

City of Flint, Michigan

*Third Floor, City Hall
1101 S. Saginaw Street
Flint, Michigan 48502
www.cityofflint.com*



Meeting Agenda - Final

Monday, October 9, 2017

4:30 PM

Committee Room

SPECIAL AFFAIRS COMMITTEE

Vicki VanBuren, Chairperson, Ward 8

Eric Mays, Ward 1

Kerry L. Nelson, Ward 3

Wantwaz D. Davis, Ward 5

Monica Galloway, Ward 7

Jacqueline Poplar, Ward 2

Kate Fields, Ward 4

Herbert J. Winfrey, Ward 6

Scott Kincaid, Ward 9

Inez M. Brown, City Clerk

ROLL CALL**RESOLUTIONS****170523** CO#1/Contract/Goyette Mechanical/Residential Water Line Replacements

Resolution resolving that the proper city officials are hereby authorized to enter into change order @1 to the contract with Goyette Mechanical for additional residential water line replacements, in an amount NOT-TO-EXCEED \$2,500,000.00, for an aggregate total of \$11,918,500.00, as requested by Utilities [Water Fund Acct. No. 591-540.210-801.012.] [NOTE: Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and a Children's Health Insurance Program (CHIP), using the Water Fund account.]

170524 CO#3/Contract/Zito Construction/Pavement Right-of-Way Restoration Services After Water Service Line Repair

Resolution resolving that the proper city officials are authorized to enter into Change Order No. 3 to the contract with Zito Construction for additional pavement/right-of-way repair/restoration services after water service line repair, in an amount NOT-TO-EXCEED \$550,000.00, for a revised aggregate contractual amount of \$7,053,850.00 [Water Fund Acct. No. 591-540.210-801.030]. [NOTE: Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and a Children's Health Insurance Program (CHIP), using the Water Fund account.]

170525 CO#1/Contract/AFSCME Local 1600/AFSCME Local 1799/Right-of-Way Restoration/Repair Services/Water Service Line Repair

Resolution resolving that the proper city officials are hereby authorized to enter into change order #1 to the contract with AFSCME Local 1600 and AFSCME Local 1799 for additional pavement/right-of-way repair/restoration services after water service line repair, in an amount NOT-TO-EXCEED \$550,000.00, for a revised aggregate contractual amount of \$5,036,500.00 [Water Fund Acct. No. 591-540.210-801.030]. [NOTE: Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and/or the Children Health Insurance Program (CHIP), using the Water Fund account.]

170531 Public Hearing Date/Industrial Facilities Exemption Certificate Application/Lear Corporation/Buick Motor Division Industrial Development District

Resolution resolving that a public hearing to consider the Industrial Facilities Exemption Certificate application for the Lear Corporation's project to be located within the Buick Motor Division Industrial Development District be held at 5:30 p.m. on the 23rd day of October 2017, in City Council Chambers, Flint City Hall, 1101 S. Saginaw Street, Flint, as requested by the Community and Economic Development Division (CED), and that notice of such hearing shall

be published in an official paper of general circulation not less than ten (10) days prior to said hearing. [Administration Submission No. CA5342017.]

- 170532** Settlement/Adam Gerics v. Alex Trevino, et al/Federal District Court Case No. 15-12922
- Resolution resolving that the City Administrator authorizes settlement, in an amount NOT-TO-EXCEED \$16,000.00, in satisfaction of any and all claims arising out of the litigation matter of Adam Gerics v. Alex Trevino, et al, Federal District Court Case No. 15-12922, with payment drawn from appropriated funds in Litigation and Suits Line Item No. 677-266.200-956.300. [Administration Submission No. CA5322017]
- 170533** Budget Amendment/Water Infrastructure Improvements for the Nation (WIIN) Grant/Professional Services Agreement (PSA)/Gary C. Cline, PE
- Resolution resolving that the appropriate City Officials are authorized to do all things necessary to amend the 2017-18 adopted budget to allocate \$150,000.00 from the Water Infrastructure Improvements for the Nation (WIIN) grant to fund a Professional Services Agreement (PSA) with Gary C. Cline, PE.
- 170534** Professional Services Agreement (PSA)/Gary C. Cline, PE/City Council Consultant
- Resolution resolving that the appropriate City Officials are authorized to do all things necessary to enter into a Professional Services Agreement (PSA) with Gary C. Cline, PE, to serve as the City Council consultant to review the options analyzed by John Young and CDM Smith and develop an alternate long-term water plan that is reliable, safe and affordable, at a cost NOT-TO-EXCEED \$150,000.00, with funding made available from the Water Infrastructure Improvements for the Nation (WIIN) grant, with terms of the PSA effective beginning October 9, 2017.

APPOINTMENTS

ORDINANCES

- 170526** 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 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), of the Code of the City of Flint by adding a new subsection (v), concerning Cedar Court, Inc. (Cedar Court Commons).
- 170527** Amendment/Ordinance/Chapter 18 (Taxation; Funds; Purchasing)/Article I (In General)/Section 18-4.7 (Same - Duration)

An ordinance to amend Chapter 18 (Taxation; Funds; Purchasing), Article I (In General), Section 18-4.7 (Same - Duration), of the Code of the City of Flint concerning the duration of the PILOT.

- 170528** 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 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), of the Code of the City of Flint by adding a new subsection (s), concerning Communities First, Inc. (Swayze Court).

- 170529** 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 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), of the Code of the City of Flint by adding a new subsection (t), concerning 310 East Third Street, Ltd. (Flint Marketplace).

DISCUSSION ITEMS

ADDITIONAL COUNCIL DISCUSSION

ADJOURNMENT

11-6114

170523

(Proposal #17000564)

SUBMISSION NO.: CA5292017

PRESENTED: 9-28-2017

ADOPTED: _____

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO GOYETTE MECHANICAL FOR SERVICE LINE REPLACEMENTS IN
VARIOUS AREAS OF THE CITY**

RESOLUTION

On March 29, 2017, the Proper City Officials were authorized to enter into a contract with Goyette Mechanical, 3842 Gorey Ave., Flint, MI for replacement of water service lines in Zones 2, 3, 6 and 8 in an amount not to exceed \$9,418,500.00 as requested by the Administration and Utilities Department: and

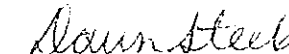
The Purchasing Department has received a request from the Fast Start project coordinator to do additional water service line replacements in specific areas as designated by the Fast Start team in an amount not to exceed \$2,500,000.00. Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and a Children Health Insurance Program (CHIP) grant using the following account: 591-540.210.801.012; and

IT IS RESOLVED, that the Proper City Officials are hereby authorized to enter into change order #1 to the contract with Goyette Mechanical for additional residential water line replacements in an amount not to exceed \$2,500,000.00 for an aggregate contract amount of \$11,918,500.00. (Water Fund)


APPROVED PURCHASING DEPT.:



Derrick Jones, Purchasing Manager

APPROVED AS TO FINANCE:


Dawn Steele, Deputy Finance Director

APPROVED AS TO FORM:


Angela Wheeler (by Direction)
Angela Wheeler
Chief Legal Officer


Sylvester Jones, Jr., City Administrator

CITY COUNCIL:

Kerry Nelson, Council President

RECEIVERSHIP TRANSITION ADVISORY
BOARD:

FY18 - KRN

RESOLUTION STAFF REVIEW

DATE: September 27, 2017

Agenda Item Title: Goyette Mechanical

Prepared By: Kathryn Neumann for Derrick Jones

Background/Summary of Proposed Action:

The Purchasing Department has received a request from the Fast Start project coordinator to do additional water service line replacements in specific areas as designated by the Fast Start team in an amount not to exceed \$2,500,000.00.

Financial Implications: Funding is available in the accounts listed below.

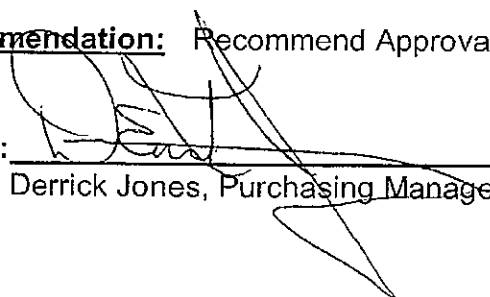
Budgeted Expenditure? Yes ☒ No ☐ Please explain if no:

Account No.: 591-540.210-801.012

Pre-encumbered? Yes ☐ No ☒ Requisition #

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

Staff Recommendation: Recommend Approval

Staff Person: 
Derrick Jones, Purchasing Manager

17-613

170524

(Proposal #17000561)

SUBMISSION NO.: C45302017

PRESENTED: 9-28-17

ADOPTED: _____

BY THE CITY ADMINISTRATOR:

**RESOLUTION TO ZITO CONSTRUCTION FOR PAVEMENT RIGHT-OF-WAY
RESTORATION SERVICES AFTER WATER SERVICE LINE REPAIR**

RESOLUTION

On September 13, 2017, the Proper City Officials were authorized to enter into change order #2 to the contract with Zito Construction, 8033 Fenton Rd., Grand Blanc, MI for additional pavement/right-of-way repair/restoration services after water service line repair for Zone 1 in an amount not to exceed \$1,159,650 for a revised aggregate contractual amount of \$6,503,850.00; and

The Purchasing Department has received a request to do additional pavement/right-of-way restoration services after water service line replacements in an amount not to exceed \$550,000.00, based on additional replacements being performed. Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and a Children Health Insurance Program (CHIP) grant using the following account: 591-540.210.801.030; and

IT IS RESOLVED, that the Proper City Officials are hereby authorized to enter into change order #3 to the contract with Zito Construction for additional pavement/right-of-way repair/restoration services after water service line repair in the amount not to exceed \$550,000.00 for a revised aggregate contractual amount of \$7,053,850.00. (Water Fund)

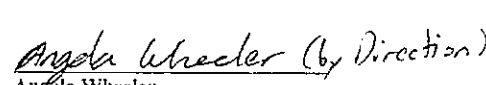
APPROVED PURCHASING DEPT.:



Derrick Jones, Purchasing Manager

APPROVED AS TO FINANCE:


Dawn Steele, Deputy Director of Finance

APPROVED AS TO FORM:


Angela Wheeler (by Direction)
Chief Legal Officer


Sylvester Jones, Jr., City Administrator

CITY COUNCIL:

Kerry Nelson, Council President

RECEIVERSHIP TRANSITION ADVISORY
BOARD:

FY18 - KRN

RESOLUTION STAFF REVIEW

DATE: September 27, 2017

Agenda Item Title: Zito Construction

Prepared By: Kathryn Neumann for Derrick Jones

Background/Summary of Proposed Action:

The Purchasing Department has received a request to do additional pavement/right-of-way restoration services after water service line replacements in an amount not to exceed \$550,000.00, based on additional replacements being performed.

Financial Implications: Funding is available in the accounts listed below.

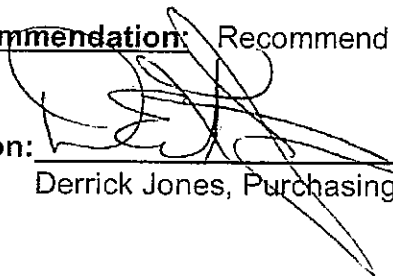
Budgeted Expenditure? Yes ☒ No ☐ Please explain if no:

Account No.: 591-540.210-801.030

Pre-encumbered? Yes ☐ No ☒ Requisition #

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

Staff Recommendation: Recommend Approval

Staff Person: 
Derrick Jones, Purchasing Manager

17-0113

170525

; (Proposal #17000561)

SUBMISSION NO.: CA 5312017

PRESENTED: 9-28-17

ADOPTED: _____

BY THE CITY ADMINISTRATOR.

**RESOLUTION TO AFSCME LOCAL 1600 AND 1799 FOR PAVEMENT RIGHT-OF-WAY
RESTORATION SERVICES AFTER WATER SERVICE LINE REPAIR**

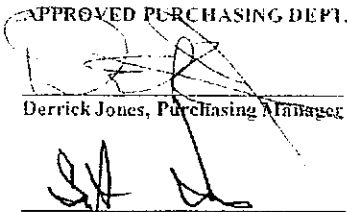
RESOLUTION


On March 29, 2017, the Proper City Officials were authorized to enter into a contract with AFSCME Local 1600 & 1799, 1101 S. Saginaw St., Flint, Michigan for pavement/right-of-way repair/restoration services after water service line repair for Zones 3, 5, 6, 7 and 9 in an amount not to exceed \$4,486,500.00; and

The Purchasing Department has received a request to do additional pavement/right-of-way restoration services after water service line replacements in an amount not to exceed \$550,000.00, based on additional replacements being performed. Funding will come from the Water Infrastructure Improvements for the Nation (WIIN) grant and a Children Health Insurance Program (CHIP) grant using the following account: 591-540.210.801.030; and

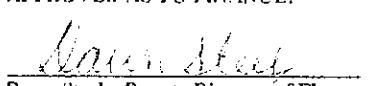
IT IS RESOLVED, that the Proper City Officials are hereby authorized to enter into change order #1 to the contract with AFSCME Local 1600 & 1799 for additional pavement/right-of-way repair/restoration services after water service line repair in an amount not to exceed \$550,000.00 for a revised aggregate contractual amount of \$5,036,500.00. (Water Fund)

APPROVED PURCHASING DEPT.:

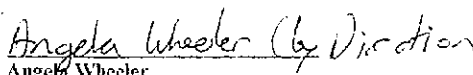

Derrick Jones, Purchasing Manager


Sylvester Jones, Jr., City Administrator

APPROVED AS TO FINANCE:


Dawn Steele, Deputy Director of Finance

APPROVED AS TO FORM:


Angela Wheeler
Chief Legal Officer

CITY COUNCIL:

Kerry Nelson, Council President

RECEIVERSHIP TRANSITION ADVISORY
BOARD:

FY18 -- KRN

RESOLUTION STAFF REVIEW

DATE: September 27, 2017

Agenda Item Title: AFSCME Local 1600 & 1799

Prepared By: Kathryn Neumann for Derrick Jones

Background/Summary of Proposed Action:

The Purchasing Department has received a request to do additional pavement/right-of-way restoration services after water service line replacements in an amount not to exceed \$550,000.00, based on additional replacements being performed.

Financial Implications: Funding is available in the accounts listed below.

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

Account No.: 591-540.210-801.030

Pre-encumbered? Yes ☐ No ☒ Requisition #

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

Staff Recommendation: Recommend Approval

Staff Person: 
Derrick Jones, Purchasing Manager

170531

Resolution No.: CA534/2017

Presented: 10-4-17

Adopted: _____

**Resolution Setting Hearing Date to Consider Approval of an Industrial
Facilities Exemption Certificate Application**

(P.A. 198 of 1974, as amended – Lear Corporation.)

By the Mayor:

On the 12th day of February 1979, the Buick Motor Division Industrial Development District was established on the property legally described in the Attachment and comprised of several parcels of real property located within the City of Flint.

Owners of said property have filed with the Clerk of the City of Flint, an application for an Industrial Facilities Exemption Certificate located within the previously established and legally described Industrial Development District.

Before acting upon said application, the Flint City Council is required by state statute, to hold a public hearing on the approval of the application, at which time the owners and other interested parties may appear and be heard.

IT IS RESOLVED, That such hearing to consider the Industrial Facilities Exemption Certificate application for the Lear Corporation's project to be located within the Buick Motor Division Industrial Development District, be held on the 23rd day of October, 2017, at 5:30 p.m. in the City Council Chamber of Flint City Hall, 1101 S. Saginaw Street, Flint, Michigan. 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.

APPROVED AS TO FORM:



Legal Officer

ADMINISTRATION



Karen W. Weaver, Mayor

CITY COUNCIL

Kerry Nelson, Council President

RESOLUTION STAFF REVIEW

DATE

October 3, 2017,

Agenda Item Title:

- ✓ 1. Resolution Setting Hearing Date to Consider the Approval of an Industrial Facilities Exemption Application (Public Act 198 – Lear Corporation)
- 2. Resolution Approving an Industrial Facilities Exemption Application (Public Act 198 – Lear Corporation)

Prepared By

Department of Planning and Development – Community and Economic Development Division

Background/Summary of Proposed Action:

The purpose for which these resolutions are being presented is to set a public hearing date to consider approval of a 12 year Industrial Facilities Exemption Application for the Lear Corporations project at 902 E. Hamilton and to set a public hearing for same. The required industrial development district was created February 12, 1979.

Lear has purchased a 16 acre tract of land, which was formerly the location of a portion of the Buick City complex, to build its 160,000 square foot modern light manufacturing building for the sub assembly and assembly of seating systems for automobiles. The company anticipates creating 435 new jobs.

Approval of the application will allow the applicant to realize a savings of 50 percent of the local property tax millage rate normally assessed on the building.

Budgeted Expenditure: Yes _____ No X _____ **Please explain, if no:** N/A

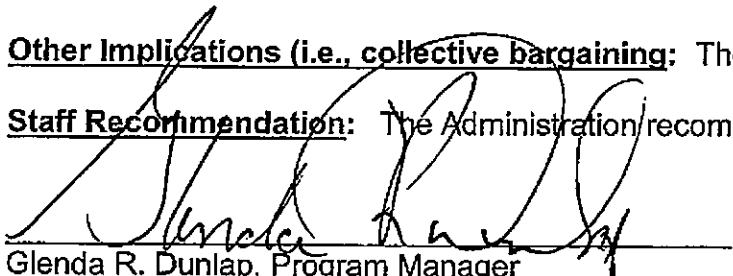
Account #:

Date Reviewed and approved by Carissa Dotson _____ N/A

Pre-encumbered: Yes _____ No _____ **Requisition #** _____ N/A

Other Implications (i.e., collective bargaining): There are no known implications

Staff Recommendation: The Administration recommends approval.


Glenda R. Dunlap, Program Manager

ATTACHMENT
Buick Industrial Development District

Buick Motor Division of General Motors - 920 E. Hamilton.

*Beginning at a point on the E side of Industrial Avenue 25 ft. N of the SW corner of Lot 33, MacLaughlin's Addition, thence N to NW corner blk 26, Oak Park Sub. thence Ely 626.08 ft. to a pt 30 ft. W of the NE corner blk 26, thence SWly parellel to the Ely line of blk 26 to the center line of vacated Harriet St., thence Ely 30 ft. to the Wly R.O.W. of the C&O railroad, thence SWly along said R.O.W. line 249.20 ft. to the SE corner, blk 25, Oak Park Sub. thence NWly along the S blk line blk 25 0.5 ft., thence SWly parellel to the Ely subdivision line, MacLaughlin's Addition, 300 ft. thence W 30 ft. to a point 50.1 ft. E of the SE corner MacLaughlin's Addition, thence Nly 176.5 ft. to a pt. 184 ft. E of pt. of beginning thence 184 ft. W to point of beginning.

Beginning at the SE corner of Lot 6 MacLaughlin's Addition, then W 312 ft. to SW corner Lot 11 thence N 190 ft. then E 40 ft., then N 110 ft. to the NW corner Lot 8, thence E 302.4 ft. then S 300 ft. to pt. of beginning.

Beginning at the SE corner of Lot 17, Blk 22, Oak Park Sub., thence 800 ft. W to the SW corner of Lot 32, Oak Park Sub., thence N 885 ft. to the NW corner of Lot 1, Blk 20, Oak Park Sub., thence E 800 ft. to the NE corner of Lot 16, Oak Park Sub., thence S 885 ft. to point of beginning.

Beginning at the SW corner of Blk 27, Oak Park Sub., thence, N 3081.34 ft. to the SE corner of Industrial Ave. and Leith St., thence E along the Sly R.O.W. line of Leith St. to the Wly R.O.W. line of St. John Blvd., thence Sly along the R.O.W. line of St. John Blvd. to the S line of the vacated St. John St. thence, Sly along the W R.O.W. of the relocated St. John St., to the NW corner the intersection of Hamilton Ave. and St. John St. thence, Wly along the N R.O.W. line of Hamilton Ave. to the point of beginning.

Beginning at a pt. at the NE intersection of relocated St. John St. and Hamilton Ave. thence, Nly along the Ely R.O.W. relocated St. John St. to the intersection of the N bank of the Flint River, thence Sly along the W bank of the Flint River to the N R.O.W. line of Hamilton Ave., thence Wly to the point of beginning.

Beginning at the SE corner of Lot 1, Blk 4 of Parkland Sub., thence E 60 ft. to point of beginning, thence N along the Ely R.O.W. line of Industrial Ave. to the NW corner of Buick Park Sub., thence Ely along the Sly R.O.W. line of Stewart Ave., to the W R.O.W. line of the C&O railroad, thence Sly along said R.O.W. line to the N R.O.W. line of Leith St., thence Wly along Leith St. R.O.W. to the point of beginning.

Beginning at the SW corner of Lot 21, Blk 20 of Fairview Sub., thence Ely along the Nly R.O.W. line of Leith St. to the intersection of the proposed St. John Blvd., thence Nly along the W R.O.W. line of said St. John Blvd. to the N line of the Northern add. to Fairview, thence W along said line 860 ft. to the NW corner, Lot 88 Northern Add. to Fairview, thence S 235 ft., thence W 50 ft. to the NE corner, Lot 90, Buick Heights Sub., thence W 250 ft. to the NW corner, Lot 87, Buick Heights Sub., thence SWly 50 ft. to the SW corner, Lot 2, Blk 10, Fairview Sub., thence NWly 170 ft., to the E R.O.W. line of the C&O railroad, thence SWly along said R.O.W. to point of beginning.

Beginning at the SW corner of Lot 360, Maplewood Annex No. 1, thence N 1527 ft. to the NW corner, Lot 80, Cloverdale Sub., thence E 500 ft. to the NE corner, Lot 503, Cloverdale No. 2 Sub., thence N 160 ft. to the NW corner Lot 483, Cloverdale, No. 2 Sub., thence W 40 ft. to SW corner Lot 465, Cloverdale No. 2 Sub., thence N 260 ft. to SE corner, Lot 423, then W 40 ft. to the SW corner of said lot, then N 100 ft. to the NW corner of said lot, thence E 40 ft. to the NE corner of said lot, thence N 260 ft. to the NW corner of Lot 361, thence W 40 ft. to NW corner of said Lot, thence N 120.8 ft. to the NW corner of Lot 336, thence E 603.6 ft. to the eastern subdivision line of Cloverdale No. 2, thence Sly along said Ely line 1290 ft., thence Ely 209.55 ft. to the W R.O.W. line C&O railroad, thence Sly along said R.O.W. line to the N line of Stewart St., thence W to point of beginning.

Beginning at SW corner, Lot 152, Water Works Heights Sub., thence Ely 100.78 ft., thence Nly 20 ft. thence, Ely 161.33 ft., to the W line of Appony St. thence N 220 ft. to the NE corner Lot 126, thence 212.05 ft. to the NW corner, Lot 157, thence Sly along western subdivision line of Water Work Heights Sub. to the pt. of beginning.

A public hearing will be held on the foregoing matter in the Flint City Council Chambers on Monday, January 8, 1979 at 5:30 p.m., Eastern Standard Time to discuss consideration of the request.

BUICK MOTOR DIVISION
PERMANENT PARCEL NUMBERS
FLINT, MICHIGAN

<u>CO.</u>	<u>TWP.</u>	<u>SEC.</u>	<u>BLK.</u>	<u>PARCEL</u>
25	11	06	127	046
25	11	06	128	048
25	11	06	130	047
25	11	06	176	032
25	11	06	178	002
25	11	06	179	047
25	11	06	180	004
25	11	06	227	069
25	11	06	326	026
25	11	06	327	013
25	11	06	327	015
25	11	06	328	041
25	11	06	329	022
25	11	06	379	009
25	11	06	451	003
25	07	30	476	001
25	07	30	476	006
25	07	30	476	011
25	07	30	476	013
25	07	31	202	026
25	07	31	209	025
25	07	31	253	002
25	07	31	256	001
25	07	31	257	006
25	07	31	279	001
25	07	31	379	038
25	07	31	380	017
25	07	31	401	003
25	11	06	201	015
25	11	06	228	055
25	11	06	276	023
25	11	06	376	005
25	11	06	377	027
25	11	06	401	012

RESOLUTION REVIEW FORM

FROM: DCED/- GRD
Department/Author

DATE
NO.

October 3, 2017

17-5137

Law Office Login #

RESOLUTION NAME: **Reso Setting a Public Hearing Date for an Industrial Facilities Exemption Application for Lear Corp.**

Date in:

1. RESOLUTION REVIEW - PLANNING AND DEVELOPMENT DIRECTOR

By: Suzanne Wilcox
Planning and Development Interim Director

DATE:

10-3-17
(Date)

Date in:

2. RESOLUTION REVIEW - LEGAL

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 this form approves as to FORM ONLY.

10-3-17, and by signing
(Date)

By:
Legal Officer

DATE:

10-3-17

170532

RESOLUTION NO.: CA5322017

PRESENTED: 10-2-17

ADOPTED: _____

**RESOLUTION TO APPROVE SETTLEMENT OF ADAM GERICS v. ALEX TREVINO,
et al., FEDERAL DISTRICT COURT NO. 15-12922**

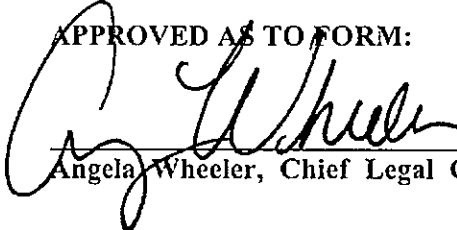
BY THE CITY ADMINISTRATOR:

Although the City of Flint admits no liability in the claims filed by Adam Gerics, the Department of Law recommends settlement of this matter; and

All parties have agreed to settlement in this matter in the amount of \$16,000; and

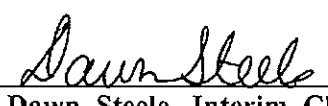
IT IS RESOLVED that the City Administrator hereby authorizes settlement in the matter of *Adam Gerics v. Alex Trevino, et al., Federal District Court No. 15-12922*, in an amount not to exceed \$16,000.00, in satisfaction of any and all claims arising out of said matter. Payment shall be drawn from appropriated funds in the Litigation and Suits line item 677-266.200-956.300.

APPROVED AS TO FORM:



Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:



Dawn Steele, Interim Chief Financial Officer

FOR THE CITY OF FLINT:



Sylvester Jones, City Administrator

APPROVED BY CITY COUNCIL:

Kerry Nelson, City Council President

**RECEIVERSHIP TRANSITION
ADVISORY BOARD:**

Resolution Routing

TO: Resolution Signatories
FROM: **Law Department**
SUBJECT: RESOLUTION FOR APPROVAL

This RESOLUTION has been forwarded to you for your respective review and approval.

Date recorded: 10/2/2017 No. 21

All documents should be reviewed within three working days after receipt by your office.

Reso Approving Settlement of Gerics v. Trevino, et al.

The attached resolution is submitted to the Legal Dept. for approval as to form only:

Review and Approval:	IN	OUT	Approval
1. City Attorney (Form Only):		10/2/2017	<u>SW</u>
2. Finance/Budget			
3. City Administrator:			

Please call Jennifer-2082 at ext.

10-2-17 \$ 2,961,557.44 (AL)

170533

RESOLUTION NO.: _____

PRESENTED: 10-09-2017

ADOPTED: _____

**RESOLUTION TO AUTHORIZE AMENDMENT OF THE 2017-18 ADOPTED BUDGET
IN THE AMOUNT OF \$150,000.00**

BY THE CITY COUNCIL:

The Flint City Council desires to enter into a Professional Services Agreement (PSA) with Gary C. Cline, PE (dba AE2S) to assist it with putting together an alternate long-term water plan to provide water that's reliable, safe and affordable; and

The City of Flint has received Federal funding in the amount of \$100 million dollars under the Water Infrastructure Improvements for the Nation (WIIN) act.

IT IS RESOLVED, that the appropriate City Officials are authorized to do all things necessary to amend the 2017-18 adopted budget to allocate \$150,000.00 from the Water Infrastructure Improvements for the Nation (WIIN) grant to fund a Professional Services Agreement (PSA) with Gary C. Cline, PE.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:

Angela Wheeler, Chief Legal Officer

Dawn Steele, Deputy Finance Director

APPROVED BY CITY COUNCIL:

**RECEIVERSHIP TRANSITION
ADVISORY BOARD:**

Kerry L. Nelson, City Council President

170534

RESOLUTION NO.: _____

PRESENTED: 10-09-2017

ADOPTED: _____

**RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF FLINT AND GARY C. CLINE, PE**

BY THE CITY COUNCIL:

The Flint City Council needs a consultant to review the options analyzed by John Young and develop an alternate long-term water plan other than the one recommended by John Young and CDM Smith, that's reliable, safe and affordable; and

The City Council desires to enter into a Professional Services Agreement (PSA) with Gary C. Cline, PE (dba AE2S) to provide said services; and

The terms of the PSA shall be effective beginning October 9, 2017.

IT IS RESOLVED, that the appropriate City Officials are hereby authorized to do all things necessary to enter into a Professional Services Agreement with Gary C. Cline, PE, to serve as the City Council consultant to review the options analyzed by John Young and CDM Smith and develop an alternate long-term water plan that is reliable, safe and affordable, at a cost NOT-TO-EXCEED \$150,000.00, with funding made available from the Water Infrastructure Improvements for the Nation (WIIN) grant.

APPROVED AS TO FORM:

APPROVED AS TO FINANCE:

Angela Wheeler, Chief Legal Officer

Dawn Steele
Deputy Finance Director

APPROVED BY CITY COUNCIL:

**RECEIVERSHIP TRANSITION
ADVISORY BOARD:**

Kerry L. Nelson, City Council President



www.ae2s.com

October 6, 2017

CITY OF FLINT
1101 S. SAGINAW STREET
FLINT MI 48502
ATTN. ANGELA WHEELER

CITY OF FLINT
1101 S. SAGINAW STREET
FLINT MI 48502
ATTN. KERRY NELSON

Subject: Expert Witness Services for Flint City Council in:
Michigan Department of Environmental Quality
V.
City of Flint
And
Flint City Council
US District Court Case No. 17-12107

Dear Ms. Wheeler and Mr. Nelson:

This letter is to confirm the terms and objectives of our engagement and the nature of the services to be provided to the Flint City Council. Advanced Engineering and Environmental Services, Inc. (AE2S) is prepared to provide the Flint City Council with expert witness services regarding the above-referenced matter. The Services will be provided by AE2S as needed as described in attached Initial Scope of Services.

It is our understanding that this issue is the subject of the above litigation, that AE2S is retained as a consultant for the Flint City Council in this matter, and that the Flint City Council may request AE2S staff testify as an expert witness. Services will be performed at the direction of the attorneys for the Flint City Council, Peter M. Doerr and Joseph A. Doerr. It is also our understanding that all of such services will be performed to assist the Flint City Council in preparing its case and such services falls within the parameters of attorney work product except for the written opinion which will be provided to the parties to this litigation subject to applicable court rules and rules of evidence. To the best of our knowledge, no known conflicts of interest exist with respect to any of the parties, but should a potential conflict come to our attention, you will be notified.

AE2S will be compensated from funds obtained by the Flint City Council and/or authorized through a City budget amendment. Invoices will be submitted for time and expenses on a monthly basis and are payable within thirty days from the date of the invoice. Invoices over thirty days past due may result in a stoppage of work. Fees will be based on actual time spent, including for time spent prior to the execution of this letter agreement, at the rates presented in attached Initial Scope of Services for preparation, deposition, testimony and travel time. In addition to time, all direct expenses will be billed at cost. Fees and other costs are not contingent on the final results, nor does AE2S guarantee any result or resolution in the matter.

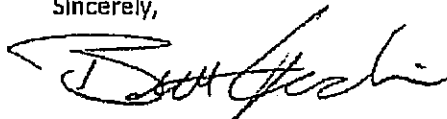
As further consideration for the services provided, the City of Flint shall indemnify and hold harmless AE2S and its officers, directors, members, partners, and employees from and against any and all claims, costs, losses, damages, and judgments (including but not limited to reasonable fees and charges of attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the services provided by AE2S under this letter agreement, but only to the extent

caused by any negligent act or omission of the City of Flint, its council members, officers, employees, consultants, or others retained by or under contract with the City of Flint with respect to this matter.

AE2S shall indemnify and hold harmless the City of Flint, and its council members, officers, employees from losses, damages, and judgments (including but not limited to reasonable fees and charges of attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the services provided by AE2S under this letter agreement, but only to the extent caused by any negligent act or omission of AE2S, or AE2S's officers, directors, members, partners, or employees.

If you find these terms acceptable, please sign below and return one copy to AE2S.

Sincerely,

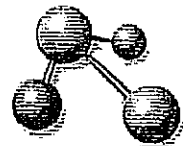


Brett Jochim, PE
Chief Operating Officer

The proposed services, terms, and conditions described above are hereby acknowledged and
accepted on this _____ day of _____, 2017, by

Angela Wheeler
Flint City Attorney

Kerry Nelson
President of Flint City Council



Scope of Services ver6

1. Provide a peer review of the recommendations in *Flint Water Treatment Plant Improvements Plan – Final Report*, CDMSmith, January 30, 2017.
 - a. Obtain and review relevant documents including but limited to:
 - i. *Flint Water Treatment Plant Improvements Plan – Final Report*, CDMSmith, January 30, 2017
 - ii. Flint WTP Report, Rowe Professional Services Company (LAN), 2012
 - iii. USEPA Consent Decree
 - b. Tour the Flint WTP and associated facilities.
 - c. Perform analyses needed to assess the appropriateness of the recommended facilities improvements and associated capital costs.
2. Provide a peer review of Water Supply Options developed by John Young and others.
3. Develop and assess alternatives to the Water Supply Options.
4. Prepare and submit draft and final written reports containing findings and conclusions. Draft report to be submitted within 75 days of AE2S's receipt of (i) execution copy of this agreement signed by an authorized City Council representative, and (ii) written commitment from the City of funds to pay for these services.
5. Present the findings and conclusions to the City Council.

This scope does not include assessment of the financial, managerial or technical capabilities for City operation of the water treatment plant and associated facilities.

Fee Schedule

Technical Expert III	\$362/hour
Technical Expert II	\$256/hour
Technical Expert I	\$236/hour
Administrative Support	\$82/hour

Gary C. Cline, PE

11115 E Desert Vista Dr, Scottsdale, AZ 85255

Phone: 480.550.2393 E-Mail: clinegc@me.com

Career Summary

A proven consultancy business leader:

- Strategic planning, mergers/acquisitions and operations of a 1,050-person business with net revenues of \$230 million per year.
- Development and growth of productive, long-term relationships with major water utilities across the United States.
- Proven problem-solver and coach/developer of talent and teams.
- Considerable exposure to international business, post-merger integration, leading change and executive-level policy-making.

Experience

Malcolm Pirnie/ARCADIS US

1980 - present

■ 2011 - present

Operation Director Water Planning, Water Division - Responsible for all aspects of the operation of 110-person national team of consultants and engineers (annual net revenue \$20 million). Practice focus: utility optimization via regulatory compliance strategies, strategic asset planning, CIP planning, process engineering, applied research and treatment operations.

■ 2011 - 2012

Director, Technical Knowledge and Innovation, Water Division - As Director of TKI, responsible for: development of technology solutions, strategic skills acquisition, deployment of key technology resources; creation and growth of productive technology networks; quality assurance program; applied research and technical training programs.

■ 2009 - 2011

Integration Manager - Merger of Malcolm Pirnie & ARCADIS US - As member of the Executive Integration Team, contributed to the development of strategic direction, policy and tactical plans for the integration. As Integration Manager was responsible for execution of tactical plans. Gained broad understanding of all aspects of the business including Finance, IT, HR and Legal.

■ 2007 - 2009

Executive Leader for Strategic Business Development

Manager for Strategic Alliances with SKM and Witteveen+Bos: Developed and led alliances with Australia-based Sinclair, Knight & Merz (SKM) and Netherlands-based Witteveen+Bos. Through these alliances brought best global water resources and utility management practices

to our clients in the US. Simultaneously established strategic direction and business priorities for the alliances while tending to their day-to-day operation.

Business Director, MP India: Provided strategic direction and liaison to US operations for a wholly-owned resource center in Pune, India. Business objectives included: provide low-cost, technician services to water utilities in US and water/environmental services to private sector businesses in India.

■ 2005 – 2009

Resource Team Leader for Planning & Process Engineering – Led a national team of 65 engineers and consultants focused on long-term infrastructure and water quality planning for municipal water utilities. Included a core team of licensed operators providing start-up and trouble-shooting services.

Developed an innovative application of scenario planning applied to water resource/infrastructure planning for Tucson AZ and reused water master planning in Peoria AZ.

Business Leadership – As a member of Malcolm Pirnie's *Executive Group* established strategic direction and policy for the firm.

Mergers and Acquisitions – Planned and executed the integration of McGuire Environmental Consultants into Malcolm Pirnie.

■ 2002 – 2005

Resource Manager – Led a diverse group of 30 planners and engineers in the central US delivering professional water and wastewater services to utilities such as: Cincinnati OH, Columbus OH, Detroit MI, Akron OH, Grand Forks ND, Minneapolis MN, Omaha NE.

Conceived of an award-winning approach for the use granular activated carbon for the 4 surface water treatment plants of the Birmingham AL Water Works and Sewer Board.

■ 1980 – 2001

Project Engineer & Project Manager – Provided planning and engineering services for projects addressing all aspects of the water cycle for municipal utilities including Scottsdale AZ, Metropolitan Water District of Southern California and Cleveland OH.

Developed deep technical expertise in (recognized through numerous presentations and publications): control of volatile organic compounds (VOCs), granular activated carbon (GAC) and reclamation and reuse of waste and impaired waters.

Led numerous Safe Drinking Water Act compliance assessments including the 1988 Water Quality Master Plan for Phoenix. Included an innovative approach to reduce risks associated with long-term decisions around drinking water quality.

Served as *Project Manager, Principal, Technical Director* and/or *Pursuit Manager* for the following selected projects and programs:

ASSET PLANNING

- **City of Phoenix (AZ) Drinking Water Quality Master Plan**

Long-term strategies were developed for surface water treatment (four plants, 480 mgd total capacity), groundwater treatment, and distribution system operations to enable the city to proceed in a step-by-step fashion in order to comply with the 1986 Amendments to the SDWA. Innovative BAT-based approach to planning reduced risks associated with long-term SDWA uncertainties. Initial strategies included optimizing coagulation for improved organics removal, followed by possible alternative disinfectants or GAC. Included testing and conceptual design for ozonation, peroxone, GAC and nanofiltration. Fee: \$1,240,000

- **City of Phoenix (AZ) Water Distribution Master Plan Update**

Created a 50-year Master Plan for the Phoenix system. Included conversion of model to *InfoWater*; updated of demand projections; refinement and addition to physical attributes database; optimization of plan with genetic algorithm; detailed assessments of water age. Fee: \$1,398,000

- **City of Peoria (AZ) Reuse Master Plan**

Created a long-term master plan for use of the City's reclaimed water resource and guide expansion of the City's water reclamation and reuse program. The plan also provided guidelines for a reclaimed water CIP and basis for City policies and procedures for water reuse. Made use of an innovative variation of scenario planning to manage risks from uncertainties. Scenario planning helped envision alternative futures (or scenarios) that may play out in Peoria's future with respect to the role of water reuse. Fee: \$231,000.

- **Greater Cincinnati (OH) Water Works Strategic Planning for Disinfection**

Investigated treatment technologies that offer better protection against regulated pathogens and unregulated emerging pathogens such as *Cryptosporidium*. Technologies investigated included ultraviolet light (UV) and low-pressure membranes. Evaluated impact of UV-treated water in the distribution system—how sequential inactivation (UV followed by free chlorine) would affect formation of disinfection by-products (DBP) and microbial regrowth. Served as the basis for the GCWW's decision to upgrade their disinfection barrier at the Richard Miller WTP (180 mgd). Fee: \$358,000.

- *AAEE Excellence in Environmental Engineering (Honor Award) 2004*
- *ACEC Engineering Excellence (National Recognition) 2004*
- *ACEC Ohio Outstanding Achievement Award 2004*

▪ **Birmingham (AL) Water Works and Sewer Board Water Quality Improvements & GAC Master Plan**

Conceived of an award-winning approach for the use granular activated carbon for the 4 surface water treatment plants (188 mgd combined capacity). The optimized use of GAC technology for SDWA Stage 2 D/DBP compliance was founded on: a nation-wide technology survey of best practices, performance benchmarking, operational review and pilot testing. Fee: \$2,857,000.

- *AAEE Grand Award – Planning 2008*
- *International Water Association Global Honour Award – Planning 2008-09*
- *ACEC Engineering Excellence (National Recognition) 2008*
- *ACEC Alabama Grand Award 2008*

▪ **City of Scottsdale (AZ) Salt River Project/Central Arizona Project Water Filtration Plant & Aquifer Storage & Recovery Facility**

Evaluated various treatment systems and performed hydrogeologic investigations to assess potential recharge capacity for 50,000-ac-ft/yr of potable water supplies. The evaluation resulted in a strategic plan for the most cost-effective future water supply system for the service area. Utilization alternatives considered water supply options, water treatment objectives, facility siting, potential for aquifer recharge via shallow dry wells, and impacts on water distribution facilities. We developed demonstration program plans for water treatment and recharge. Utilization alternatives were assessed based on economics, regulatory requirements, and comparison of noneconomic factors. Fee: \$354,000.

▪ **Omaha (NE) Metropolitan Utilities District Chloramine Conversion**

Created an implementation plan for conversion of distribution system disinfectant from free chlorine to chloramines. Included preparation of water quality monitoring guidelines to proactively assess the potential for water quality degradation (including nitrification), and to allow preventative actions to be taken. Fee: \$696,700.

- *ACEC Nebraska Engineering Excellence (Honor Award) 2005*

CAPITAL ASSET DELIVERY

▪ **City of Scottsdale (AZ) Central Arizona Project WTP Expansion**

Water quality planning, preliminary design, detailed design and bidding assistance for expansion of water treatment plant from 20 to 50 mgd. Plant improvements included raw water delivery pump station and pipeline; conventional water treatment facilities, chemical building facilities, solar drying beds, finished water reservoir and associated administrative and personnel buildings. Fee: \$3,276,000; Construction Cost: \$32,000,000.

- **City of Cleveland (OH) Baldwin Water Works Plant Enhancement**

Provided engineering and construction services for four projects at the 165 mgd Baldwin Water Works Plant. Project efforts included the preliminary design, final design, and construction phase for filtration improvements; architectural and structural renovation; upgrades of all existing chemical systems; and new pretreatment mixing and flocculation facilities. Fee: \$3,700,000; Construction Cost: \$35,000,000.

- *ACEC Engineering Excellence (National Recognition) 2004*
- *APWA Environmental Project of the Year (National) 2004*
- *ACEC Outstanding Achievement Award 2004*

- **Reverse Osmosis for City of Scottsdale (AZ) Central Groundwater Treatment Facility**

Planning and design of 2.6 mgd (permeate) membrane treatment facility utilizing low-energy reverse osmosis (RO) technology. This project will improve the inorganic quality of treated groundwater produced by the City's 13.6-mgd Central Groundwater Treatment Facility, reduce scaling in the distribution system, and provide aesthetic water quality equity for southern Scottsdale with other areas of the City. Fee: \$680,000.

- **City of Phoenix (AZ) Val Vista WTP Expansion**

Planning and design services for the upgrade and expansion of the Val Vista WTP. The 140-mgd plant draws water from the Southern Canal of the Salt River Project. The 80-mgd expansion included a new 80-mgd inlet facility (inlet structure, bar screens, grit basins, low-lift pumping and vertical turbine pumps and rapid-mix systems). Our services included the preliminary engineering report, pilot studies, design, construction phase services, preparation of O&M manuals, and startup assistance. Chemical handling facilities included caustic soda, sulfuric acid, alum, coagulant aid polymer and corrosion inhibitor. Fees: \$3,400,000; Construction Cost: \$50,700,000.

- **Detroit (MI) Water and Sewerage Department Northeast WTP Needs Assessment**

Conducted a comprehensive needs assessment and created a 10-year CIP for the 340-mgd NEWTP. The team inspected and assessed the suitability and condition of the plant facilities to identify reliability concerns related to compliance with long-term water quality objectives. Proposed improvements, order-of-magnitude capital costs, noneconomic prioritization factors, and coordination issues will be compiled and summarized. Developed a staged program of improvement projects. Fee: \$357,000.

TECHNOLOGY DEVELOPMENT

- **City of Peoria (AZ) Bromate Control**

Peoria uses ozone at its Greenway WTP for disinfection and taste and odor control. We evaluated bromate reduction strategies and identified a promising new solution involving a chlorine-ammonia process for bromate mitigation. Such solutions will be in demand by utilities to comply with anticipated lower bromate standards. Fee: \$415,000.

- **Minneapolis (MN) Water Works Ultrafilter Pilot Testing for Columbia Heights WTP**

Pilot testing and procurement of a 70-mgd ultrafiltration (UF) system to upgrade the city's Columbia Heights WTP. In Minnesota's first use of UF technology, the team worked with hard, cold Mississippi River water containing high levels of organic carbon. The team coordinated a Citizens Advisory Committee and panel of national drinking water experts; oversaw membrane performance testing as part of the membrane procurement process; developed Memorandum of Understanding with the Minnesota Department of Health for acceptance of UF technology. Fee: \$527,000.

- **City of Glendale (AZ) Cholla WTP Ultrafiltration Demonstration**

Growing water demands required the City to double the capacity of the 24-mgd Cholla WTP. Designed and installed a 0.65-mgd ultrafiltration demonstration facility that will serve as the basis for the expansion of the Cholla plant. The project was one of the first of its kind in Arizona. In addition to the ultrafiltration demonstration plant, the project also includes the pilot-scale evaluation of competing membranes and granular activated carbon (GAC) adsorption for the removal of natural organic matter. Powdered activated carbon (PAC) addition facilities will allow the evaluation of PAC for reductions in taste and odor and natural organic matter. Fee: \$1,210,000

- **City of Phoenix (AZ) Lead and Copper Corrosion Control**

Created a plan to comply with the corrosion control requirements of the Lead and Copper Rule. Assessed baseline finished water quality data for the City's five surface water treatment plants; identified wastewater system impacts resulting from corrosion inhibitors; assembled and operated two continuous-flow corrosion control testing racks. Fee: \$184,000.

- **City of Columbus (OH) Membrane Softening Evaluation**

Assessed nanofiltration/reverse osmosis and chloramine treatment process as a possible replacement of the lime/soda softening process followed by filtration, currently in use, with a view to achieving capital and operation cost savings. Fee: \$372,000.

- **City of Phoenix (AZ) 23rd Ave WWTP Reclamation**

Conducted a pilot-scale filtration study to assess alternative filter media and pretreatment methods for a 60-mgd wastewater reclamation system. Design, construction, and operation of an advanced treatment pilot plant to evaluate both direct filtration and conventional treatment. Fee: \$206,000.

- **U.S. EPA UV Disinfection Guidance Manual**

Led the development of the UV Disinfection Guidance Manual. Directed a task force of UV experts to develop a guidance manual for the use of UV disinfection in water treatment plants as a disinfection strategy for enhanced microbiological control. This guidance manual was the first comprehensive document that focuses solely on UV disinfection of drinking water, and was a part of the Stage 2 D/DBPR. Fee: \$1,050,000.

Education

BS Civil Engineering, Michigan State University, 1977

MS Civil and Sanitary Engineering, Michigan State University, 1980

Licenses

Professional Engineer: Arizona and Ohio

References

Ken Spiker

Former President, Water Division

ARCADIS US, Phoenix AZ

602.717.0191

Julius Ciaccia

Executive Director

Northeast Ohio Regional Sewer District, Cleveland OH

216.881.6600

Doug Owen

President, Doug Owen Water

914.659.9980

Steve Price

Engineering Manager

Denver Water, Denver CO

303.829.6157

170526

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 (v), which shall read in its entirety as follows:

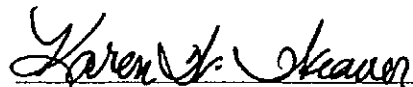
(V) THE CITY ACKNOWLEDGES THAT CEDAR COURT, INC., A MICHIGAN NONPROFIT CORPORATION (THE "SPONSOR") HAS OFFERED, SUBJECT TO RECEIPT OF A MORTGAGE LOAN AND/OR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS FROM THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY ("MSHDA"), TO ERECT, OWN AND OPERATE A HOUSING PROJECT IDENTIFIED AS "CEDAR COURT COMMONS" (THE "PROJECT") ON CERTAIN PROPERTY (PARCEL 40-13-476-012) 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.

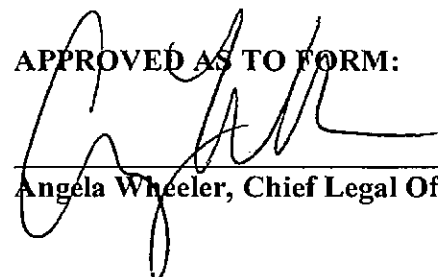
Adopted this _____ day of _____,

2017 A.D.



Dr. Karen W. Weaver, Mayor

APPROVED AS TO FORM:



Angela Wheeler, Chief Legal Officer

170527

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 18-4.7, Same – Duration.

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 18-4.7, Same – Duration, by amending in part and restating Section 18-4.7, which shall read in its entirety as follows:

18-4.7 SAME – DURATION.

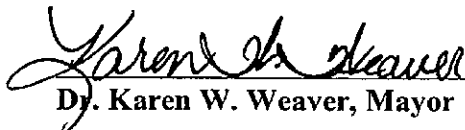
This ordinance, Sections 18-4.1 through 18-4.7, shall remain in effect and shall not terminate so long as the Authority-aided or federally-aided mortgage loan remains outstanding and the unpaid HUD mortgage insurance is still operative or the Authority or HUD have any interest in the property; provided, that construction or renovation or a housing development commences within one year from the effective date of this ordinance. The tax incentive provided in Sections 18-4.1 through 18-4.7 shall remain in effect and shall not terminate with respect to any particular housing development so long as either (A) the Authority-aided or federally-aided mortgage loan remains outstanding and unpaid for that particular housing development or for so long as HUD or the Authority shall have any interest in the property of a particular housing development, or (B) the passage of ~~thirty (30)~~ FIFTY (50) years after approval of the respective PILOT, regardless of any continued authority-aided or federally-aided mortgage loan, whichever occurs first. Provided, with respect to the River Village Project. Provided further, that construction or renovation of the housing project commences on or before February

28, 2012. Provided further, that with respect to Court Street Village, construction of the housing project commences on or before October 30, 2009; and that, with respect to Avon Park, that construction commences on or before October 30, 1994. Provided further, that with respect to Frontier Development Group, LLC/Phoenix Apartments, construction of the housing project commences on or before July 1, 2014. Provided further, that with respect to the Project "Coolidge Park Apartments," construction of the housing project commences on or before August 1, 2019.

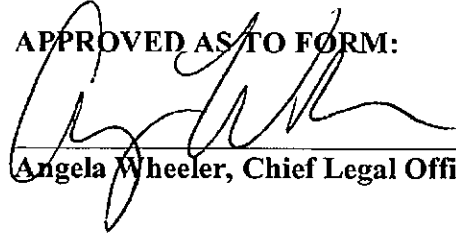
Sec. 2. This ordinance shall become effective immediately upon publication.

Adopted this _____ day of

_____, 2017 A.D.


By. Karen W. Weaver, Mayor

APPROVED AS TO FORM:


Angela Wheeler, Chief Legal Officer

170528

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 editing subsection (s), which shall read in its entirety as follows:

(S) THE CITY ACKNOWLEDGES THAT COMMUNITIES FIRST, INC., A MICHIGAN NONPROFIT CORPORATION (THE "SPONSOR") HAS OFFERED, SUBJECT TO RECEIPT OF A MORTGAGE LOAN AND/OR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS FROM THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY ("MSHDA"), TO ERECT, OWN AND OPERATE A HOUSING PROJECT IDENTIFIED AS "SWAYZE COURT" (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.

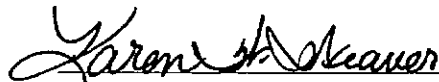
THE CITY ACKNOWLEDGES THAT THE SPONSOR SHALL BE AFFORDED

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.

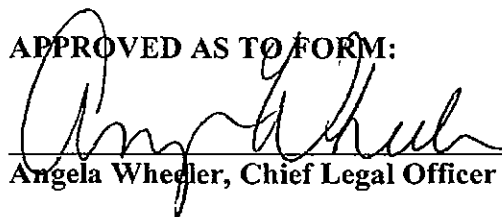
Adopted this _____ day of

_____, 2017 A.D.



Dr. Karen W. Weaver, Mayor

APPROVED AS TO FORM:



Angela Wheeler, Chief Legal Officer

170529

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 editing subsection (t), which shall read in its entirety as follows:

(T) THE CITY ACKNOWLEDGES THAT THE 310 EAST THIRD STREET LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP (THE "PARTNERSHIP") HAS OFFERED, SUBJECT TO RECEIPT OF A MORTGAGE LOAN AND/OR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS FROM THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY ("MSHDA"), TO ERECT, OWN AND OPERATE A HOUSING PROJECT IDENTIFIED AS "FLINT MARKETPLACE" (THE "PROJECT") ON CERTAIN PROPERTY LOCATED IN THE CITY TO SERVE PERSONS AND FAMILIES OF LOW INCOME, AND THAT THE PARTNERSHIP 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 PARTNERSHIP 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 PARTNERSHIP 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 SIX PERCENT (6%) 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.

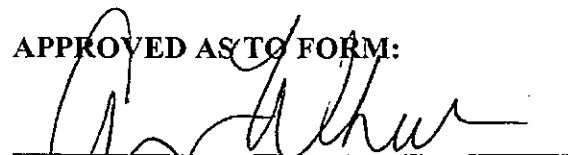
Sec. 2. This ordinance shall become effective immediately upon publication.

Adopted this _____ day of

_____, 2017 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. 17-
Law Office Login #

ORDINANCE NAME: ORDINANCE AMENDMENTS:
1) 18-4.1(v): TO APPROVE THE PILOT PROJECT FOR CEDAR COURT INC. LIMITED
DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
2) 18-4.7: TO ADJUST THE PILOT ORDINANCE DURATION CLAUSE FROM A 30 YEAR
SUNSET FOR ALL PILOTS TO A 50 YEAR SUNSET
3) 18-4.1(s): TO ACCURATELY MOVE THE APPROVED PILOT FOR SWAYZE COURT
APARTMENTS FROM A RESOLUTION SIGNED BY AN EMERGENCY MANAGER TO
PROPER ORDINANCE FORMAT
4) 18-4.1(t): TO UPDATE THE APPROVED PILOT FOR FLINT MARKETPLACE WITH THE
CORRECTED ORDINANCE SUBSECTION LETTER, PROJECT NAME, AND PILOT
ORDINANCE LANGUAGE

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.

for
By: Director Emily Doerr DATE: 9/12/17
Suzanne Wilcox, Interim Director
Department: Program Manager
Planning and Development Department

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: Dawn Steele DATE: 9-12-17
Dawn Steele, Deputy Finance Director

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: [Signature] DATE: 9-20-17
Chief Legal Officer

ORDINANCE AMENDMENT STAFF REVIEW

Date:

September 12, 2017

Agenda Item Title:

ORDINANCE AMENDMENTS:

- 1) 18-4.1(v): TO APPROVE THE PILOT PROJECT FOR CEDAR COURT INC. LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
- 2) 18-4.7: TO ADJUST THE PILOT ORDINANCE DURATION CLAUSE FROM A 30 YEAR SUNSET FOR ALL PILOTS TO A 50 YEAR SUNSET
- 3) 18-4.1(s): TO ACCURATELY MOVE THE APPROVED PILOT FOR SWAYZE COURT APARTMENTS FROM A RESOLUTION SIGNED BY AN EMERGENCY MANAGER TO PROPER ORDINANCE FORMAT
- 4) 18-4.1(t): TO UPDATE THE APPROVED PILOT FOR FLINT MARKETPLACE WITH THE CORRECTED ORDINANCE SUBSECTION LETTER, PROJECT NAME, AND PILOT ORDINANCE LANGUAGE

Prepared By:

Planning and Development Department, Division of Community and Economic Development

Background/Summary of Proposed Action:

- 1) 18-4.1(v): This housing development, n/k/a Cedar Court Commons, will bring an additional 47 units to the City of Flint which will be affordable to households making 60% or less of Flint's area median income (AMI), which is approximately \$25-30,000 per year based on household size. Expected rents ranging from \$300-\$700 per month. The AMI breakdown is: 10 of the units will be reserved for households making 30% or less of AMI, 6 of the units will be reserved for households making 40% or less of AMI, 1 unit for 50% or less of AMI, and 30 units for households making 60% or less of AMI.
 - Qualitatively, there is a bus stop immediately adjacent to the property on Court Street, and all of the units will be Energy Star rated which will assist the residents who will have a fixed utilities allowance. There was a meeting with Shelter of Flint and Councilperson VanBuren to discuss the project, and she supports it.

A 2010 report published by the National Association of Home Builders demonstrates the impact of building a 100-unit Housing Tax Credit development for families in a typical metro area using national averages as model inputs. Extrapolating the data to account for the 47 planned units of Cedar Court Commons, the City of Flint can expect the creation of 63 jobs from the direct and indirect efforts of construction and 15 jobs supported by the induced effects of the spending.

- 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 a Low Income Housing Tax Credit allocation from MSHDA (pending);

- 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 service charge in lieu of taxes;
 - MSHDA will not allocate Low Income Housing Tax Credits absent the City providing this tax benefit;
 - The partnership (Cedar Court Inc. Limited Dividend Housing Association Limited Partnership) will not have any employees (this is not a business enterprise looking for an abatement) but this development will create 1 new part time Property Manager position.
 - The developer of this project has requested this PILOT during the planning stage of the project, prior to the start of construction or renovation.
- 2) 18-4.7: In March 2017, per guidance from the City Administrator, language was added to the PILOT ordinance to have an automatic 30 year sunset for all PILOT agreements in order to save money for the City of Flint in the long run. However, it was ultimately determined that a 30 year sunset was detrimental in the short run as it would have a negative impact on the ability of proposed affordable housing projects in Flint to receive an allocation from MSHDA's Low Income Housing Tax Credit (LIHTC) program. City Assessor Stacey Bassi noted that a 50 year sunset would be in line with a majority of other communities as well as not cause an undue burden on LIHTC proposals. Therefore, the City Administrator requested this adjustment.
- 3) 18-4.1(s): On February 10, 2014, Emergency Manager Darnell Earley enacted the "RESOLUTION TO APPROVE THE PILOT PROJECT FOR COMMUNITIES FIRST, INC FOR THE SWAYZE COURT ORDINANCE AMENDMENT" which has resulted in the acceptance and enactment of the PILOT for the completed Swayze Apartments housing project, but without the language being in the correct format. Therefore, this ordinance amendment slots subsection (s) as the correct letter (based on having them in chronological order of approval) and uses the correct language.
- 4) 18-4.1(t): On December 14, 2016, the RTAB approved resolution 160497 for Ordinance 4080 but it had 3 mistakes which this ordinance amendment corrects:
- It was lettered as subsection (s) instead of (t)
 - It incorrectly named the Project "310 East Third Street Apartments" instead of "Flint Marketplace"
 - And it incorrectly described it as a project that the 310 East Third Street Limited Dividend Housing Association Limited Partnership already "owns and operates" instead of saying that the LDHALP "has offered, subject to receipt of a mortgage loan and/or allocation of low income housing tax credits from the Michigan State Housing Development Authority ("MSHDA") to erect, own and operate..."

Financial Implications:

Currently the City of Flint receives \$0 in taxes on these properties. Because the City of Flint values affordable housing and this project will bring an additional 47 units and pay an estimated PILOT of \$8,516, it is recommended that Council approve a 4% PILOT service charge for the Cedar Court Inc. Limited Dividend Housing Association Limited Partnership project.

The 2nd, 3rd, and 4th ordinance amendments simply are "cleaning up" the ordinance so that it is adopted with the correct language, lettering, and descriptions utilized.

Budgeted Expenditure: Yes ____ No ____

Please explain, if no:

Pre-encumbered: Yes ____ No ____

Requisition #: _____

Reviewed and Approved By: C. Dotson

Date:

9/12/17

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

Staff Recommendation: Staff recommends approval of this resolution.

APPROVAL

Emily Doen, Program Manager

Cedar Court Commons

1) Current taxable value: \$0

2) PILOT estimation \$8,516.00

DIFFERENCE BETWEEN PILOT AND TAXES: \$36,012.79 per year

3) Estimated project ad valorem taxable value:

	Two Bedroom	Three Bedroom
Market Rent	\$600	\$800
Number of Units	38	9
	\$22,800	\$7,200

Monthly Income	\$30,000
Yearly Income	\$360,000
Vacancy/Loss (10%)	(\$36,000)
Potential Gross Income	\$324,000
Expenses	(\$193,386)
Net Operating Income	\$130,614
Cap Rate of 10%	\$1,306,140
SEV/TV	653,070
Potential Taxes	\$44,529
City Taxes	\$12,474

Cedar Court Inc.

**PILOT Application
for Cedar Court Commons**

**Part 1
Construction & Operating
Pro Formas**

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
Low Income Housing Tax Credit Application
2017-2018 Qualified Allocation Plan

SECTION M. SOURCES

1. Construction Sources:

Source Name	Amount	Type	Rate	Term	Amort	D/S	Notes
Huntington National Bank	\$12,500,000	Conventional	4.00%	2			Interest only
Cinnaire- Tax Credit Equity		GP/LP Equity					
Total	\$12,500,000					\$0	

2. Permanent Sources (↓ ENTER SPECIFIC NAME OF ALL FUNDING SOURCES UNDER "SOURCE NAME"):

C Permanent Sources (enter specific name of all funding sources receiving funds)								
Source Name	Amount	Type	Rate	Term	Amort	D/S	MIP	Notes
Clinaire - Tax Credit Equity	\$11,131,430	GP/LP Equity						
Deferred Developer Fees	\$747,960	GP/LP Equity						
Total	\$11,879,390					\$0		

3. Additional Comments:



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
 Low Income Housing Tax Credit Application
 2017-2018 Qualified Allocation Plan

SECTION N. PROJECT COSTS				
Will temporary tenant relocation costs be included in the project?*	No			
Will the project include garages or carports, which are available at an additional cost to tenants?*	No			
Will the project include laundry facilities that are not leased, which will be available at an additional cost to tenants?*	No			
Will the project include a pool, which is available at an additional cost to tenants?*	No			
*If yes, a certification from an attorney or CPA will be required at Placed-in-Service to include costs in basis. **If yes, costs cannot be included in eligible basis.				
	TDC	TDC/Unit	Acquisition	Rehab/ New Const
LAND				
Land Purchase	\$ 140,000	\$ 2,979		
Closing/Title & Recording				
Real Estate Expenses				
Other Land Related Expenses				
Other: (Describe)				
SUBTOTAL	\$ 140,000	\$ 2,979		
BUILDING ACQUISITION				
Existing Structures				
Demolition (Exterior)				
Other: (Describe)				
SUBTOTAL	\$ -	\$ -	\$ -	\$ -
SITE WORK				
On Site	\$ 983,000	\$ 20,915		\$ 983,000
Off Site Improvement				
Other: (Describe)				
SUBTOTAL	\$ 983,000	\$ 20,915		\$ 983,000
CONSTRUCTION COSTS				
New Structures	\$ 5,281,000	\$ 112,362		\$ 5,281,000
Rehabilitation				
Garages/Carports				
Laundry Facilities				
Accessory Building	\$ 20,000	\$ 426		\$ 20,000
Pool				
Site Security	\$ 15,000	\$ 319		\$ 15,000
Building Permits	\$ 37,000	\$ 787		\$ 37,000
Bond Premium	\$ 66,000	\$ 1,404		\$ 66,000
Tap Fees/Soil Borings	\$ 720,000	\$ 15,319		\$ 720,000
Contractor Cost Certification	\$ 6,000	\$ 128		\$ 6,000
General Requirements	\$ 344,000	\$ 7,319		\$ 344,000
Builder Overhead	\$ 125,980	\$ 2,680		\$ 125,980
Builder Profit	\$ 278,354	\$ 5,922		\$ 278,354
Construction Contingency	\$ 759,916	\$ 16,168		\$ 759,916
Other: (Describe)				
SUBTOTAL	\$ 7,653,250	\$ 162,835	\$ -	\$ 7,653,250
PROFESSIONAL FEES				
Design Architect	\$ 400,000	\$ 8,511		\$ 400,000
Supervisor Architect	\$ 8,000	\$ 170		\$ 8,000
Real Estate Attorney	\$ 40,000	\$ 851		\$ 40,000
Engineer/Survey	\$ 163,000	\$ 3,468		\$ 163,000
Other: Appraisal	\$ 6,000	\$ 128		\$ 6,000
SUBTOTAL	\$ 617,000	\$ 13,128		\$ 617,000

	TDC	TDC/Unit	Acquisition	Rehab/ New Const
INTERIM CONSTRUCTION COSTS				
Hazard Insurance	\$ 30,000	\$ 638		\$ 30,000
Liability Insurance		\$		
Interest	\$ 300,000	\$ 6,383		\$ 189,000
Loan Origination Fee	\$ 80,000	\$ 1,702		\$ 80,000
Loan Enhancement		\$		
Title & Recording	\$ 32,000	\$ 681		\$ 32,000
Legal Fees	\$ 20,000	\$ 426		\$ 20,000
Taxes	\$ 5,000	\$ 106		\$ 5,000
Other: (Describe)		\$		
SUBTOTAL	\$ 467,000	\$ 9,936		\$ 356,000
PERMANENT FINANCING				
Bond Premium		\$		
Credit Report		\$		
Loan Origination Fee		\$		
Loan Credit Enhancement		\$		
Title & Recording		\$		
Legal Fees		\$		
Taxes		\$		
Other: (Describe)		\$		
SUBTOTAL	\$ -	\$ -		
OTHER COSTS				
Feasibility Study		\$		
Market Study	\$ 6,000	\$ 128		\$ 6,000
Environmental Study	\$ 30,000	\$ 638		\$ 30,000
Tax Credit Reservation Fee	\$ 71,700	\$ 1,526		
Tax Credit Application Fee	\$ 2,115	\$ 45		
Compliance Fees	\$ 22,325	\$ 475		
Marketing/Rent-up	\$ 50,000	\$ 1,064		
Owner Cost Certification	\$ 9,000	\$ 191		\$ 9,000
Other: Soil Borings	\$ 30,000	\$ 638		\$ 30,000
Other: FEE	\$ 20,000	\$ 426		\$ 20,000
SUBTOTAL	\$ 241,140	\$ 5,131		\$ 95,000
SYNDICATION COSTS				
Organizational		\$		
Tax Opinion	\$ 9,000	\$ 191		
PV Adjustment		\$		
Other: (Describe)		\$		
Other: (Describe)		\$		
SUBTOTAL	\$ 9,000	\$ 191		
DEVELOPER FEES				
Developer Overhead		\$		
Developer Fee	\$ 1,500,000	\$ 31,915		\$ 1,500,000
Consultant Fee		\$		
SUBTOTAL	\$ 1,500,000	\$ 31,915	\$ -	\$ 1,500,000
PROJECT RESERVES				
Rent Up Reserves		\$		
Operating Reserves	\$ 269,000	\$ 5,723		
Replacement Reserves		\$		
Other: Operating Deficit Reserve		\$		
SUBTOTAL	\$ 269,000	\$ 5,723		
TOTAL	\$ 11,879,390	\$ 252,753	\$ -	\$ 11,204,250



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
 Low Income Housing Tax Credit Application
 2017-2018 Qualified Allocation Plan

SECTION L. EXPENSES AND REPLACEMENT RESERVES					
	Expenses	Per Unit	Audited	Per Unit	Comments
I. Management					
Management Fee	23,970	\$10		0	
Other		0		0	
Other		0		0	
Subtotal	\$23,970	\$510	\$0	\$0	
II. Administrative					
Marketing	916	19		0	
Payroll	40,000	851		0	
Office	6,000	128		0	
Telephone	2,000	43		0	
Auditing	6,000	128		0	
Professional Fees	1,700	36		0	
Other		0		0	
Subtotal	\$56,616	\$1,205	\$0	\$0	
III. Utilities					
Project-paid Fuel	4,700	100		0	
Common Electricity	4,700	100		0	
Water & Sewer	47,000	1,000		0	
Other Utility		0		0	
Other Utility		0		0	
Subtotal	\$56,400	\$1,200	\$0	\$0	
IV. Operating & Maintenance					
Payroll & Benefits	28,200	600		0	
Repairs & Maintenance	14,100	300		0	
Supplies	5,640	120		0	
Snow Removal	2,820	60		0	
Extermination	2,820	60		0	
Trash Removal	2,820	60		0	
Other		0		0	
Other		0		0	
Subtotal	\$56,400	\$1,200	\$0	\$0	

V. Taxes & Insurance

Real Estate Taxes/ Market Rate		0		0
PILOT Rate: 4.00%	8,516	181		0
Insurance	23,500	500		0
Other	0			0
Other	0			0
Subtotal	\$32,016	\$681	\$0	\$0

VI. Miscellaneous

Investor Services Fee	3,525	75		0
Other		0		0
Other		0		0
Other		0		0
Other		0		0
Subtotal	\$3,525	\$75	\$0	\$0

Total \$228,927 \$4,871 \$0 \$0

MSHDA Underwriting Verification	
Per Unit Operating Expenses:	\$4,871
Minimum Regional Standard:	\$4,137
Difference:	\$734
Percent Difference:	17.74%

Replacement Reserve Verification	
Enter Annual Replacement Res.:	\$17,625
Select Construction Type:	New Constr. - Family
Minimum Standard Per Unit:	\$300

If projected operating expenses or replacement reserves deviate from MSHDA standards or are significantly different than information shown in the project's latest financial audit, provide an explanation below.

Cedar Court Inc.

PLOT Application
for Cedar Court Commons

Part 2

Schedule of Rents/
Income Limits of Tenants



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
Low Income Housing Tax Credit Application
2017-2018 Qualified Allocation Plan

II. Rental Income Summary

Total Monthly Income for Low Income Housing Units (Base Rent from previous page)	\$24,130
Total Monthly Income for Market Rate Housing Units (Base Rent from previous page)	\$0
Total Monthly Rental Income	\$24,130
Monthly Garage/Carport Income	
Monthly Non-Rental Income (Tenant generated - Please describe below)	
Monthly Miscellaneous Income (Non-tenant generated - Please describe below)	
Monthly Gross Potential Income (GPI)	\$24,130

1. Describe the monthly non-rental income sources and amounts:

--

2. Describe the monthly miscellaneous income sources and amounts:

--



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
 Low Income Housing Tax Credit Application
 2017-2018 Qualified Allocation Plan

SECTION I. UTILITY ALLOWANCES

I. Utility Allowances

1. Utility Allowance Method* (please select):

Other (please describe):

Other: MSHDA region C 01/01/2017

2. Complete the Following Chart:

Utility Type	Paid By (Select Owner OR Tenant)		0 BR	1 BR	2 BR	3 BR	4 BR
Heating	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant			\$23	\$27	
Cooking	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant			\$3	\$4	
Lighting	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant			\$35	\$45	
Hot Water	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant			\$7	\$10	
Sewer	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant					
Trash	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant					
Air Conditioning	<input type="checkbox"/> Owner	<input type="checkbox"/> Tenant					
Service Charge	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant			\$21	\$21	
Other:	<input type="checkbox"/> Owner	<input checked="" type="checkbox"/> Tenant					
Total (includes only tenant paid utilities)			\$0	\$0	\$89	\$107	\$0

*Please see LIHTC Allocation Policy Bulletin #13 in Tab W for further information.

(Submit as Exhibit #4(b))

3. Additional Comments*:

*If units with the same amount of bedrooms have different utility allowances, then please input the average utility allowances among those respective units above. Please note that the information in this section no longer automatically transfers to Section I.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
Low Income Housing Tax Credit Application
2017-2018 Qualified Allocation Plan

SECTION J. RENTAL INCOME AND RENTAL ASSISTANCE

1. Distribution of Rents

Complete the following chart: (Include and Identify Market Rate and Employee Occupied Units)

[illegible]

***Please Note: Section 811 vouchers are limited to 50% AMI rents**

Total Units

Unit Square Footage

LIHTC Units

Market Units

Employee Units

47

41450



0

Part 3
PILOT Estimation

PILOT Application
for Cedar Court Commons

Cedar Court Inc.

CEDAR COURT COMMONS
PILOT Estimates

Year	Gross Rent	Vacancy	Water	Gas & Electric	Net Rent	PILOT %	Annual PILOT \$	Grand Total
2019	289,560	20,269	47,000	9,400	212,891	4%	8,516	8,516
2020	292,455	20,472	48,410	9,682	213,892	4%	8,556	17,071
2021	295,380	20,677	49,862	9,972	214,869	4%	8,595	25,666
2022	298,334	20,883	51,358	10,272	215,821	4%	8,633	34,299
2023	301,317	21,092	52,899	10,580	216,746	4%	8,670	42,969
2024	307,344	21,514	54,486	10,897	220,447	4%	8,818	51,787
2025	313,491	21,944	56,120	11,224	224,202	4%	8,968	60,755
2026	319,760	22,383	57,804	11,561	228,012	4%	9,120	69,875
2027	326,156	22,831	59,538	11,908	231,879	4%	9,275	79,150
2028	332,679	23,288	61,324	12,265	235,802	4%	9,432	88,582
2029	339,332	23,753	63,164	12,633	239,782	4%	9,591	98,174
2030	346,119	24,228	65,059	13,012	243,820	4%	9,753	107,926
2031	353,041	24,713	67,011	13,402	247,915	4%	9,917	117,843
2032	360,102	25,207	69,021	13,804	252,070	4%	10,083	127,926
2033	367,304	25,711	71,092	14,218	256,283	4%	10,251	138,177
2034	374,650	26,226	73,224	14,645	260,555	4%	10,422	148,599
2035	382,143	26,750	75,421	15,084	264,888	4%	10,596	159,195
2036	389,786	27,285	77,684	15,537	269,280	4%	10,771	169,966
2037	397,582	27,831	80,014	16,003	273,734	4%	10,949	180,915
2038	405,533	28,387	82,415	16,483	278,248	4%	11,130	192,045
2039	413,644	28,955	84,887	16,977	282,824	4%	11,313	203,358
2040	421,917	29,534	87,434	17,487	287,462	4%	11,498	214,857
2041	430,355	30,126	90,057	18,011	292,162	4%	11,686	226,543
2042	438,962	30,727	92,759	18,552	296,925	4%	11,877	238,420
2043	447,742	31,342	95,541	19,108	301,750	4%	12,070	250,490
2044	456,696	31,969	98,408	19,682	306,639	4%	12,266	262,756
2045	465,830	32,608	101,360	20,272	311,591	4%	12,464	275,220
2046	475,147	33,260	104,401	20,880	316,606	4%	12,664	287,884
2047	484,650	33,925	107,533	21,507	321,685	4%	12,867	300,751
2048	494,343	34,604	110,759	22,152	326,829	4%	13,073	313,824

Comparison of Current Taxable Values

The lots are currently tax exempt thru Shelter of Flint, Inc.