODE ACT. OFC. REG. SUB. POMS AMOUNT X B DG 80 00 00 499694		21. TDGUGT1554	

# Budget Summary

## Budget Summary

Note: Any errors detected on this page should be fixed on the corresponding Budget Detail tab.

Budget Category	Year 1		Year 2 (if needed)		Year 3 (if needed)		Year 4 (if needed)		Year 5 (if needed)		Total(s)
	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	Federal Request	Non-Federal Request	
A. Personnel	\$59,280	\$0	\$59,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$118,560
B. Fringe Benefits	\$5,396	\$0	\$5,396	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,672
C. Travel	\$0	\$0	\$2,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,600
D. Equipment	\$274,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$274,300
E. Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
F. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G. Subawards (Subgrants)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
H. Procurement Contracts	\$46,781	\$0	\$46,781	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$93,562
I. Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Direct Costs</b>	<b>\$385,697</b>	<b>\$0</b>	<b>\$113,997</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$499,694</b>
<b>Total Project Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Indirect Costs</b>	<b>\$385,697</b>	<b>\$0</b>	<b>\$113,997</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$499,694</b>
Does this budget contain conference costs which is defined broadly to include meetings, retreats, seminars, symposia, and training activities? - Y/N											



190129

ORDINANCE NO. \_\_\_\_\_

An ordinance to amend the Code of the City of Flint by amending Chapter 18, Taxation; Funds; Purchasing; Article I, In General; Section 18-4.1, Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons.

IT IS HEREBY ORDAINED BY PEOPLE OF THE CITY OF FLINT:

Sec. 1. That the provisions of Chapter 18, Taxation; Funds; Purchasing; Article I, In General; Section 18-4.1, Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons, shall be amended by adding subsection (BB), which shall read in its entirety as follows:

(BB) THE CITY ACKNOWLEDGES THAT **SHILOH COMMONS II, MHT LIMITED DIVIDEND HOUSING ASSOCIATION, LLC, AND MHT HOUSING, INC.** (THE "SPONSORS") HAVE OFFERED, SUBJECT TO RECEIPT OF AN AUTHORITY-AIDED OR FEDERALLY-AIDED MORTGAGE LOAN AND/OR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS FROM THE MICHIGAN STATE HOUSING AND DEVELOPMENT AUTHORITY ("MSHDA"), TO OWN AND OPERATE A HOUSING PROJECT IDENTIFIED AS "SHILOH COMMONS" (THE "PROJECT") ON CERTAIN PROPERTY LOCATED IN THE CITY TO SERVE PERSONS AND FAMILIES OF LOW INCOME, AND THAT THE SPONSOR HAS OFFERED TO PAY THE CITY ON ACCOUNT OF THIS HOUSING DEVELOPMENT AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF AD VALOREM TAXES.

THE CITY ACKNOWLEDGES THAT THE SPONSOR SHALL BE AFFORDED TAX

BENEFITS OF PAYING A SERVICE CHARGE IN LIEU OF AD VALOREM TAXES (BUT NOT IN LIEU OF PAYMENT OF SPECIAL ASSESSMENTS INCLUDING, BUT NOT LIMITED TO, THE STREET LIGHTING SPECIAL ASSESSMENT). THE CITY FURTHER ACKNOWLEDGES THAT THE SPONSOR FITS WITHIN THE CLASS AS DESCRIBED IN §18-4.3 BELOW. THE ANNUAL SERVICE CHARGE FOR THE CLASS OF PERSONS OF LOW AND MODERATE INCOME SHALL BE EQUAL TO FOUR PERCENT (4%) OF THE ANNUAL SHELTER RENTS, EXCLUSIVE OF CHARGES FOR GAS, ELECTRICITY, HEAT, OR OTHER UTILITIES FURNISHED TO THE OCCUPANTS, INCLUDING THE PORTION OF RENT PAYABLE UNDER ANY GOVERNMENTAL SUBSIDY. NOTWITHSTANDING THE FOREGOING, THE ANNUAL SERVICE CHARGE SHALL NOT EXCEED AD VALOREM PROPERTY TAXES THAT WOULD BE ASSESSED OR PAID ABSENT THIS TAX EXEMPTION.

Sec. 2. This ordinance shall become effective immediately upon publication.

Adopted this \_\_\_\_\_ day of

\_\_\_\_\_, 2019 A.D.

\_\_\_\_\_  
Dr. Karen W. Weaver, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Angela Wheeler, Chief Legal Officer

**ORDINANCE REVIEW FORM**

FROM: Planning and Development  
Department

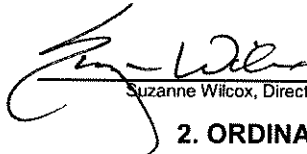
NO. 19- 8041  
Law Office Login #

ORDINANCE NAME: **ORDINANCE AMENDMENT 18-4.1(BB): TO APPROVE THE 4% PILOT FOR THE SHILOH COMMONS DEVELOPMENT, A PARTNERSHIP BETWEEN MHT HOUSING, INC., MHT LIMITED DIVIDEND HOUSING CORPORATION, LLC, AND SHILOH COMMONS II TO PRESERVE AFFORDABLE HOUSING UNITS IN THE SHILOH COMMONS DEVELOPMENT.**

**1. ORDINANCE REVIEW - DEPARTMENT DIRECTOR**

The attached ORDINANCE is approved by the Director of the affected Department. By signing, the Director approves this ordinance to be processed for signatures and fully executed.

By: Director

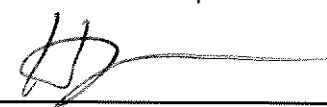
  
Suzanne Wilcox, Director, P&D

DATE: 3/19/19

**2. ORDINANCE REVIEW-FINANCE DEPARTMENT**

The attached ORDINANCE is submitted to the Finance Department for approval. By signing, the Finance Department approves this ordinance to be processed for signatures and fully executed.

By:

  
Hughey Newsome, Chief Financial Officer

DATE: 3/26/19

**3. ORDINANCE REVIEW - LAW DEPARTMENT**

The attached ORDINANCE is submitted to the Legal Department for approval. By signing, the Legal Department approves this ordinance to be processed for signatures and fully executed.

By:

  
Angela Wheeler, Chief Legal Officer

DATE: 3/25/19

## **ORDINANCE AMENDMENT STAFF REVIEW**

**Date:** *MARCH 18, 2019*

### **Agenda Item Title:**

**ORDINANCE AMENDMENT 18-4.1(BB): TO APPROVE THE 4% PILOT FOR THE SHILOH COMMONS DEVELOPMENT, A PARTNERSHIP BETWEEN MHT HOUSING, INC., MHT LIMITED DIVIDEND HOUSING CORPORATION, LLC, AND SHILOH COMMONS II TO PRESERVE AFFORDABLE HOUSING UNITS IN THE SHILOH COMMONS DEVELOPMENT.**

### **Prepared By:**

Planning and Development Department, Division of Community and Economic Development

### **Background/Summary of Proposed Action:**

18-4.1(BB): The Shiloh Commons Apartments housing development will provides 125 total housing units to the City of Flint, of which will 60 will be deeply subsidized assisted units. This is an existing complex that is now under new ownership and management. The rehab project is projected to be completed by June of 2020.

- Quantitatively, the apartments provide much needed, safe and affordable housing to residents of the area whose incomes are 60% or less of the area median income for the area that will also be near public transportation and walkable routes to jobs and services.
- Qualitatively, the property will be improved through over \$4 million of facility and site improvements, a property realizing decline, vacancy, and financial concerns over the last several years. The developer/partnership will work to establish long-term sustainability of the development through local control of the property, the use of LIHTC credits, and the incorporation of recognized energy efficient building practices.
- Statutorily, Section 18-4.3 refers to a number of questions for housing developments asking for a PILOT. All of those questions are addressed and their answers meet the threshold of being eligible for a PILOT.
  - This project's financing includes an application for a Low Income Housing Tax Credit allocation from MSHDA;
  - This project's location is in an economically depressed urban renewal project area (entire City of Flint);
  - This project is not economically feasible absent the City's allowing a 4% service charge in lieu of taxes due to low market rents and the desire to maintain all units as affordable to 60% or less AMI;
  - MSHDA's allocation of Low Income Housing Tax Credits are tied to the city giving this tax benefit;
  - The partnership will not have any employees;
  - The developer of this project originally requested this PILOT during the planning stage of the project, prior to the start of construction or renovation.

**Special Consideration:**

A four (4) percent PILOT is being requested to allow for the long-term sustainability of the property and prevent the property from falling into a situation where it would not be sustainable.

**Financial Implications:**

The community needs to maintain and improve the 125 units of housing and this PILOT is one of the key components to allowing the housing development to be financially viable, as well as to undergo a comp an estimation of \$36,000.00 per year from the PILOT. Therefore, it is recommended that Council approve a 4% PILOT service charge for the Shiloh Commons project.

**Budgeted Expenditure:** Yes \_\_\_\_ No X **Please explain, if no:** PILOT, no budget amount to requisition

**Pre-encumbered:** Yes \_\_\_\_ No x **Requisition #:** N/A

**Reviewed and Approved By:**  **Date:** 3/18/19

**Other Implications:** No other implications are known at this time.

**Staff Recommendation:** Staff recommends approval of this resolution.

**APPROVAL**

**(SEE APPROVAL ROUTING SHEET ATTACHED)**

FROM: Sarah Quellmalz  
REQUESTOR

DATE: 2/28/19  
DATE REQUIRED: 3/7/19

DEPARTMENT: Community and Economic Development

DOCUMENT REQUIRING APPROVAL: SHILOH COMMONS

The below signed Department has reviewed and approved the attached PILOT application as presented. Through its approval, the Department is approving that a PILOT Ordinance will be prepared and routed.

<b>Approval: CED</b>	
The attached document is approved by the Director of the Department. By signing, the Director acknowledges that they are aware of and authorizes this document to be approved and an ordinance resolution to be prepared and routed.	
By: Suzanne Wilcox Director, Planning & Development	DATE: 2/28/19
<b>Approval: Zoning</b>	
The attached document is approved by the Director of the Department. By signing, the Director acknowledges that they are aware of and authorizes this document to be approved and an ordinance resolution to be prepared and routed.	
By: Andrew Aamodt Zoning	DATE: 3/6/19
<b>Approval: Assesor</b>	
The attached document is approved by the Director of the Department. By signing, the Director acknowledges that they are aware of and authorizes this document to be approved and an ordinance resolution to be prepared and routed.	
By: Stacey Bassi Assessor	DATE: 3/6/19
<b>Approval: Finance</b>	
The attached document is approved by the Director of the Department. By signing, the Director acknowledges that they are aware of and authorizes this document to be approved and an ordinance resolution to be prepared and routed.	
By: Hughey Newsome Chief Financial Officer	DATE: 3/6/19
<b>Approval: Administrator</b>	
The attached document is approved by the Director of the Department. By signing, the Director acknowledges that they are aware of and authorizes this document to be approved and an ordinance resolution to be prepared and routed.	
By: Steve Branch City Adminstrator	DATE: 3/14/2019

Shiloh Commons, 3209 Buick St

1) Potential taxable value:	\$134,506	
2)Current PILOT Payment Average	\$22,000	
3) 4% PILOT estimation with increased Rents	\$36,000	DIFFERENCE BETWEEN PILOT AND TAXES:
		\$98,506 per year

Based on the Market Rents , at 100% occupancy, the total annual rent potential for the 125 units is \$930,420

3) Estimated project ad valorum taxable value:

Market Rent	Two Bedroom	Three Bedroom
Number of Units	\$650	\$750
	76	49
	\$49,400	\$36,750

Monthly Income	\$86,150
Yearly Income	\$1,033,800
Vacancy/Loss (10%)	(\$103,380)
Potential Gross Income	\$930,420
Expenses(45%)	(\$418,689)
Net Operating Income	\$511,731
Cap Rate of 13%	\$3,936,392
SEV/TV	1,968,196
Potential Taxes	\$134,506



## **PAYMENT IN LIEU OF TAXES (PILOT) APPLICATION**

### **CITY OF FLINT**

#### **APPLICANT INFORMATION**

<b>ENTITY NAME</b>	Shiloh Commons II/MHT Limited Dividend Housing Association, LLC
<b>REPRESENTATIVES NAME</b>	T. Van Fox
<b>ADDRESS</b>	32600 Telegraph Road, Bingham Farms, MI 48025
<b>TELEPHONE NUMBER</b>	248-833-0550
<b>E-MAIL ADDRESS</b>	vanfox@mhthousing.net

#### **GUARANTORS INFORMATION**

<b>ENTITY NAME</b>	MHT Housing, Inc.
<b>ENTITY PRINCIPAL</b>	T. Van Fox
<b>ADDRESS</b>	32600 Telegraph Road, Bingham Farms, MI 48025
<b>TELEPHONE NUMBER</b>	248-833-0550
<b>E-MAIL ADDRESS</b>	vanfox@mhthousing.net

#### **PROJECT INFORMATION**

<b>PROJECT NAME</b>	Shiloh Commons
<b>ADDRESS OF PROJECT</b>	3209 Buick Street, Flint, MI 48505
<b>PARCEL ID</b>	40-01-202-034
<b>LEGAL DESCRIPTION</b>	<p>Situated in the City of Flint, County of Genesee, State of Michigan, to-wit:</p> <p>All of the following parcel of land being part of the Hillcrest Subdivision, City of Flint, Genesee County, Michigan, according to the recorded plat thereof, as recorded in Book 4 of Plats, Page 23, Genesee County Records, described as: Lots 6 through 16 inclusive; also the East 9.03 feet of Lots 79 and 80 and Lots 81 through 114 inclusive; also the East 9.03 feet of the North 41.56 feet of Lot 202 and the East 9.03 feet of Lot 203; also the North portions of Lots 204, 206, 208, 210, 212, 214, 216, 218, 220, 222 measuring 41.55 feet on the West line of Lot 204 and measuring 40.86 feet on the East line of Lot 222; also all of Lots 205, 207, 209,</p>

	211, 213, 215, 217, 219, 221, 223, 225, 227, 229, 231, 233, 235, 237; also Lots 224 through 236 inclusive; including all of the vacated alleys and streets adjacent thereto; described as follows: Beginning at the intersection of the South line of Pasadena Avenue 60' wide and the West line on Buick Street 60' wide as shown on said Plat also being the Northeast corner of said Lot 16; thence South 00 degrees 02 minutes 26 seconds West 712.37 feet along the West line of said Buick Street; thence South 89 degrees 54 minutes 10 seconds West 279.53 feet; thence North 00 degrees 04 minutes 35 seconds West 88.44 feet; thence South 89 degrees 54 minutes 43 seconds West 469.32 feet; thence North 00 degrees 02 minutes 26 seconds East 553.44 feet to a point on the South line of Pasadena Avenue; thence North 83 degrees 58 minutes 07 seconds East 501.85 feet; thence continuing along the South line of Pasadena Avenue North 85 degrees 39 minutes 49 seconds East 250.73 feet to the point of beginning.
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### **DEVELOPMENT TEAM**

<b>APPLICANT PRIMARY POINT OF CONTACT</b>	Donna McMillan, MHT Housing, Inc. 248-833-0558
<b>ARCHITECTURAL FIRM</b>	Jeffrey Graham, KEM-TEC 586-772-2222
<b>CONSTRUCTION PROJECT MANAGER</b>	Chad Joseph, MHT Construction Management 248-833-0553
<b>GENERAL CONTRACTOR FOR PROJECT</b>	MHT Construction Management 248-833-0553

*Applicant is to attach items a-l as required in the narrative portion of the application.*

- a. Background information
- b. Project description
- c. Project marketing/target market
- d. Ownership description/tax information
- e. Detailed development pro forma
- f. Operating pro forma
- g. Schedule of rents/income levels
- h. Housing market data supporting demand
- i. Proposed project timeline
- j. Conflicts of interest
- k. Application bonus point items
- l. MSHDA application for LIHTC credits





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## PILOT Request Background Narrative

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MHT Housing, Inc. (MHT) is pleased to partner with investors, the Michigan State Housing Development Authority (MSHDA) and the Department of Housing and Urban Development (HUD) to preserve a critical affordable housing community in the City of Flint called Shiloh Commons at 3209 Buick Street. MHT has over 28 years of affordable housing development experience in the State of Michigan and serves as the general partner or managing member of over 6,500 elderly and family units. MHT has been successful in obtaining multiple funding sources for preservation, adaptive reuse, and new construction projects, that include HOME and NSP funding, Brownfield and Historic tax credits, HUD221(d)4 and Fannie Mae loans.

MHT is a 501(c) (3) nonprofit corporation whose mission is to provide & develop affordable housing. MHT has been recognized for providing services within the communities they serve including a nationally a recognized Summer Workforce program for teens, after school tutoring. Other services include after school meals, backpacks for kids, eviction diversion program, a gun buy-back program, vacant land clean up, police department support and coordination with Meals on Wheels, Gleaners and coordination with numerous organizations that benefit the community surrounding each MHT property. A full list of properties owned by MHT is attached.

MHT properties are managed by MHT's owner captive management agent, MHT Management, LLC. Rehabilitations are typically managed by MHT Construction, LLC. MHT's affiliated management and construction companies' employees have decades of experience in the affordable housing industry and are both MSHDA approved companies.

The entity created to own the property is Shiloh Commons II/MHT Limited Dividend Housing Association, LLC. Shiloh MHT GP, Inc. will be the managing member of the LDHA and a .01% owner. The GP entity is solely owned and is an affiliated entity of MHT.

CREA Shiloh Commons, LLC will be the 99.989% investment member. CREA has also created a "Special Limited Partner" named CREA SLP, LLC which will own a 0.001% interest. CREA was established in 2001 and has since raised and closed over \$5 billion in LIHTC equity in 46 states, representing more than 43,000 affordable units. In the past 24 months, MHT and CREA have worked together on four LIHTC developments in Michigan resulting in the creation and or preservation of 273 affordable housing units.



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## PILOT Proposed Project Narrative

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MHT Housing, Inc. (MHT) intends to submit an application for Low Income Housing Tax Credits (LIHTC), Tax Exempt Bond Financing and Housing Trust Fund (HTF) dollars from the Michigan State Housing Development Authority (MSHDA) in order to restructure the debt and perform an approximate \$4.7 million rehabilitation at Shiloh Commons located at 3209 Buick Street in northern Flint, MI. The most unique characteristic of this transaction will be the transfer of nearly \$670,000 of annual Section 8 budget authority from a property in Ohio which recently opted out of the federal program. The transfer of this Section 8 budget authority will allow MHT to deeply subsidize 60 of the 125 units. The remaining units will continue to be income restricted at 60% of Area Median Income (AMI). MHT has presented the plan to both HUD and MSHDA and received their support and encouragement to apply for the necessary funds. It should be noted that MHT intends to invest approximately \$1.38 million in the form of a seller note and defer over 45% of fees at closing. However, even with the financial support of HUD, MSHDA and the new owner, **the transaction is only feasible if the City of Flint is willing to allow the current 4% Payment in Lieu of Taxes (PILOT) agreement to continue for the term of the new (35 year) MSHDA financing. It is important to note that because of the increase in rent potential resulting from addition of Section 8, the actual PILOT payment is expect to increase from \$21,411 paid in 2018 to an estimated new amount of \$35,819.** The calculation of future PILOT is attached to this narrative.

### BACKGROUND

The property was originally financed in 1999 by MSHDA with a 1% loan that is risk-share guaranteed by HUD and HOME from the City of Flint. As part of that transaction, under Ordinance No. 3396, the City of Flint agreed to a 4% Payment in Lieu of Taxes Agreement (or annual service charge) for Shiloh Commons. In order to receive the favorable 1% financing from MSHDA, the partnership needed to deeply restrict the rental rates at the property.

For many years, Shiloh Commons struggled financially due in great part to regulatory requirements which kept rental income extremely low without the benefit of a federal or state subsidy program. With insufficient income and rising utility costs, physical needs grew and the development began to show signs of deferred maintenance. While the original general partner did initially advance funds and took no distributions, the property eventually reached the end of its initial LIHTC compliance period and the owners became uninterested in contributing additional funds or working on a long term preservation solution. Instead, the partnership began considering foreclosure or a deed in lieu of foreclosure as a mode of exit.

Around that same time, the investor partner approached MHT, an experienced housing developer with more 6,500 units. During negotiations that followed, the property's physical condition continued to deteriorate and vacancy began to plague the site. So much so that the property scored a 45c (a failing grade) on its December 8, 2017 REAC inspection. With HUD and MSHDA's permission and understanding that MHT was entering into a problem asset, MHT agreed to enter as the 99.99% limited partner effective February 1, 2018. Immediately, MHT began working with HUD, MSHDA, ownership, City of Flint personnel and Continental



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Management to address the property's physical needs and seek long-term financial resources as well as positively impacting the surrounding neighborhood. The success of this new collaborative effort is acutely evident in MHT and Continental's ability to drastically improve the property's REAC score from 45c in 2017 to 91c effective December 2018. While the property currently has no deferred maintenance, the reserves are depleted and there is no remaining funds for future physical needs.

### **PROPERTY DISCRIPTION (Architectural Renderings)**

Shiloh Commons is located on the west side of Buick Street, south of E. Pasadena and west of N. Saginaw Street, in the City of Flint. It was built in 1999 and has 15 residential buildings containing 125 townhouse residences, one community building and a playground area. Municipal records indicate that the site area is 19.864 acres. The buildings are constructed of wood frame with brick veneer and vinyl exterior siding. A unique feature of the complex is that all units are accessed from a private front patio or attached 2-car garage with an electric door opener. The buildings do not contain basements but do have utility rooms with laundry hookups, a gas forced air furnace and a water heater. Central air conditioning is provided by exterior, ground level condensers. The property is accessed from a single drive from Buick Street and includes paved drives throughout the site allowing direct access to the townhomes' garages.

There are 76 (1,165 square feet) two-bedroom, 2.5 bathrooms townhouse units and 49 (1,388 square feet) three-bedroom 2.5 bathrooms townhouse units. The ground floor of each townhome includes a kitchen (with electric stove, refrigerator, dishwasher, and garbage disposal), a living room with dining area, a half bathroom, utility/laundry room and storage area. The upper floor includes two or three bedrooms with standard or walking closets, two full bathrooms and a hallway closet. Floor plans of each townhome configuration and an aerial site photo are attached to this narrative. **It is important to note that no changes to the footprint of the buildings or reconfiguration of the units are anticipated.**

### **TARGET MARKET**

As noted above, the property was financed by MSHDA with a 1% loan that is risk-share guaranteed by HUD. As a condition of those financing terms, rents and incomes were originally restricted to an Area Median Income (AMI) mix of 30%, 40% and 50% AMI. In 2018, MSHDA relieved the deep targeting requirements by changing the restriction to 60% AMI and provided protection for existing residents. Because of the original AMI targeting requirement most residents' continue to occupy the property with incomes between 30% and 50% of AMI. Shiloh Commons currently has no project based rental subsidy and residents are responsible for 100% of that restricted rent and therefore rents remain significantly lower than market.

MHT's proposed preservation transaction will allow the property to continue to serve a mix of family incomes. This transaction assumes 41 units will be restricted to families with incomes at 30% AMI as required under the Housing Trust Fund program. The new Section 8 contract will provide assistance to those 41 families. As the subsidy contract will actually cover 60, an additional 19 families will benefit from the deep subsidy. Section 8 subsidy calculates the rent portion paid by the family to equal 30% of their income



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minus a utility allowance. The remaining 65 units not covered under the section 8 program will have income and rents restricted to 60% of AMI. And while restricted to 60% of AMI, the actual initial rents charged the non-section 8 units will be the same as those charged in 2018 and significantly less than the maximum available. Further, MHT will commit that future increases to existing residents will be limited to 5%. Details of the schedule of rents and income limits is included in this submission.

## **ECONOMIC IMPACT**

### **Preservation and Rehabilitation and Energy Efficiency Improvement**

LIHTC, Tax Exempt Bond Financing and HTF dollars from MSHDA will be used to perform a significant rehabilitation of the property. Hard construction costs are expect to exceed \$4,701,119 or \$37,609 per unit. The proposed rehabilitation will focus on improving energy efficiency and replacing major physical components that are about to exhaust their useful life. Specifically, the transaction will result in the repair and/or replacement of certain building systems including HVAC, parking lot, site signage, landscaping, common area LED lighting and flooring, and in-unit upgrades of Energy Star appliances, kitchen and bathroom cabinets, sink, faucet, countertops, flooring, LED lighting, Energy Star windows, door walls. Further, the development will upgrade community space, playground equipment and other amenities for the residents.

### **NEW Federal Section 8 Project based Subsidy**

A most unique and both qualitatively and quantitatively impactful characteristic of this transaction will be the transfer of nearly \$670,000 of annual Section 8 budget authority (exceeding \$14,000,000 over the contracts 20 year term) from a property in Ohio which recently opted out of the federal program. The transfer of this Section 8 budget authority will allow MHT to deeply subsidize 60 of the 125 units.

### **Increased PILOT Payment for the City of Flint**

As noted above, because of the increase in rent potential resulting from addition of Section 8 AND energy saving improvements, the actual PILOT payment is expect to increase from \$21,411 paid in 2018 for 2017 to an estimated new amount of \$35,819.

## **ENVIRONMENTAL IMPACT**

As a requirement for MSHDA financing and the application for LIHTCs, a Phase I Environmental Site Assessment has been ordered to current ASTM 1527 and MSHDA standards. Documentation related to the status of that report is attached to this narrative. And while no environmental concerns are known to date, it is understood that MHT will address any recommendations outlined in the final report including any necessary mitigation. Additionally, as outlined above, energy efficiency improvements will be a major focus of the rehabilitation.



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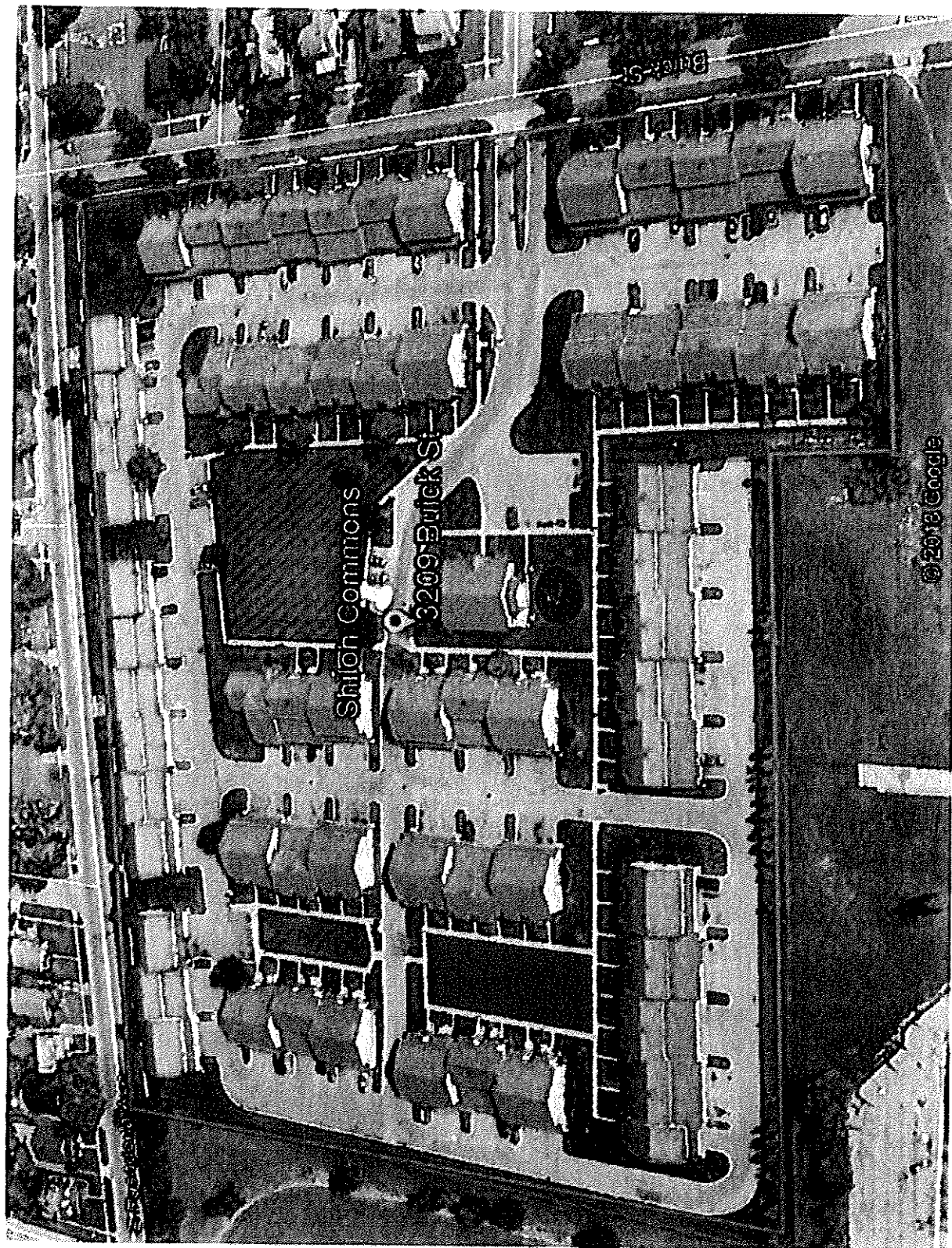
### **INFRASTRUCTURE IMPACT**

With the exception of improved energy efficiency the rehabilitation is expected to have little impact on the City's transportation and utility infrastructure.

### **IMPACT ON CITY SERVICES**

Safety of residents is considered a top priority for MHT Management; therefore, there are measures in place to ensure the wellbeing of residents. MHT Management's Director of Security, Daran Carey, is a former sergeant of the Detroit Police. Due to this, he has a direct connection with the City of Flint Police Department. Sgt. Carey monitors and patrols Shiloh Commons and addresses any crime related activity immediately with proper authorities. In addition, he does crime prevention training for staff and residents. For example, Sgt. Carey runs biannual Apartment Watch meetings with residents. Since MHT has taken over management of Shiloh Commons, crime has significantly diminished. It is expected that this focus will continue to improve safety and security for residents after the renovations are complete resulting in reduced calls to Flint Police and Fire Departments.

As this is an existing development, there is no expectation that other City services will be impacted.









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## Marketing

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The following information is being submitted as part of our Affirmative Fair Housing Marketing Plan required by MSHDA.

The intent of this document is to define the target population within the market least likely to apply for residence, identify concrete and credible outreach efforts, defines method of implementation, marketing budget, and previous experience of MHT Management.

### **TARGET POPULATION:**

The Census Tract for the property reflects 84.9% of the area population is of African American population. Our goal for the Affirmative Fair Housing Marketing Plan is to focus on the segment of the market least likely to apply for housing because of location and other factors. Our Marketing efforts will outreach to the hearing impaired and the disabled. In targeting the population identified as least likely to apply for housing at Shiloh Commons, the target population will reflect the following potential residents: Asians, American Indians, Caucasian, Multi-racial and residents of Hispanic Origin. In addition, it is our goal to have 19 (15%) apartments to target those least likely to apply at the property and 4 (3%) occupied with hearing impaired and disabled residents.

### **OUTREACH EFFORTS:**

Marketing and Outreach will be ongoing and will continue through the lease up program to maintain stabilized occupancy in the mid 90's. Examples of Outreach Log and Marketing Contact Record are included. These logs are submitted weekly to the Regional Manager. The Community Manager is given a goal to outreach to at least 3-5 organizations and businesses each week. Networking and developing relationships in the community will raise awareness of the new community.

Telephone Contact: We will begin creating and establishing a contact list for the marketing outreach. As information is gathered it will give us the opportunity to explain the purpose for calling and provide initial information about the community. We can explain the rental rate schedule and special features, as well as review the pricing of the rent restricted units for lower income tenants.





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Direct Mail:

- Create a Tri-Folded Brochure.
- Create Black ink on colored paper fliers and color fliers, which will be produced and distributed to other Family rental communities, grocery stores, pharmacies, restaurants, area businesses, Museums, Medical Centers, etc.
- Monthly mailing to local businesses

Media and outreach: MHT Management's approach toward media advertising to attract members of the target market will center on the newspaper, flyer, internet advertisement, and brochure mailings. Internet advertisement includes [www.RentLinx.com](http://www.RentLinx.com) which is a nationwide source of advertisement.

A brochure will be used for the property. The brochure indicates location, community amenities, floor plans, contact information, and all necessary descriptions. The brochure and all advertising will contain the Equal Housing Opportunity logo as well as wheelchair logo noting the property as having barrier free units.

The community outreach of the Affirmative Marketing Plan will center on personal contacts, written correspondence with business and industry, governmental agencies, influential members of the target market, and disabled population of the community. Business cards and brochures will be provided. A Contact List of these organizations will be updated and added to as agencies change and as management becomes aware of other agencies as a resource in reaching our target market. The Contact List includes organization name, address, and phone numbers for contact purposes.

The Affirmative Marketing Plan will be in place for the life of the mortgage and constructed to accomplish marketing of the property to a target population that is least likely to reside at this community. If, after marketing efforts have begun, it is perceived that this goal can be better achieved by advertising with different or additional agencies or individuals, this plan will be flexible enough to be changed and /or expanded.

METHODS:

The office staff will pay particular attention to serving the target population when they contact the Leasing Office. The staff is aware of MHT Management's commitment to renting housing units to target market least likely to rent. The Regional Manager knows and understands Affirmative Marketing and has received the specifics as they apply to this community. All Applicants must meet the Resident Selection Criteria to qualify as resident and the Criteria are made available to all applicants.



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All Marketing efforts, including the Affirmative Fair Housing Marketing Plan are carried out on site under the direction of the Community Manager by the office staff. The President of MHT Management will be ultimately responsible for overseeing the Affirmative Fair Marketing Plan. MHT Management in partnership with Continental Management has classes designed and provides in house training on Fair Housing, Leasing, Customer Service, and Tax Credit. In addition, we provide monthly manager meetings to keep our community managers current on changes in the industry. Our executive and site employees are encouraged and attend continuing education class provided by HUD, MSHDA, Detroit Metropolitan Apartment Association, IREM and private institutions.

All employees are to complete MHT Management's Fair Housing Training Class within 90 days of hire. This course objective includes:

- Review all of Groups "protected" under federal and state housing law.
- Understand why it is important to document pricing changes and any work with prospective residents and current residents
- Define "handicap" according to the Fair Housing Act.
- Understand the "handicap" requirements of the law and we are required to make reasonable accommodations in rules, policies, practices, or services and allow reasonable modifications on existing premises. This includes physical or mental impairment.
- Explain the meaning of "family" in the familial status protection of the fair housing law.
- Discuss the use of occupancy limits and how they are defined.
- Discuss occupancy standard considerations that are not protected under the fair housing laws.
- Discuss type of language is acceptable and unacceptable in the preparation of our advertising.
- Discuss why "steering" is illegal
- The importance of proper documentation, particularly with changes of pricing, specials and prospect visits and what is offered.
- Understand how important it is to be consistent.

Outside training is also encouraged and paid for by MHT Management. Additional Information is obtained from outside training of Federal, State and local fair housing and regulations is distributed to employees on a regular basis. Additionally, once approved, the Affirmative Fair Housing Marketing Plans are located on site. Additional housing discrimination disclaimer clauses are included and utilized on all collateral materials, applications, and leases. Handicap logos are also used in advertisements. Equal opportunity housing slogan or logo are displayed at sites and included in advertising. Our practice includes documenting community contacts, daily traffic records, and any other record keeping materials be maintained for inspection. A copy of the AFHM Plan is kept on-site. All fair housing required signs are posted in designated locations.



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## Ownership and Tax Information

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Shiloh Commons is located at 3209 Buick Street, Flint MI. Its tax parcel ID # is 40-01-202-034. The legal description is attached to this narrative. As noted in earlier narratives, the property is currently subject to a PILOT agreement with the City of Flint as noted in the attached copy of Ordinance No. 3396 dated March 14, 1999 and signed by then Mayor of Flint, Stanley Woodrow.

MHT Housing wholly owned entity, Shiloh LP, LLC, is current 99.99% owner of the property called **Shiloh Commons Limited Dividend Housing Association Limited Partnership, a Michigan Limited Partnership**. Painia Development Corporation is the .01% General Partner of the ownership entity. Painia Developments' principal, Cullen Dubose has agreed to transfer its .01% to an MHT wholly owned entity named Shiloh GP, LLC. This transfer of interest is in the process of gaining appropriate permissions and signature. Once that transaction is approved by all parties the ownership of the property will be sold to **Shiloh Commons II/MHT Limited Dividend Housing Association, LLC, a Michigan limited liability company**, whose general partner will be Shiloh MHT GP, Inc. Shiloh MHT GP Inc. is wholly owned by MHT a 501 (c)(3) nonprofit. A copy of the letter of intent is attached to this narrative.

The new preservation transaction will be subject to liens and regulatory restrictions by MSHDA imposed as it relates to the use of LIHTCs, MSHDA tax exempt bond financing and MSHDA Housing Trust Fund dollars. No other liens are anticipated.

As this property has been subject to a service charge in lieu of taxes or PILOT since 1999, the current assessed value of the property is not known.

## **LEGAL DESCRIPTION**

**Situated in the City of Flint, County of Genesee, State of Michigan, to-wit:**

**All of the following parcel of land being part of the Hillcrest Subdivision, City of Flint, Genesee County, Michigan, according to the recorded plat thereof, as recorded in Book 4 of Plats, Page 23, Genesee County Records, described as: Lots 6 through 16 inclusive; also the East 9.03 feet of Lots 79 and 80 and Lots 81 through 114 inclusive; also the East 9.03 feet of the North 41.56 feet of Lot 202 and the East 9.03 feet of Lot 203; also the North portions of Lots 204, 206, 208, 210, 212, 214, 216, 218, 220, 222 measuring 41.55 feet on the West line of Lot 204 and measuring 40.86 feet on the East line of Lot 222; also all of Lots 205, 207, 209, 211, 213, 215, 217, 219, 221, 223, 225, 227, 229, 231, 233, 235, 237; also Lots 224 through 236 inclusive; including all of the vacated alleys and streets adjacent thereto; described as follows: Beginning at the intersection of the South line of Pasadena Avenue 60' wide and the West line on Buick Street 60' wide as shown on said Plat also being the Northeast corner of said Lot 16; thence South 00 degrees 02 minutes 26 seconds West 712.37 feet along the West line of said Buick Street; thence South 89 degrees 54 minutes 10 seconds West 279.53 feet; thence North 00 degrees 04 minutes 35 seconds West 88.44 feet; thence South 89 degrees 54 minutes 43 seconds West 469.32 feet; thence North 00 degrees 02 minutes 26 seconds East 553.44 feet to a point on the South line of Pasadena Avenue; thence North 83 degrees 58 minutes 07 seconds East 501.85 feet; thence continuing along the South line of Pasadena Avenue North 85 degrees 39 minutes 49 seconds East 250.73 feet to the point of beginning.**



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## Development Pro Forma

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Attached is the projected redevelopment pro forma for Shiloh Commons along with a trade payment breakdown detailing the scope of the proposed renovation. The pro forma uses standard formulas and assumptions recommended by MSHDA as part of their LIHTC and direct lending programs.

This preservation transaction incorporates a number of funding sources. A description of the permanent sources include the following:

- First Mortgage Loan of \$3,920,381 will be provided by MSHDA. This permanent loan contemplates a 35-year amortization Tax Exempt Bond Mortgage with an interest rate of 5.2%.
- A Second MSHDA "Housing Trust Fund" mortgage will also be needed in the amount of \$3,902,555 repayable out of 50% of cash flow.
- MHT will use its own nonprofit funds to assist financing with a cash flow note of \$1,376,960 which assumes a 45-year term accruing interest at around 3%.
- Income from operations in the amount of \$355,414 will serve to pay budgeted taxes and insurance.
- Transfer of existing remaining tax and insurance reserves of around \$96,209 will assist in funding new reserves.
- LIHTC equity proceeds will be provided by CREA in the approximate amount of \$3,621,415 based on \$0.90/LIHTC pricing.
- Owner Equity equaling \$200
- And finally, deferred development fee in the amount of \$634,670.

**Development Shiloh Commons 2019****Permanent Financing** MSHDA Tax Exempt Bond Financing - Monthly Debt Service 5.2% for 35 years**GAP Financing** MSHDA Housing Trust Funds - 1% interest payable out of 50% cash flow**Construction Financing** Tax Exempt Bond Financing 5.2%, Interest Only

Date 01/16/2019

**TOTAL DEVELOPMENT COSTS**

	<u>Total</u>
<b>Acquisition</b>	
Land	459,714
Existing Buildings	5,000,286
<b>Subtotal</b>	<b>5,460,000</b>
<b>Construction/Rehabilitation</b>	
Structures and Onsite Improvements	3,969,750
General Requirements, Overhead, Builder Profit	579,867
Permits, Bond Premium, Tap Fees, Cost Cert.	151,500
Construction Contingency (10% of Estimated Construction Contract)	470,112
<b>Subtotal</b>	<b>5,171,229</b>
<b>Fees</b>	
Architect, Engineer, Legal and Other Professional Fees	1,460,391
<b>Subtotal</b>	<b>825,168</b>
<b>Project Reserves</b>	
Tax and Insurance and other Project Escrows	825,168
<b>Subtotal</b>	<b>825,168</b>
<b>Financing Costs</b>	
Construction Financing	455,414
Permanent Financing	389,582
Investor and LIHTC Related Costs	146,020
<b>Subtotal</b>	<b>991,016</b>
<b>TOTAL DEVELOPMENT COSTS</b>	<b>TOTAL 13,907,804</b>

**TOTAL DEVELOPMENT SOURCES**

MSHDA Permanent Mortgage	3,920,381
Equity Contribution from Tax Credit Syndication	3,621,415
MSHDA Housing Trust Funds	3,902,555
Income from Operations	355,414
Transferred Reserves:	96,209
General Partner Note	1,376,960
Owner Equity	200
Deferred Developer Fee	634,670
<b>Total Permanent Sources</b>	<b>13,907,804</b>
<b>MSHDA CONSTRUCTION LOAN</b>	<b>7,232,058</b>

# CONSTRUCTION COST TRADE PAYMENT BREAKDOWN



Michigan State Housing  
Development Authority

DATE:	12/18/2018
DEVELOPMENT NO:	960
PROJECT NAME:	Shiloh Commons
CITY / COUNTY:	Flint / Genesee
MORTGAGOR:	
CONTRACTOR:	MHT Construction, LLC

LINE	TRADE ITEM	COST	LINE	TRADE ITEM	COST
1	Site Environmental Mitigation		27	Specialties	75,000
2	Earth Work		28	Special Equipment	-
3	Roads / Walks	245,000	29	Appliances	179,000
4	Site Utilities		30	Cabinets	531,000
5	Site Improvements	42,000	31	Blinds / Drapes	37,500
6	Landscaping	62,500	32	Special Construction	-
7	Site Irrigation		33	Elevators	-
8	Special Site Construction		34	Plumbing / Domestic Hot Water	187,500
	Total Site Work	349,500	35	Fire Protection	-
9	Building Concrete	27,150	36	HVAC	502,000
10	Masonry	50,000	37	Electrical	185,000
11	Metals	21,500	38	Low Voltage Electrical	-
12	Rough Carpentry	-	39	Architectural Environmental Mitigation	
13	Finish Carpentry	-		Total Structures	3,620,250
14	Insulation	82,000	40	Community Building	-
15	Roofing	344,000	41	Accessory Buildings	
16	Siding	357,000	42	Off-Site Improvements	
17	Caulking (Exterior) Sealants	34,000	43	Site Security	-
18	Doors / Hardware	312,500	44	General Requirements @ 6%	238,185
19	Windows	187,600	45	Builder's Overhead @ 2%	84,159
20	Glass	-	46	Builder's Profit @ 6%	257,526
21	Drywall	10,000	47	Building Permits	67,500
22	Ceramic Tile / Quarry Tile	-	48	Bond Premium	77,500
23	Acoustical Ceilings	-	49	Tap Fees	-
24	Resilient Flooring	312,500	50	Cost Certification Expense	6,500
25	Carpets	10,000		Total Construction	4,701,119
26	Painting / Decorating	175,000			

## COMMENTS:

Total construction costs shown have been approved by MSHDA. The line item breakdown of costs is subject to revision, prior to disbursement of construction draws, after review of subcontractor and supplier contracts and approval by MSHDA. The total construction contract may not be increased or decreased.

**MHT Construction, LLC.**

**Shiloh Commons LDHA LP**

Contractor (please print)

Sponsor / Mortgagor (please print)

MSHDA Representative (please print)

Signature

Signature

Signature



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## Shiloh Commons Projected Operating Pro Forma

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Attached is the projected operating pro forma for Shiloh Commons along with cash flow projections using standard formulas and inflation factors recommended by MSHDA as part of their LIHTC and direct lending programs. Operating projections are based on actual 2018 operating expenses and projected income with the addition of 60 units of Section 8 and current rents for non section 8 assisted units.



Development Shiloh Commons 2019  
 Financing Tax Exempt  
 MSHDA No. 960  
 Step Application  
 Date 12/27/2018  
 Type Preservation - Subsidized

**Mortgage Assumptions:**  
 Debt Coverage Ratio 1.45  
 Mortgage Interest Rate 5.200%  
 Pay Rate 5.200%  
 Mortgage Term 35 years  
 Income from Operations Yes

## Instructions

### Total Development Income Potential

	Per Unit	Total
Annual Rental Income	9,155	1,144,344
Annual Non-Rental Income	18	2,200
Total Project Revenue	9,172	1,146,544

### Total Development Expenses

Vacancy Loss	7.00% of annual rent potential	641	80,104
Management Fee	527 per unit per year	527	65,875
Administration		1,087	135,909
Project-paid Fuel		67	8,330
Common Electricity		154	19,300
Water and Sewer		1,120	140,000
Operating and Maintenance		1,678	209,802
Real Estate Taxes		0	
Payment in Lieu of Taxes (PILOT)	4.00% Applied to All Units	287	35,864
Insurance		300	37,500
Replacement Reserve	300 per unit per year	300	37,500
Other: Workers Comp and Emp Health		187	23,339
Other:		0	

Initial Inflation Factor	Beginning in Year	Future Inflation Factor
1.0%	6	2.0%
1.0%	6	2.0%
Future Vacancy		
	6	6.5%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	6	3.0%
4.0%	6	3.0%
5.0%	6	5.0%
3.0%	1	3.0%
5.0%	1	5.0%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	1	3.0%
3.0%	1	3.0%

% of  
Revenue

<b>Total Expenses</b>	69.21%	6,348	793,523	
Base Net Operating Income		2,824	353,021	Override
Part A Mortgage Payment	21.23%	1,948	243,462	
<b>Part A Mortgage</b>		31,363	3,920,381	
Non MSHDA Financing Mortgage Payment		0		
<b>Non MSHDA Financing Type:</b>		0		
Base Project Cash Flow (excludes ODR)	9.56%	876	109,558	

# Cash Flow Projections

Development Shaded Columns 2014  
Financing Tax Exempt  
MSHDA No. 960  
Step Allocation  
Date 12/7/2013  
Type Preservation Standardize

	1	2	3	4	5	6	7	8	9	10
<b>Income</b>										
Annual Rental Income	1,144,344	1,148,297	1,152,345	1,179,019	1,190,309	1,214,025	1,228,919	1,263,090	1,288,970	1,314,740
Annual Non-Rental Income	2,206	2,297	2,344	2,767	2,789	2,935	2,982	3,439	2,479	2,528
<b>Total Project Revenue</b>	<b>1,146,544</b>	<b>1,150,594</b>	<b>1,154,689</b>	<b>1,181,786</b>	<b>1,193,098</b>	<b>1,216,960</b>	<b>1,231,901</b>	<b>1,266,529</b>	<b>1,291,449</b>	<b>1,317,268</b>
<b>Expenses</b>										
Vacancy Loss	30,154	30,505	31,214	32,434	33,357	34,941	35,530	37,140	37,763	39,409
Management Fee	35,875	37,853	39,887	41,410	42,882	45,387	46,123	48,123	48,929	50,929
Administration	129,939	129,939	134,136	144,136	152,882	157,586	162,282	167,151	172,165	177,306
Project Start Fuel	8,500	8,500	8,821	9,102	9,375	9,657	9,946	10,245	10,552	10,869
Common Electricity	147,000	147,000	154,350	162,068	170,171	178,679	187,613	196,993	206,844	217,186
Water and Sewer	209,407	216,096	223,574	232,456	236,124	243,218	250,515	258,030	265,771	273,744
Operating and Maintenance	35,864	36,079	36,063	36,134	36,213	36,963	37,475	38,409	39,002	39,602
Real Estate Taxes	37,500	38,075	38,784	41,972	42,204	43,473	44,777	46,123	47,504	48,929
Insurance	37,406	38,079	39,784	41,972	42,204	43,473	44,777	46,123	47,504	48,929
Replacement Reserve	23,368	24,039	24,789	25,503	26,266	27,086	27,869	28,704	29,565	30,452
Other Workers Comp and Emp Health										
Other										
<b>Subtotal Operating Expenses</b>	<b>793,521</b>	<b>817,749</b>	<b>842,819</b>	<b>868,754</b>	<b>895,619</b>	<b>918,549</b>	<b>948,395</b>	<b>979,189</b>	<b>1,011,044</b>	<b>1,044,027</b>
<b>Debt Service</b>										
Debt Service Part A	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462
Debt Service Conventional/Other Financing										
<b>Total Expenses</b>	<b>1,036,986</b>	<b>1,061,215</b>	<b>1,086,281</b>	<b>1,112,217</b>	<b>1,139,082</b>	<b>1,162,111</b>	<b>1,191,857</b>	<b>1,222,643</b>	<b>1,254,506</b>	<b>1,287,489</b>
<b>Cash Flow/(Deficit)</b>	<b>109,558</b>	<b>89,379</b>	<b>83,209</b>	<b>69,569</b>	<b>54,016</b>	<b>54,849</b>	<b>49,442</b>	<b>43,893</b>	<b>36,942</b>	<b>29,788</b>
<b>Debt Coverage Ratio on Part A Loan</b>	<b>1.07</b>	<b>1.06</b>	<b>1.05</b>	<b>1.04</b>	<b>1.03</b>	<b>1.02</b>	<b>1.01</b>	<b>1.00</b>	<b>0.99</b>	<b>0.98</b>
<b>Debt Coverage Ratio on Conventional/Other Financing</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Average Cash Flow is 1.01 of Net to Zero

	Initial Deposit	Annual Deposit	Final Deposit
<b>Operating Deficit Reserve (ODR) Analysis</b>			
Maintained Debt Coverage Ratio (Part A Loan)	1.07	1.06	1.05
Maintained Operating Reserve (No Part A Loan)	1.07	1.06	1.05
<b>Initial Balance</b>	<b>172,586</b>	<b>172,586</b>	<b>172,586</b>
<b>Total Annual Draw to achieve 1.0 DCR</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Annual Deposit to achieve Maintained DCR</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Balance at Maintained DCR</b>	<b>172,586</b>	<b>172,586</b>	<b>172,586</b>
<b>Maintained Cash Flow Per Unit</b>	<b>1.07</b>	<b>1.06</b>	<b>1.05</b>
<b>Maintained Debt Coverage Ratio on Part A Loan</b>	<b>1.07</b>	<b>1.06</b>	<b>1.05</b>
<b>Maintained Debt Coverage Ratio on Conventional/Other Standard ODR</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Non-standard ODR</b>	<b>1.07</b>	<b>1.06</b>	<b>1.05</b>

	Initial Deposit	Annual Deposit	Final Deposit
<b>Operating Assurance Reserve Analysis</b>			
Required in Year	1	1	1
<b>Initial Balance</b>	<b>345,662</b>	<b>345,662</b>	<b>345,662</b>
<b>Interest Income</b>	<b>10,370</b>	<b>11,301</b>	<b>11,301</b>
<b>Ending Balance</b>	<b>356,032</b>	<b>356,963</b>	<b>367,963</b>

	Initial Balance	Annual Deposit	Final Balance
<b>Deferred Developer Fee Analysis</b>			
Initial Balance	546,430	396,000	942,430
Dev Fee Paid	109,558	96,798	206,356
Ending Balance	436,872	399,202	836,074
Repaid in v. 0			

	Initial Balance	Annual Deposit	Final Balance
<b>MSHDA Preservation Financing</b>			
Principal Paid on Subordinate Financing	0	0	0
Current Yr Fee	0	0	0
Accrued Fee	0	0	0
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Annual Payment Due</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Year End Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

	% of Cash Flow
<b>Subtotal</b>	<b>50%</b>

# Cash Flow Projections

Item	11	12	13	14	15	16	17	18	19	20
Income										
Annual Rental Income	1,341,044	1,367,865	1,395,222	1,423,127	1,451,589	1,480,621	1,510,234	1,540,436	1,571,247	1,602,672
Annual Non-Rental Income	2,479	2,520	2,632	2,756	2,791	2,946	2,993	2,961	3,021	3,081
<b>Total Project Revenue</b>	<b>1,343,522</b>	<b>1,370,385</b>	<b>1,397,855</b>	<b>1,425,883</b>	<b>1,454,380</b>	<b>1,483,568</b>	<b>1,513,227</b>	<b>1,543,400</b>	<b>1,574,268</b>	<b>1,605,753</b>

Item	11	12	13	14	15	16	17	18	19	20
Expenses										
Vacancy Loss	82,168	88,911	96,089	92,503	94,353	96,248	99,165	100,126	102,131	104,174
Management Fee	88,530	91,186	95,922	96,740	99,642	102,631	105,710	108,881	112,148	115,512
Administration	182,650	188,130	192,774	199,587	205,575	211,742	218,094	224,637	231,376	238,317
Project Paid Fuel	11,195	11,531	11,877	12,233	12,600	12,978	13,367	13,768	14,181	14,607
Common Electricity	26,909	27,769	28,601	29,460	30,343	31,254	32,191	33,157	34,152	35,176
Water and Sewer	228,845	239,448	251,420	263,991	277,190	291,050	305,602	320,883	336,927	353,773
Operating and Maintenance	281,956	290,415	299,127	308,101	317,344	326,865	336,671	346,771	357,174	367,889
Real Estate Taxes	0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)	38,507	40,008	40,008	40,508	41,484	41,964	42,436	42,900	43,354	43,798
Insurance	50,397	51,989	52,460	53,070	53,722	54,424	55,176	55,982	56,841	57,756
Replacement Reserve	50,397	51,989	52,460	53,070	53,722	54,424	55,176	55,982	56,841	57,756
Other Workers' Comp and Emp Health	31,366	32,307	33,276	34,274	35,300	36,361	37,452	38,576	39,733	40,925
Other	0	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>1,078,171</b>	<b>1,115,522</b>	<b>1,153,124</b>	<b>1,188,126</b>	<b>1,222,278</b>	<b>1,257,342</b>	<b>1,291,041</b>	<b>1,323,665</b>	<b>1,355,858</b>	<b>1,387,649</b>

<b>Debt Service</b>										
Debt Service Part A	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462
Debt Service Conventional/Other Financing	0	0	0	0	0	0	0	0	0	0

<b>Cash Flow (Deficit)</b>										
Cash Flow Per Unit	21,389	13,511	4,318	127	1,441	32,492	448,268	353,720	468,028	541,171
Debt Coverage Ratio on Part A Loan	1.09	1.04	1.03	0.99	1.02	1.08	1.24	1.29	1.36	1.42
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%
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<b>Operating Deficit Reserve (ODR) Analysis</b>	
Maintained Debt Coverage Ratio (Hard Loan)	1.15
Maintained Operating Reserve (No Hard Debt)	249
Initial Balance	172,588
Total Annual Draw to achieve 1.0 DCR	0
Total Annual Deposit to achieve Maintained DCR	0
Total 1.0 DCR and Maintained DCR	0
Interest	6,908
Ending Balance at Maintenance ECF	7,167
Maintained Cash Flow Per Unit	246,069
Maintained Debt Coverage Ratio on Part A Loan	1.09
Maintained Debt Coverage Ratio on Conventional/Other Standard ODR	N/A
Non-standard ODR	N/A
Initial Deposit	14,221
Initial Balance	156,369

<b>Operating Assurance Reserve Analysis</b>	
Frequency of Year	1
Initial Balance	345,882
Interest Income	10,935
Ending Balance	456,817

<b>Deferred Developer Fee Analysis</b>	
Initial Balance	0
Dev Fee Paid	0
Ending Balance	0

<b>MSHDA Preservation Financing</b>	
Interest Rate on Subordinate Financing	5%
Principal Amount of all MSHDA Sub Funds	0
Current Yr Int	0
Accrued Int	0
Subtotal	0
Annual Payment Due	0
Year End Balance	0

Item	11	12	13	14	15	16	17	18	19	20
Income										
Annual Rental Income	1,341,044	1,367,865	1,395,222	1,423,127	1,451,589	1,480,621	1,510,234	1,540,436	1,571,247	1,602,672
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<b>Total Project Revenue</b>	<b>1,343,522</b>	<b>1,370,385</b>	<b>1,397,855</b>	<b>1,425,883</b>	<b>1,454,380</b>	<b>1,483,568</b>	<b>1,513,227</b>	<b>1,543,400</b>	<b>1,574,268</b>	<b>1,605,753</b>

Item	11	12	13	14	15	16	17	18	19	20
Expenses										
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Management Fee	88,530	91,186	95,922	96,740	99,642	102,631	105,710	108,881	112,148	115,512
Administration	182,650	188,130	192,774	199,587	205,575	211,742	218,094	224,637	231,376	238,317
Project Paid Fuel	11,195	11,531	11,877	12,233	12,600	12,978	13,367	13,768	14,181	14,607
Common Electricity	26,909	27,769	28,601	29,460	30,343	31,254	32,191	33,157	34,152	35,176
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Operating and Maintenance	281,956	290,415	299,127	308,101	317,344	326,865	336,671	346,771	357,174	367,889
Real Estate Taxes	0	0	0	0	0	0	0	0	0	0
Payment in Lieu of Taxes (PILOT)	38,507	40,008	40,008	40,508	41,484	41,964	42,436	42,900	43,354	43,798
Insurance	50,397	51,989	52,460	53,070	53,722	54,424	55,176	55,982	56,841	57,756
Replacement Reserve	50,397	51,989	52,460	53,070	53,722	54,424	55,176	55,982	56,841	57,756
Other Workers' Comp and Emp Health	31,366	32,307	33,276	34,274	35,300	36,361	37,452	38,576	39,733	40,925
Other	0	0	0	0	0	0	0	0	0	0
<b>Total Expenses</b>	<b>1,078,171</b>	<b>1,115,522</b>	<b>1,153,124</b>	<b>1,188,126</b>	<b>1,222,278</b>	<b>1,257,342</b>	<b>1,291,041</b>	<b>1,323,665</b>	<b>1,355,858</b>	<b>1,387,649</b>

<b>Debt Service</b>										
Debt Service Part A	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462	243,462
Debt Service Conventional/Other Financing	0	0	0	0	0	0	0	0	0	0

<b>Cash Flow (Deficit)</b>										
Cash Flow Per Unit	21,389	13,511	4,318	127	1,441	32,492	448,268	353,720	468,028	541,171
Debt Coverage Ratio on Part A Loan	1.09	1.04	1.03	0.99	1.02	1.08	1.24	1.29	1.36	1.42
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%
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<b>Operating Deficit Reserve (ODR) Analysis</b>	
Maintained Debt Coverage Ratio (Hard Loan)	1.15
Maintained Operating Reserve (No Hard Debt)	249
Initial Balance	172,588
Total Annual Draw to achieve 1.0 DCR	0
Total Annual Deposit to achieve Maintained DCR	0
Total 1.0 DCR and Maintained DCR	0
Interest	6,908
Ending Balance at Maintenance ECF	7,167
Maintained Cash Flow Per Unit	246,069
Maintained Debt Coverage Ratio on Part A Loan	1.09
Maintained Debt Coverage Ratio on Conventional/Other Standard ODR	N/A
Non-standard ODR	N/A
Initial Deposit	14,221
Initial Balance	156,369

<b>Operating Assurance Reserve Analysis</b>	
Frequency of Year	1
Initial Balance	345,882
Interest Income	10,935
Ending Balance	456,817

<b>Deferred Developer Fee Analysis</b>	
Initial Balance	0
Dev Fee Paid	0
Ending Balance	0

<b>MSHDA Preservation Financing</b>	
Interest Rate on Subordinate Financing	5%
Principal Amount of all MSHDA Sub Funds	0
Current Yr Int	0
Accrued Int	0
Subtotal	0
Annual Payment Due	0
Year End Balance	0



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## Schedule of Rents and Income Limits

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This proposed preservation transaction assumes 41 units will be restricted to families with incomes at 30% AMI as required under the Housing Trust Fund program. The new Section 8 contract will provide assistance to those 41 families AND an additional 19 families, for 60 units in total. Section 8 subsidy calculates the rent portion paid by the family to equal 30% of their income minus a utility allowance. The remaining 65 units not covered under the section 8 program will have income and rents restricted to 60% of AMI. And while restricted to 60% of AMI, the actual initial rents charged the non-section 8 units will be the same as those charged in 2018 and significantly less than the maximum available. Further, MIHT will commit that future increases to existing residents will be limited to 5%.





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## Project Timeline

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Closing with all sources including the MSHDA loan, HTF and Equity is expected July 1, 2019. The first expenditure will happen concurrent with that closing. Construction will begin immediately after closing on the transaction and will be completed no later than 12 months following the construction start date. Attached is the proposed timeline included in the MSHDA LIHTC application.

# MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY



## Low-Income Housing Tax Credit Application 2019-2020 Qualified Allocation Plan

3/29/2019 10:12:34 AM EST

Project Stage	Estimated/Actual Date
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### PRE-DEVELOPMENT

Ownership Entity Formation	1/15/2019
Zoning Approval	2/15/2019
Site Plan Approval	2/15/2019
Site Control Established	2/15/2019
Tax Abatement Approval	2/15/2019

### FINANCING COMMITMENT/APPROVALS

Construction Financing	6/1/2019
Permanent Financing	6/1/2019
Secondary Financing	6/1/2019
Grant/Subsidy Financing	
Equity Financing	6/1/2019

### CLOSING AND DISBURSEMENTS

Initial Subsidy Layering Review	7/1/2019
Acquisition of Land/Building(s)*	7/1/2019
Construction Financing Disbursement	7/1/2019
Permanent Financing Disbursement	10/1/2020
Secondary Financing Disbursement	7/1/2019
Grant/Subsidy Financing Disbursement	
Initial Equity Disbursement	7/1/2019

### CONSTRUCTION/REHABILITATION

Building Permit Issued	6/15/2019
Final Plans and Specifications	5/1/2019
Construction Start	7/1/2019
50% Completion	12/31/2019
Construction Completion	6/30/2020

### POST-CONSTRUCTION

Temporary/Final Certificates of Occupancy Issued	7/1/2019
Placed in Service Date*	6/30/2020
Begin Lease-Up	7/1/2019
Substantial Rent-Up	7/1/2019
Completion of Cost Certification by CPA	8/30/2020
Final Subsidy Layering Review	9/30/2020
8609 Request Submitted	10/30/2020

\*For an occupied building, the placed in service date is the date of acquisition. Therefore, acquisition credit cannot be allocated to an occupied building in a year following the year in which the building was purchased. For new construction and rehabilitation, credit cannot be allocated to any building in a year after the building is placed in service.



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## Potential Conflicts of Interest

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There are no known potential conflicts of interest with any individual related to the applicant or the guarantor with any City of Flint Personnel or Members to Flint's City Council.





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## Potential Bonus Point Narrative

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The quantitative and qualitative impact of this transaction will be huge for the residents, the surrounding neighborhood and the City of Flint.

### **Preservation and Rehabilitation and Energy Efficiency Improvement**

Low Income Housing Tax Credits (LIHTC), Tax Exempt Bond Financing and Housing Trust Fund (HTF) dollars from the Michigan State Housing Development Authority (MSHDA) will be used to perform a significant rehabilitation of the property. Hard construction costs are expected to exceed \$4,701,119 or \$37,609 per unit. The proposed rehabilitation will focus on improving energy efficiency and replacing major physical components that are about to exhaust their useful life. Specifically, the transaction will result in the repair and/or replacement of certain building systems including HVAC, parking lot, site signage, landscaping, common area LED lighting and flooring, and in-unit upgrades of Energy Star appliances, kitchen and bathroom cabinets, sink, faucet, countertops, flooring, LED lighting, Energy Star windows, door walls. Further, the development will upgrade community space, playground equipment and other amenities for the residents.

### **NEW Federal Section 8 Project based Subsidy**

A most unique and both qualitatively and quantitatively impactful characteristic of this transaction will be the transfer of nearly \$670,000 of annual Section 8 budget authority (exceeding \$14,000,000 over the contract's 20 year term) from a property in Ohio, which recently opted out of the federal program. The transfer of this Section 8 budget authority will allow MHT to deeply subsidize 60 of the 125 units.

### **Increased PILOT Payment for the City of Flint**

It is important to note that because of the increase in rent potential resulting from addition of Section 8, the actual PILOT payment is expected to increase from \$21,411 paid in 2018 to an estimated new amount of \$36,727.

### **External Amenities**

Shiloh Commons is nestled into a quaint neighborhood just north of Downtown Flint, with a walk score of 48. Located within a quarter of a mile, residents of Shiloh Commons have access to three nearby public transportation bus stations off of Saginaw Street, with the addition of three other public transportation bus stops off of Martin Luther King Ave, approximately a half mile from the property. These bus stations give residents of Shiloh Commons easy access to education and employment, in addition to recreational and social activities and is in close proximity to municipal buildings and health care facilities within the City of Flint and outside of the City limits.



*An affordable non-profit housing corporation serving Michigan's housing needs*

Shiloh Commons is within approximately one mile of multiple recreational areas, social facilities, parks, commercial, educational, health and municipal facilities. Recreation and parks facilities in close proximity include but are not limited to Hardenbrook Park, Bassett Park, Haskell Community Center, Iroquois Park, Max Brandon Park, Berston Field House, Oak Park, Oak Knoll Park, Hilborn Park, Flint Park Lake and Creative Expressions Dance. Each park and recreational facility offers a multitude of activities, giving the community opportunities to participate in any activity that sparks their individual interest.

The neighborhood has a strong sense of community and religious affiliation with multiple religious communities in close proximity including Holy Trinity Missionary Baptist Church, Old Zion Missionary Baptist Church, Shiloh Missionary Baptist Church, Deliverance Church of God, Mt. Moriah Missionary Baptist Church, Oman Temple No. 72, Pentecostal Tabernacle Church, and Bethlehem Temple Church. With a plethora of places of worship in the community, residents have the ability to remain included in their social circles and religious communities. Doyle-Ryder Elementary School, Summerfield School, Flex High School, Emanuel School are within approximately one-mile of Shiloh Commons, giving residents children access to quality educational opportunities. Additionally, Shiloh Commons is two miles North of the University of Michigan Flint and Mott Community College, and approximately 2.5 miles North of Kettering University, giving many opportunities for high quality continuing education for all in the community.

### **Jobs Created**

Based on projects of similar size and scope, it is estimated that 75 temporary construction related jobs will be generated and 6 full time positions will be created. These jobs serve the preservation of Parkview Place as high-quality housing for seniors in the greater downtown Detroit area for the long term.

### **MHT's Outreach Commitment to the Community**

MHT is a 501(c) (3) nonprofit corporation whose mission is to provide & develop affordable housing. MHT has been recognized for providing services within the communities they serve including a nationally a recognized Summer Workforce program for teens, after school tutoring. Other services include after school meals, backpacks for kids, eviction diversion program, a gun buy-back program, vacant land clean up, police department support and coordination with Meals on Wheels, Gleaners and coordination with numerous organizations that benefit the community surrounding each MHT property.

And finally it should be noted that MHT over \$1.37 of its own nonprofit funds to fill the transactions remaining gap.