

City of Flint, Michigan

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



Meeting Agenda - Final

Wednesday, December 7, 2022

5:00 PM

AGENDA AMENDED TO ADD ORDINANCE NO. 220519

COUNCIL CHAMBERS

LEGISLATIVE COMMITTEE

Eva L. Worthing, Chairperson, Ward 9

*Eric Mays, Ward 1
Quincy Murphy, Ward 3
Jerri Winfrey-Carter, Ward 5
Allie Herkenroder, Ward 7*

*Ladel Lewis, Ward 2
Judy Priestley, Ward 4
Tonya Burns, Ward 6
Dennis Pfeiffer, Ward 8*

Davina Donahue, Interim City Clerk

ROLL CALL

READING OF DISORDERLY PERSONS CITY CODE SUBSECTION

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.

PUBLIC SPEAKING

Per the amended Rules Governing Meetings of the Council (as adopted by the City Council on Monday, June 12, 2017), two (2) minutes per speaker. Only one speaking opportunity per speaker.

COUNCIL RESPONSE

Per the amended Rules Governing Meetings of the Council (as adopted by the City Council on Monday, June 12, 2017), Councilpersons may respond to any public speaker, but only one response and only when all public speakers have been heard. Individual council response is limited to two minutes.

ORDINANCES

220519 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 (SS). [NOTE: The PILOT is for HWD Harrison Inc. (503 South Saginaw Street) to own and operate a housing project identified as Harrison Mixed-Use. The annual service charge for the class of persons of low and moderate income shall be equal to ten (10) percent of the annual shelter rents, exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.]

DISCUSSION ITEMS

ADJOURNMENT

220519

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

(GG) THE CITY ACKNOWLEDGES THAT **HWD HARRISON, INC. 503 S. SAGINAW ST., FLINT, MI 48502 SUITE #1500** (THE "OWNER") HAS OFFERED, SUBJECT TO RECEIPT OF A NEW MARKET TAX CREDIT ALLOCATION 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 "**HARRISON MIXED-USE**" (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 TEN PERCENT (10%) 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

_____, 2022 A.D.

Sheldon A. Neeley, Mayor

APPROVED AS TO FORM:



William Kim, Chief Legal Officer

ORDINANCE REVIEW FORM

FROM: Planning and Development
Department

ORDINANCE NAME: (FF) PILOT ORDINANCE RESOLUTION TO GRANT A TEN (10%) PAYMENT IN LIEU OF TAXES (PILOT) TO PROJECT KNOWN AS HARRISON MIXED-USE, WHICH IS A MIXED INCOME DEVELOPMENT OF THE EXISTING YMCA SITE, 50 RESIDENTIAL UNITS AND FIRST FLOOR RETAIL SPACE.

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* DATE: 11/14/22
Suzanne Wilcox, Director, P&D

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: *Robert J.F. Widigan* DATE: 11/15/2022
Robert J.F. Widigan (Nov 15, 2022 16:31 EST)
Robert J.F. Widigan, Chief Financial Officer

3. ORDINANCE REVIEW - CITY ADMINISTRATOR

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

By: _____ DATE: _____
Clyde Edwards, City Administrator

Hshay LLC, 719 Harrison St

1) Current taxable generated: \$12,082 Pilot is based on 10%
2) PILOT estimation \$48,000 DIFFERENCE BETWEEN PILOT AND AD VALOREM TAXES: \$32,808 per year

Based on the Schedule of Rents provided by Uptown Reinvestment Corporation, at 100% occupancy, the total annual rent potential for the 50 units, leased commercial space and parking is \$80,808.

3) Estimated project ad valorem taxable value:

	Studio	One Bedroom	Two Bedroom	Additional Income
Market Rent	\$625	\$725	\$1,000	
Number of Units	4	31	15	
	\$2,500	\$22,475	\$15,000	\$11,900

Monthly Income \$51,875
Yearly Income \$622,500
Vacancy/Loss (10%) (\$62,250)
Potential Gross Income \$560,250
Expenses (\$252,113)
Net Operating Income \$308,138
Cap Rate of 13% \$2,370,288
SEV/TV 1,185,144
Potential Taxes \$80,808

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



CITY OF FLINT

1101 S SAGINAW ST.
FLINT, MI 48502
TEL: 810-766-7436

PURPOSE

To administer the City of Flint Code of Ordinances 18-4.1 to 18-4.8, establishing a class of housing developments pursuant to the State Housing Development Authority Act of 1966, known as Act 436 of the Acts of 1966, being MCLA §§ 125.1401 et seq. , as amended, which are exempt from property taxes, paying instead a service charge to be paid in lieu of taxes (PILOT) by any or all classes of housing exempt from taxation under this Act at any amount it chooses, but not to exceed the taxes that would be paid for if not for this Act.

The City acknowledges that serving persons of low income is a public necessity, and as such the City of Flint will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose. The applicant for a PILOT is affirming that the economic feasibility of this housing development is reliant on this requested tax exemption.

Furthermore, in considering this application for PILOT, the evaluators of such request shall consider that the community shall be developed in a manner consistent with the adopted Master Plan and Consolidated Action Plan. Evaluation of the application should take into consideration maintaining the overall goals and objectives set forth in these plans.

ELIGIBILITY

- 1) Applicant must be a nonprofit housing corporation, consumer housing cooperative, limited dividend housing corporation, mobile home park cooperative or mobile home park association, and must be financed with a federally-aided or Michigan State Housing Development Authority (MSHDA) aided mortgage or advance or grant from MSHDA.
- 2) PILOT has been requested during the planning stage of the project; any development project under construction at the time of application is not eligible to apply for, or to receive, a PILOT.
- 3) The applicant must own the property or have an option or other right to purchase the property under consideration and provide in application.
- 4) Housing development must contain a minimum of 51% affordable units.
- 5) Project includes a Low Income Housing Tax Credit (LIHTC) allocation.
- 6) The property is not designated as a Brownfield or 5/50 property or has contacted City to discuss.
- 7) All parcels that are separate have been combined through proper City channels.

PROCESS

1) Mandatory Pre-Application Conference: This will be a meeting of all applicable City Departments to include:

- City Administrator
- City Planner
- City Engineer
- City Treasurer
- City Assessor
- Chief Building Official
- Community and Economic Development Staff
- Representatives of applicant development team

This meeting will serve to familiarize all parties with the scope of the project and any issues that may exist. The applicant will also be familiarized with the PILOT process and policies.

2) Submission of Application: Application form must be complete and packet of required supporting documentation assembled based upon requirements set forth in the application. Any additional concerns or items that were discussed in the Pre-Application Conference should also be addressed. Application forms are available on both the City of Flint website and in the Department of Community and Economic Development.

One original and one electronic copy shall be submitted no later than seven (7) weeks before the Regular City Council meeting, which are typically held on the 2nd and 4th Mondays of each month.

3) Internal (Administrative) Review: An internal review will occur, resulting in either Administrative approval within three (3) weeks or return to the applicant for corrections.

Applications will be scored on a scoring matrix as attached in this application.

Administrative approval will move the application forward to an ordinance amendment that will be placed on the Government Operation Committee meeting agenda.

4) Council Committee Review: Meetings are held the Wednesday prior to the Regular City Council meeting. The developer is required to be in attendance at this meeting to answer any questions the committee may have.

5) Review by City Council: Once committee approval is obtained, the ordinance amendment will proceed to the following Regular City Council Meeting (the Monday following committee). The developer is required to be in attendance at this meeting.

6) Approval: If the PILOT application is approved by resolution of the City Council, a certified copy of the resolution and a copy of the minutes will be provided to the applicant. Additionally, digital copies will be provided to all applicable City Departments.

****Note: All applicants are required to file their MSHDA Affidavit with the City Assessor by November 1 of the year before the PILOT is to take effect.***

APPLICATION REQUIREMENTS

1) Completed Application Form

2) Narrative:

a. Background information:

- i. Development experience of team
- ii. Describe the corporate partnership structure

b. Describe the proposed Project (include the following sections):

- i. Intended usage/target market
- ii. Economic impact
- iii. Environmental impact (to include any mitigation actions taken)
- iv. Impact on City infrastructure (transportation and utilities)
- v. Impact on City services (police, fire, EMS, code enforcement)
- vi. Square footage of the building and land to be renovated
- vii. Architectural renderings to include the number and type of units
- viii. Any other information to fully explain the project

c. Describe the marketing of the project, clearly identifying the intended market. If the project is speculative, how long is full occupancy expected to take and who will be the property manager?

d. Briefly describe the ownership and tax information for this project:

- i. State the location or the proposed project to include street address, parcel ID, and the legal description.
- ii. Name of the property owner at the time of application.
- iii. If the applicant is not the current owner of record, attach a valid option to purchase.
- iv. Describe any and all financing, options, and liens on the property
- v. State the current assessed value of the property.
- vi. Are any assessments currently under appeal? If yes, describe.

e. Provide a detailed development pro forma outlining proposed hard, soft and financing costs associated with the development. Pro forma must also identify all sources of financing and terms, including Applicant equity, construction, and permanent financing, as well as any government assistance. Proposals must contain detailed cost breakdowns.

f. Provide a detailed operating pro forma. This must include all anticipated major revenues and expenses for the full term of the requested PILOT.

g. Provide a detailed schedule of rents and income limits of lessees

- h. Provide housing market data to show demand.
- i. State a proposed timeline for the Project to include:
 - i. Closing of the loan or contributing financing
 - ii. First expenditure of funds with regards to the project
 - iii. Anticipated date construction will begin
 - iv. Anticipated date of completion
- j. Describe any potential conflicts of interest the applicant or any guarantor may have with any City Personnel or City Council members.
- k. To receive application bonus points, address the following:
 - i. Mixed use (PILOT ONLY applies to housing- not commercial SF)
 - ii. Energy efficiency and green practices
 - iii. Neighborhood and block club outreach (Full list of outreach done)
 - iv. External amenities (walk score, proximity to transit, jobs, etc)
- l. Include a copy of the completed MSHDA application for Low Income Housing Tax Credits (LIHTC) within thirty (30) days of submittal to MSHDA.

(APPLICATION FORM ON NEXT PAGE- ATTACH APPLICATION FORM TO THE REQUIRED NARRATIVES AND SUPPORTING DOCUMENTS)



PAYMENT IN LIEU OF TAXES (PILOT) APPLICATION
CITY OF FLINT

APPLICANT INFORMATION

ENTITY NAME	FLWD Harrison, Inc.
REPRESENTATIVES NAME	Stephanie Fenton, Tim Herman
ADDRESS	503 S. Saginaw St, Flint, MI 48502 St #1500
TELEPHONE NUMBER	(810) 338-5555
E-MAIL ADDRESS	s.fenton@optownflint.org

GUARANTORS INFORMATION

ENTITY NAME	Optown Reinvestment Corporation
ENTITY PRINCIPAL	Tim Herman
ADDRESS	503 S. Saginaw St, Flint, MI 48502 St #1500
TELEPHONE NUMBER	(810) 338-5555
E-MAIL ADDRESS	therman@flintandgeneseec.org

ENTITY NAME	
ENTITY PRINCIPAL	
ADDRESS	
TELEPHONE NUMBER	
E-MAIL ADDRESS	

PROJECT INFORMATION

PROJECT NAME	Harrison Mixed - Use
ADDRESS OF PROJECT	719 Harrison St, Flint, MI 48502
PARCEL ID	41-18-135-023
LEGAL DESCRIPTION	Lots 1, 2, 5 and 7 8 ; excepting there from the Westerly 76 feet; also Lots 2, 4, and 6; also lot 8, excepting the Southerly 14 feet, all in Block 9, Village of Flint River, according to the plat thereof as recorded in Plat 6, Page 2, Genesee County Records

DEVELOPMENT TEAM

APPLICANT PRIMARY POINT OF CONTACT	Stephanie Featon, Optum Reinvestment Corporation
ARCHITECTURAL FIRM	Integrated Architecture
CONSTRUCTION PROJECT MANAGER	David Lurvey, Lurvey Construction
GENERAL CONTRACTOR FOR PROJECT	

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

a. Background information

i. Development experience of team.

Uptown Reinvestment Corporation (URC) has over 20-years of experience serving as a developer of new and rehabilitated buildings exclusively in the city of Flint. URC often develops properties where they will retain ownership, such as the Flint Farmers Market, MSU Building, and the Hilton Garden Inn. However, URC also brings development capacity to the community by bringing together complex financing sources (NMTC's, MSF/CRP, Historic Tax Credits, and LIHTC) for other nonprofits in the community like the Flint Cultural Center Corporation (Capitol Theatre), Mott Community College (Culinary School) and Genesee Health System (Children's Health Facility). In these later instances, URC takes no long-term ownership position in these projects, but provides development services.

Tim Herman has led URC for the last 20-years as President. The core development team has been in place with Stephanie Fenton as CFO/COO, Joe Martin as Development Director since 2016. URC recently brought on Moses Timlin to provide additional capacity as a Development Coordinator. Please see below for a resume of applicable projects.

The corporate structure of the project entails Uptown Reinvestment Corporation forming a new single-purpose limited liability company for the sole purpose of owning the building. The new entity name as proposed is HWD Harrison, Inc. and has the following ownership details 65% owned by URC; 30% owned by Michigan Strategic Fund (MSF); and 5% owned by the YMCA of Greater Flint. URC will be the managing member of HWD Harrison, Inc. The individual ownership percentages may fluctuate slightly within HWD Harrison, Inc., but will not alter the overall structure.



Uptown Reinvestment Corporation

(810) 238-5555

503 Saginaw St#1500, Flint, Michigan

uptownreinvestment.org

Mission Statement: Unite all downtown Flint interests, including government, education, business, and charitable institutions into a broad-based coalition.

Organizational Highlights: \$128.3 million in assets Owner/Manager of 157 units Created 1.1M SF
\$243.6 million invested 18 redevelopment projects 100% occupancy

Key Staff:

Tim Herman, President, 2007 – Present

Stephanie Fenton, Chief Financial Officer, 2016 – Present

Joseph Martin, Development Director, 2016 - Present

Moses Timlin, Development Coordinator, 2022 - Present

EXPERIENCE:

Hilton Garden Inn

November 2020

110 W. Kearsley St, Flint, MI 48502

- Invested **\$38.8 million** into the redevelopment of a vacant bank into a 101-guest room hotel, full-service restaurant, seasonal rooftop bar, and ground floor commercial space.

Marketplace Apartments

December 2019

310 E. Third St, Flint, MI 48502

- A **\$19.5 million** 92-unit mixed-income apartment and townhouse complex in downtown Flint.

Perry Building

March 2019

600 S. Saginaw St, Flint, MI 48502

- Redeveloped a blighted 9,000-square foot building into six commercial retail units with a credit union as an anchor tenant.

Mott Culinary School

June 2017

550 S. Saginaw St, Flint, MI 48502

- A fully renovated, 36,000-square foot, state-of-the-art culinary institute for Mott Community College's expansion to downtown Flint. The total development costs equaled **\$12.7 million**.

Capitol Theater

December 2017

140 E 2nd St, Flint, MI 48502

- Recipient of the 2019 Governor's Historic Preservation Award for the **\$36 million** historic rehabilitation of a 90,000-square foot theater with ten commercial storefronts and offices.



Hurley Children's Pediatric Center

August 2016

300 E. 1st St, Flint, MI 48502

- A 10,300-square foot children center providing family-centered care in downtown Flint.

Flint Health & Wellness District

December 2014

200 – 300 E. First St, Flint, MI 48502

- A **\$32 million** adaptive reuse of the former Flint Journal building into a 173,000-square foot Wellness District featuring commercial, residential, and institutional spaces.

Rowe Building

October 2009

540 S. Saginaw St, Flint, MI 48502

- A **\$22.7 million** newly constructed 83,000-square foot, office and residential mixed-use building.

Riverfront Residence Hall

September 2009

1 Riverfront Plaza, Flint, MI 48502

- A 340,000-square foot University of Michigan-Flint housing facility, a **\$30 million** transformation of a former 16-story landmark hotel.

Wade Trim Redevelopment

November 2008

533 - 565 S. Saginaw St, Flint, MI 48502

- The reconstruction of 42,000-square feet encompassing office, retail, and residential spaces in downtown Flint's main street.



b. Project description

i. Intended usage/target market

The Harrison Street mixed-use building will be a combination of a new YMCA, mixed-income housing, and ground floor retail and office. On the Harrison Street frontage of the building, the project will feature approximately 7,945 square feet (SF) of fully built-out office space for a Flint-based nonprofit on the first floor. It will also include a small lobby and leasing area for the 50 units of housing. The apartment units were designed as attainable units to provide affordability to the downtown market. 41 of the 50 units will be available to those with incomes at or below 80% of Genesee County's Area Median Income (AMI). The affordability allows the units to be available to a broad range of service workers and early career professionals, i.e., nurses, firefighters, police. Of those 42 affordable units, four (4) will be specifically set aside for those with incomes at 50% AMI and below. The housing will be located on floors 2-5 with a mixture of studios, 1-BR, and 2-BR units. Floors 2 and 5 of the building will have 12-units, while floors 3 and 4 will have 13-units each.

The building will also operate as a full-service YMCA, which will be built-out including all loose and fixed-equipment. For the YMCA portion of the building this includes on Floor 1 the following at a total 29,000 SF: six-lane competitive lap pool, family splash pad, and spa; men, women, and universal locker rooms; lobby with gathering space for family and senior socialization, community and afterschool rooms, and branch offices. The YMCA will also sublease to Hurley Medical Center 2,120 SF of space that will be white-boxed waiting for the tenant improvement when the building is complete. The second floor will total 27,266 SF in YMCA space and will include a full-length basketball court, 3 exercise studios, a running/walking track, and cardio/weight equipment.

ii. Economic impact

The overall economic impact of the project is significant. The YMCA of Greater Flint currently has over 1300 downtown members and a 2021 study suggested that a new YMCA facility could grow that membership by approximately 1000, for a total of **2300 memberships**. These memberships are "Y speak" for households, which could be a single-person or a multi-person household. These members will frequent Flint-based business establishments, bringing in additional revenue for these small business owners that have struggled to regain foot traffic post-covid. Without the new YMCA facility, it is likely that the downtown location will be lost and there will be no presence of the YMCA in the city of Flint.

Affordable and quality housing is also key to bring forward the city of Flint as an attractive location for businesses to locate. The lack of affordable housing is both a national and statewide issue but is felt acutely in places like Flint. URC believes that the city of Flint has a great value proposition for individuals and families when looking for places to live. New housing that URC can deliver is of equal or better quality to many units in the surrounding communities, and in many instances is significantly less to rent.

Lastly, the project is expected to deliver 177 construction jobs based on a construction contract of \$33.5 million. This includes a local builder/general contractor, trades, and vendors.



iii. Environmental impact

The project conducted a Phase I Environmental Site Assessment on March 20, 2022, for the entire parcel. Based on a review of the prior environmental testing during the Phase I, the environmental consultant advised a baseline environmental assessment (BEA) be prepared for the project based on its past use as a gas station with underground gasoline storage tanks. It is anticipated that the project will be required to take any soils that are removed from the site to a regulated landfill, but otherwise if the soil remains undisturbed and capped no significant environmental issues are expected.

iv. Impact on City infrastructure

The project is currently going through preliminary site plan review with the City of Flint, Planning and Zoning Department. The project will ensure that all surface infrastructure, curbing, and sidewalks meet current zoning requirements. The project will also require new connections to city sewer and water.

Please see attached, "Attachment_harrison mixed-use_preliminary_Site_Plan", for the preliminary site plan.

v. Impact on City services

The YMCA portion of the building is being relocated from an existing downtown location and will have little to no net impact on city services. The project will result in the addition of 50 apartment units downtown. The apartment units are providing no special programs that would require more intensive government services, including police or fire.

vi. Square footage of the building and land to be renovated

The total building square footage will be 110,405. The land size is 2.74 acres.

vii. Architectural renderings to include the number and type of units

Please see attached, "Attachment_harrison mixed-use_Schematic_Design" for schematic designs.

viii. Any other information

Our development team, architect, and builder are working closely with the City of Flint, Building, Safety, & Inspection to ensure a sustainable, environmentally friendly mixed-use building is constructed.



c. Project marketing/target market

Unit Style	Size	Market Rate Rent (# of units)	80% AMI Rent (# of units)	50% AMI Rent (# of units)
Studio	484 sf	\$605 (2)*	\$605 (1)	\$412 (1)
1-bedroom	576 sf	\$720 (20)*	\$720 (10)	\$430 (1)
2-bedroom/1bath	720 sf	\$972 (1)	\$911 (3)	\$467 (1)
2-bedroom/2 bath	888 sf	\$1,199 (8)	\$911 (1)	\$467 (1)
Total Units		31	15	4

***Market Rate** Studio and 1-bedroom units naturally occur at 80% AMI, will not be income verified.

80% AMI Require income verification.

50% AMI Require income verification.

The project will be marketed as attainable housing, which within our definition is considered available to those making 80% of the Genesee County AMI. The project will feature a mixture of 31 market rate units and 19-income restricted units (see table above). Within the market rate units, naturally occurring attainable housing exists at 80% AMI for studio and 1-bedroom units. These units are generally available for those within the service industry, or young professionals, for example starting salaries for police, fire, nurses, and teachers.

On the affordability side, 15-units will be set aside, and income verified for those at 80% AMI, and 4-units at 50% AMI.

d. Ownership description/tax information

The property will be owned by a new Michigan limited liability company named HWD Harrison, Inc. and is anticipated to have following ownership details 65% owned by URC (managing member); 30% owned by Michigan Strategic Fund (MSF); and 5% owned by the YMCA of Greater Flint. The building will have a long-term lease to the YMCA of Greater Flint, making their portion of the building tax exempt as is their current facility. The project is also in discussion with a ground floor nonprofit office user.

e. Detailed development pro forma

Please see attached, "Attachment_harrison_mixed_use_Development_Pro_Forma" for detailed development pro forma.

f. Operating pro forma



Please see attached, "Attachment_harrison_mixed_use_Operating_Pro_Forma" for operating pro forma.

g. Schedule of rents/income levels

Unit Style	Size	Market Rate Rent (# of units)	80% AMI Rent (# of units)	50% AMI Rent (# of units)
Studio	484 sf	\$605 (2)*	\$605 (1)	\$412 (1)
1-bedroom	576 sf	\$720 (20)*	\$720 (10)	\$430 (1)
2-bedroom/1bath	720 sf	\$972 (1)	\$911 (3)	\$467 (1)
2-bedroom/2 bath	888 sf	\$1,199 (8)	\$911 (1)	\$467 (1)
Total Units		31	15	4

***Market Rate** Studio and 1-bedroom units naturally occur at 80% AMI, will not be income verified.

80% AMI Require income verification.

50% AMI Require income verification.

h. Housing market data supporting demand (*As of June, 2022)

Marketplace Apartments:

- 92 total units- 45 market rate units are 100% full. 42 of the 47 affordable units at 60% AMI are occupied.
- One-bedroom/one bath (\$800-\$850 per/month)
- Two-bedroom/one bath (\$975 per/month)
- Two-bedroom/two bath (\$1,075 -\$1,125 per/month)

MSU Lofts

- 16 total units – all market rate at \$1.10SF plus 1 parking space at \$60.00/month
- 4 studios – (\$696-\$968 per/month)
- 14 one-bedrooms – (\$1085-\$1626 per/month)
- 14 Occupied, 2 pending applications

First Street

- 16 total units – 16 total units – all market rate at \$1.10SF plus 1 parking space at \$60.00/month
- 8 one-bedrooms – (\$929-\$1102 per/month)
- 8 two-bedrooms – (\$1098-\$1659 per/month)
- 15 occupied, 1 pending move-in on 8/1/2022

Berridge

- 21 total units – 10 market rate units at \$1.20/SF; 11 affordable units (60% AMI Home)
- 4 one-bedrooms - (affordable units are \$538 per/month; market rate units are \$822-\$1040 per/month)
- 15 two-bedrooms - (affordable units are \$673 & \$688 per/month; market rate units are \$1117-1597 per/month)
- 2 three-bedrooms – (\$876 per/month, both are affordable units)
- 20 Occupied – 1 pending application (market rate)

i. Proposed project timeline

City Approvals (Planning, Zoning, PILOT) – August through November 2022

MEDC Approval – October 2022

Financial Closing – December 2022

Construction Commencement – December 2022

Construction Completion – Summer 2024

j. Conflicts of interest

No identified sources of conflict.

k. Application bonus point items

- i. This project will include a mixed-use component of 50 housing units, with 41 units affordable to households with incomes at 80% AMI or less.
- ii. Not applicable to this project.
- iii. The DDA Downtown Flint Game Plan builds on several community engagement opportunities and input sessions held in service of a variety of planning efforts dating back to 2003, such as the Imagine Flint Master Plan. With additional input provided by downtown stakeholders, such as downtown business owners, government, other nonprofit agencies, and residents, the Downtown Flint Gameplan offers a variety of recommendations and solutions to make downtown more accessible and vibrant to all residents and visitors. Land Use recommendations point to the development of a new YMCA to provide recreation and entertainment programming. In terms of housing, the plan indicates that new housing options and increasing the number of residents is critical to continuing the momentum of downtown and will attract additional retail, improve perceptions of public safety, and to create an overall vibrant experience. To reach this ideal scenario, roughly 1,200 units of new construction is recommended to bring the downtown population up to
- iv. This site contains a walk score of 90, a transit score of 53, and a bikeable score of 62¹. The project is positioned in such a way to connect this development with not only access to public transit, but also the highly successful Flint Farmer's Market. The development will be integrated into the Flint Health and Wellness District,

¹ 719 harrison street. Walk Score. (n.d.). Retrieved July 26, 2022, from <https://www.walkscore.com/score/719-harrison-st-flint-mi-48502>

including the expanded Michigan State University College of Human Medicine's public health program and Ascension's PACE program. This continues with the master plan for the eastern half of downtown to create development around Flint's institutional healthcare anchors.

The site is also within a few blocks of the Capitol Theatre which has been newly renovated and seeing much success, the downtown retail corridor on Saginaw Street, and the University of Michigan-Flint campus. In addition, the location is just a short walk away from many new eateries and places of entertainment. From the new-age Italian restaurant, Sauce, situated below the recently finished Hilton Garden Inn, a secretive speakeasy hidden within the popular Mexican eatery XOLO, and the always changing menu at Mott Culinary Institute's Applewood at Second and Saginaw, there are endless dining options in the immediate area. For those interested in more recreational activities there's the lively Buckham Alley which regular hosts varies types of festivals throughout the year, the exciting Flint City Bucks soccer games held at Atwood Stadium, and access to leisurely watersports on the Flint River through Kayak Flint a few blocks away in Carriage Town. The downtown area is increasing their public amenities, free annual programming, and sense of place in Flint.

1. MSHDA application for LIHTC credits

Not applicable. The project is not seeking LIHTC form MSHDA.

HARRISON MIXED-USE YMCA OF GREATER FLINT

Harrison Street, Flint, MI 48502

PRELIMINARY SITE PLAN REVIEW | 15 JULY 2022 | IA PROJECT NO: 20190112



CLIENT:
Uptown Reinvestment Corporation
505 S. Saginaw Street
Suite 1500
Flint, MI 48502
810.228.5555

ARCHITECT:
Integrated Architecture
840 Ottawa Avenue NW
Grand Rapids, MI 49503
616.974.0220

LANDSCAPE ARCHITECT:
Integrated Architecture
840 Ottawa Avenue NW
Grand Rapids, MI 49503
616.974.0220

STRUCTURAL ENGINEER:
Robert Darnell Associates
Consulting Structural Engineers
440 South Main Street
Ann Arbor, MI 48104
734.761.8713

CIVIL ENGINEER:
Wade Trim
555 S. Saginaw Street
Suite 201
Flint, MI 48502
810.670.8015

MEP ENGINEERS:
ESM
4499 Byron Center Ave SW
Suite D
Wyoming, MI 49511
616.365.5680

AQUATICS DESIGN:
Bill Robertson Pool Design Build
P.O. Box 5217
913 Whitegate Drive
Northville, MI 48157
748.348.4760



**INTEGRATED
ARCHITECTURE**



**HARRISON MIXED-USE
YMCA OF GREATER FLINT**
PRELIMINARY SITE PLAN REVIEW
15 JULY 2022
IA Project No: 20190112

DEVELOPMENT BUDGET

Development Name: Flint YMCA Living
 City/Township/Village: Flint
 County: Genesee
 Construction Type:

PIB in all blue shaded input cells

This worksheet is utilized to input the total Sources & Uses for the project from acquisition to construction completion. In addition, the maximum amount of MCGRP Incentive the project is eligible for is calculated.

TOTAL DEVELOPMENT COSTS	\$	%
Acquisition		
Land	\$1	0.00%
Building(s)		0.00%
Other		0.00%
Subtotal Acquisition	\$1	0.00%

Hard Costs		New Construction	Rehabilitation/ Renovation		Ineligible Amt.	Eligible Basis
Public Infrastructure (roads, sidewalks, utilities, sewage, etc.)				0.00%	\$0	\$0
Site Improvements (walks, drives, landscaping, fencing, lights, and drainage)	\$85,000			0.16%	\$0	\$85,000
Demolition (include Lead & Asbestos Abatement)				0.00%	\$0	\$0
Other Environmental Mitigation				0.00%	\$0	\$0
Earth Work				0.00%	\$0	\$0
Site Utilities	\$524,869			1.33%	\$0	\$524,869
Other				0.00%	\$0	\$0
Subtotal Hard Costs				84.97%		
Machinery & Equipment	\$750,000			1.89%	\$0	\$750,000
Furniture & Fixtures	\$250,000			0.63%	\$0	\$250,000
Architectural & Engineering	\$1,555,000			3.93%	\$0	\$1,555,000
Environmental Studies/Soil Testing	\$20,000			0.05%	\$0	\$20,000
Survey	\$10,000			0.03%	\$0	\$10,000
Other: Owner Contingency (Hard/Soft)	\$1,674,937			4.23%	\$0	\$1,674,937
Subtotal Eligible Soft Costs	\$4,259,937			10.76%		

Total Eligible Basis	Max. MEDC Investment	% Eligible
\$7,784,686	\$7,851,787	20%

Ineligible Soft Costs			
Other Professional Fees	\$365,000		
Loan Fees	\$42,500	0.11%	Unavailable
Construction Interest	0	0.00%	
Construction Taxes		0.00%	
Construction Insurance		0.00%	
MEDC Fees	\$75,517	0.19%	Over 10%
Title Work	\$25,000	0.06%	
Rent-Use Reserve	\$126,563	0.32%	
Replacement Reserve	\$15,000	0.04%	
Operating Reserve	\$111,769	0.28%	
Other: Construction Period Interest	\$237,500	0.60%	
Other: MCC 7 Year Expense Reserves	\$452,000	1.14%	
Other: QICQ Interest Reserve	\$174,300	0.44%	
Subtotal Ineligible Soft Costs	\$1,850,149	5%	
TOTAL DEVELOPMENT COSTS	\$39,608,836	100.00%	

TOTAL DEVELOPMENT SOURCES	\$	%
Senior Debt		
xxx	\$3,750,000	9.47%
xxx	\$0	0.00%
xxx	\$0	0.00%
xxx	\$0	0.00%
xxx	\$0	0.00%
xxx	\$0	0.00%
xxx	\$0	0.00%
MSF/MGRP Conventional Loan	\$0	0.00%
Subordinate Debt/Grants		
MEDC Grant		0.00%
Other: MSF Equity	\$7,000,000	17.67%
Other: ABRA	\$500,000	1.26%
Other: Contribution of Existing YMCA Sale Pro	\$2,000,000	5.05%
Deferred Fees/Cash Equity		
Deferred Developer Fees		0.00%
Other: Deferred Related Party Fees		0.00%
Deferred Consulting Fees		0.00%
Cash Equity Owner		0.00%
Land/Building Contribution Owner		0.00%
MSF/MGRP Equity Investment		0.00%
Other:		0.00%
Other: Philanthropy - YMCA Capital Campaign	\$22,218,836	56.10%
Other: NMTC - Net B Loan Proceeds	\$4,140,000	10.45%
TOTAL DEVELOPMENT SOURCES	\$28,608,836	100.00%

SALESFORCE SUMMARY		
Infrastructure	\$0	0.00%
Site Improvement	\$85,000	0.16%
Demolition	\$0	0.00%
Building - New Construction	\$32,908,880	83.08%
Building - Renovation	\$0	0.00%
Machinery & Equipment - Purchased	\$750,000	1.89%
Furniture & Fixtures - Purchased	\$250,000	0.63%
Other Soft Costs	\$3,259,937	8.23%
Capital	\$2,375,019	6.00%
Total Private Investment	\$39,608,836	100.00%

Construction Loans		
Construction Loan	xxx	0.00%
Interest Rate	xxx	

Summary of Costs		
Total Development Costs	\$39,608,836	
Total Development Sources	\$39,608,836	
Surplus/(Gap)	\$0	

Other Contributions			
Rental S.F.	95,971	Construct	Develop
Residential & Comm. Common Spaces	0	Cost/S.F.	Cost/S.F.
Common Space Other			
Total S.F. Building w/o Parking	95,971	\$349.05	\$412.72
Parking	# Spaces	Park S.F.	Construct Cost/Space
	50	0	\$0.00
			Develop/Space
Cash Equity		\$0	0.00%
Land/Building Contribution		\$0	0.00%
Owner Contribution		\$0	0.00%
Cash IRR		#N/A!	
Avg. Annual Cash on Cash Return		#N/A/0!	
Owner Equity IRR		#N/A!	
Avg. Annual Return on Owner Equity		#N/A/0!	

STABILIZED OPERATING STATEMENT

Fill in all blue shaded input cells

Development Name: Flint YMCA Living
 City/Township/Village: Flint
 County: Genesee
 Construction Type:

This worksheet is utilized to proforma out the stabilized operations of the project utilizing the projected initial rental rates, the stabilized vacancy rates, and the anticipated full operating expenses of the project.

DEVELOPMENT INCOME

	-12-	-11-
Annual TIF Reimbursements		0.0%
Other Recurring Revenue		0.0%
Annual Gross Residential Rental Income	\$481,025	77.1%
Annual Gross Commercial Rental Income	\$127,793	20.5%
Annual Gross Hospitality Room & Related Income	\$0	0.0%
Annual Gross Hospitality Other Income	\$0	0.0%
Annual Gross Parking Income	\$15,000	2.4%
Annual Other Income	\$0	0.0%
Gross Income	\$623,817	100.0%
Vacancy Loss (Residential, Commercial, Hospitality)	(\$24,051)	-3.9%
Net Income Potential	\$599,766	96.1%

DEVELOPMENT OPERATING EXPENSES

		% Gross	% Eff.	Inflation Factor
Administrative Expenses	+			
Management Fees		\$60,000	9.6%	10.0%
Office Payroll		\$12,500	2.0%	2.1%
Payroll Taxes		\$35,000	5.6%	5.8%
Benefits/Worker's Comp.	inc. above	#VALUE!	#VALUE!	
Advertising/Marketing	inc. above	\$5,000	0.8%	0.8%
Legal/Accounting		\$5,000	0.8%	0.8%
General Office		\$2,500	0.4%	0.4%
Other:			0.0%	0.0%
Other:			0.0%	0.0%
Utilities	+			
Electricity		\$14,000	2.2%	2.3%
Fuel		\$6,000	1.0%	1.0%
Water & Sewer		\$6,000	1.0%	1.0%
Maintenance/Non-Capitalized Repairs	+			
Janitorial Payroll		\$104,500	16.8%	17.4%
Janitorial Supplies		\$30,000	4.8%	5.0%
Extermination		\$6,000	1.0%	1.0%
Rubbish Removal		\$6,000	1.0%	1.0%
Snow Removal		\$3,000	0.5%	0.5%
Lawn/Tree Maintenance		\$12,000	1.9%	2.0%
Parking Lot Repairs		\$2,500	0.4%	0.4%
Painting/Decorations/Cleaning		\$1,500	0.2%	0.3%
Heating & Air Repairs		\$12,000	1.9%	2.0%
Plumbing/Electrical Repairs		\$7,500	1.2%	1.3%
Elevator Maintenance		\$7,500	1.2%	1.3%
Vehicle/Equipment Maintenance			0.0%	0.0%
Security		\$6,000	1.0%	1.0%
Other: window cleaning		\$3,000	0.5%	0.5%
Other:			0.0%	0.0%
Real Estate Taxes		\$171,429	27.5%	28.6%
Tax Abatement (-)		\$123,326	19.8%	20.6%
Property & Liability Insurance		\$22,500	3.6%	3.8%
Reserve Requirements			0.0%	0.0%
Other:			0.0%	0.0%
Other:			0.0%	0.0%
Other:			0.0%	0.0%
Other:			0.0%	0.0%
Total Expenses		\$249,102	39.9%	41.5%
Cash Flow Available for Debt Service / NOI		\$350,664	56.2%	58.5%

Amortizing Loans

Loan 1 DS: xxx	\$271,511	43.5%	45.3%
Loan 2 DS: xxx	\$0	0.0%	0.0%
Loan 3 DS: xxx	\$0	0.0%	0.0%
Loan 4 DS: xxx	\$0	0.0%	0.0%
Int. Loan 5 DS: xxx	\$0	0.0%	0.0%
Other Oblig. 1 xxx		0.0%	0.0%
Other Oblig. 2 xxx		0.0%	0.0%
MCRP Loan Debt Service	\$0	0.0%	0.0%
Cash Flow Available for Distribution	\$79,153	12.7%	13.2%

Debt Service Coverage Ratio

1.29

Required DSCR

LOAN TERMS	Loan Amount	Term		Interest	
		Mos.	Amort. Mos.	Rate	Refi. Rate
xxx	\$3,750,000	84	480	6.75%	3.50%
xxx		60	240	4.00%	6.00%
xxx		60	240	4.00%	6.00%
xxx		60	240	4.00%	6.00%
xxx		60		4.00%	6.00%
xxx				4.00%	8.75%
xxx				4.00%	8.75%
	Override				
	\$0	(if requesting a grant input \$0)			
MSF/MCRP Loan	\$0	60	240	1.00%	3.00%