LIHTC 006b
Rev. 01/17

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
735 East Michigan Avenue, PO Box 30044
Lansing, Michigan 48909

RESERVATION OF LOW INCOME HOUSING TAX CREDIT

The Michigan State Housing Development Authority (the "Authority") has completed its review of your Application for Low Income Housing Tax Credit from its 2023 year tax credit authority. Subject to the terms and conditions below, the Authority has reserved tax credit authority (the "Reservation") for the buildings in the project described below.

OWNER: 220 Kalamazoo Limited Dividend Housing Association
Limited Partnership
419 Cherry Street
Lansing, MI 48933

TAXPAYER ID#:

PROJECT: Riverview 220
220 E. Kalamazoo Street
Lansing, MI 48933

Amount of Reservation:	$1,497,000
Number of Buildings:	1
Number of Low-Income Units:	56/63
Authority Set-Aside:	Open - Urban / Distressed

Terms and Conditions

1. This Reservation has been issued in reliance on the Application submitted, and the information contained therein is considered material. It is conditioned on the Applicant's agreement to submit all required applications, documentation and certifications and comply with all requirements for a Low Income Housing Tax Credit ("LIHTC") imposed by Federal and State laws, rules, and regulations. This Reservation does not bind the Authority to issue an Allocation of tax credit authority.

2. The following minimum set-aside has been elected by the Applicant:

   At least forty percent (40%) of the units will be both rent restricted and occupied by tenants whose gross income does not exceed sixty percent (60%) of the area median gross income adjusted for family size.

3. **THIS RESERVATION IS CONDITIONAL DUE TO THE FOLLOWING:**

   a. The Environmental Study received a Conditional Go. The deficiencies listed below must be corrected and determined to be acceptable by the Authority's LIHTC Allocations Manager and the Authority's Environmental Officer within one year of the date this Reservation is issued. If you have questions regarding the requirements, please contact Daniel Lince at (517) 335-0183:

   Prior to Initial Closing, the sponsor will complete items below and submit to MSHDA for review and approval:

1. **Additional Information:** Baryames Cleaners located adjacent to Subject Property.
   a) Sponsor to provide clarification of dry-cleaning activities which should specify if the location is a drop-off site or conducts on-site dry cleaning. Additional clarification will be needed regarding products used if on-site dry cleaning is occurring or cannot be reasonably ruled out.
   b) If it is found that dry cleaning occurs on-site or the possibility that on-site dry cleaning is occurring cannot be ruled out, additional investigation and mitigation may be required.

2. **Asbestos** – Phase I indicates a Pre-Demolition Hazardous Materials Survey was conducted but was not in document attachments as indicated. Survey to be provided. Prior to demolition, a demolition asbestos survey satisfying NESHAP requirements must be performed and report provided under separate cover.
   a) All Regulated Asbestos Containing Material (RACMs) must be removed in accordance with NESHAP regulations prior to demolition.
   b) If abatement of RACMs is required, an abatement plan must be provided to the sponsor's environmental consultant and the work performed by an appropriately licensed and insured abatement contractor. Asbestos abatement costs must be identified by a separate line item in the trade payment breakdown.

3. **Floodplain** – According to FEMA maps, portions of the subject property are in the 100-year floodplain.
   a) All buildings (lowest floor elevation), parking areas, and ingress/egress areas must be elevated at least one foot above the 100-year floodplain.
   b) Flood insurance through the National Flood Insurance Program may be required.
   c) Sponsor to obtain all necessary permits from appropriate agencies (i.e., EGLE, FEMA), if required.

   Survey indicated in Phase 1 but not provided. Sponsor to provide the following for MSHDA review:
   d) A signed and sealed ALTA topographic survey showing BFE and the location of planned development features.

4. **Noise** – A HUD noise assessment was performed for the subject property and a DNL of 71 dB was reported. The Capital Area Transportation Authority (CATA) Transportation Center is adjacent to the Subject Property. This center is the main boarding center for the Lansing area municipal bus routes and includes ticket operated transit services through Greyhound and Indian Trails. Additional characterization and assessment of noise levels is needed to determine and inform possible mitigation measures needed for the Subject Property.
   a) Sponsor to conduct a reassessment and classification of contributing noise level factors, accounting for CATA Transportation Center traffic (Ex. number of buses, routes, frequency of stops, etc.).
   b) Sponsor to provide documentation from the project architect (STraCAT calculation, or equivalent) demonstrating that the affected building envelope will meet interior noise threshold and describe any additional mitigation measures necessary.

5. An **executed scope of services agreement** between the sponsor and the sponsor's environmental consultant for completion of the items required prior to final closing or placing the tax credits into service (8609), listed below. The agreement should provide for access and oversight sufficient for the consultant to document and opine as required.

Prior to placing the tax credits into service (8609), the sponsor's environmental consultant will complete the items below and submit to MSHDA for review and approval:

6. An **asbestos closeout report** (with environmental consultant's letter of reliance to MSHDA) detailing all of the following, as applicable:
   a) Firm license for regulated abatement activities, if any.
   b) Ensure that all regulated asbestos containing materials were properly abated in accordance with project scope of work. Recommend additional abatement or assessment, if any.
   c) Provide a copy of the project's "Notice of Intent to Renovate/Demolish" filed with LARA, if required.
   d) Include all third-party clearance reports.
   e) Complete an Operations and Maintenance (O&M) plan for all non-friable asbestos containing materials that were not removed but will be managed in place and provide a copy of this plan to the owner and MSHDA.
   f) Opine on whether the asbestos work was conducted in accordance with the project plans/specifications and applicable regulations.

NEPA Review: Not required
Federal funds from MSHDA were not requested for this activity.

b. The following conditions will need to be met no later than **prior to initial closing:**

   1. A copy of the tenant relocation plan for Forest Arbor to be provided prior to initial close for Authority review and approval.

   2. A copy of the lease for commercial space located in the development to be provided prior to initial close for Authority review.

   3. Memorandums of Understanding for on-site tenant services that describe frequency of services, any cost to tenants, location of on-site services and a commitment to offer those services for the entire 15-year compliance period to be provided prior to initial close for Authority review and approval.

4. This Reservation will be valid for a maximum of one year from the date of issuance, at which time documentation must be submitted to the Authority which verifies that the syndication has closed. However, this Reservation is not a covenant by the Authority that it will make an allocation of tax credit authority to the Applicant.

5. The Authority makes no representations concerning, or guarantee that the Applicant will ultimately be eligible to receive a tax credit. Determination of the Applicant's eligibility to claim the tax credit, once allocated, will be made by the Internal Revenue Service.

6. The Authority is not responsible for any actions taken by the Applicant based on this Reservation.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

By: ______________________ Date signed: 12/18/2023
Chad Benson
Director of Development

The foregoing instrument was acknowledged before me this 18th day of December, 2023

______________________, Notary Public

Ingham County, Michigan
My Commission expires 10/15/2025.

♦♦♦

220 Kalamazoo LDHA LP
(Owner)

By:

Douglas E Fleming — 12-9-2023
Signature — Date Signed

Douglas E. Fleming — Executive Director
Typed or Printed Name — Office Held

The foregoing instrument was acknowledged before me this 19th day of December, 2023

Karen Chase, Notary Public, Eaton County,

Michigan (State). My Commission expires: May 14, 2027

KAREN CHASE
NOTARY PUBLIC-STATE OF MICHIGAN
EATON COUNTY
MY COMMISSION EXPIRES MAY. 14, 2027
Acting in the County of Ingham