



A. Development Introduction

FORM 1	CONTENTS	YES	NO
TAB A	DEVELOPMENT INTRODUCTION		
	Form 1 – Completeness Checklist	✓	
	Respondent's Cover Letter	✓	
	Project Narrative / Development Summary	✓	
	List 3 references including at least 1 municipal reference, and 1 financial institution	✓	
TAB B	PROFESSIONAL EXPERIENCE		
	Co-developer Respondent Description	✓	
	Development Team Experience and Capacity	✓	
	Development Plan	✓	
	Partnership Structure	✓	
TAB C	FINANCING AND AFFORDABILITY		
	Financing Narrative	✓	
TAB D	COMMUNITY DEVELOPMENT & TENANT SERVICES		
	Community Space	✓	
	Tenant Services	✓	
	Community Engagement	✓	
TAB E	DESIGN AND PERFORMANCE		
	Design Narrative	✓	
	Zoning Strategy, Site Planning, and Building Massing	✓	
	Innovation in Construction, Efficiency, and Sustainability	✓	
	Green and Sustainable Design	✓	
TAB F	ATTACHMENTS		
✓	Attachment B - Legal Status of Offeror		
✓	Attachment C – Non-Discrimination Ordinance Declaration of Compliance Form		
✓	Attachment D – Living Wage Declaration of Compliance Form		
✓	Attachment E – Vendor Conflict of Interest Disclosure Form		



November 30, 2021

City of Ann Arbor
Ann Arbor Housing Commission
2000 S. Industrial Hwy.
Ann Arbor, MI 48104

Dear Commission Members:

PK Development Group, LLC is pleased to provide this response to the Commission's Request for Proposal RFP# AAHC-21-A Co-developer(s) for 121 East Catherine and 353 South Main. The point of contact for any clarification to this submission is:

Jacob Horner, Vice President of Development
1784 Hamilton Road
Okemos, MI 48864
JHorner@pkhousing.com


PK views these sites as a unique opportunity to assist all interested parties; the City of Ann Arbor, Ann Arbor Housing Commission, and the community at-large in achieving their long-term goals. It is for that reason that we would be excited to participate in these residential redevelopments.

Our vision for these developments takes into consideration three primary aspects. First, we believe the setting of the surrounding community should be embraced by the development. Second, we are committed to developing an affordable housing community that bolsters the available affordable housing options within Ann Arbor. Finally, PK envisions an engagement of the community at-large to acknowledge their historical contributions to the area.

PK's previous experience informs our recognition of the value of successfully developing both sites for the benefit of the community. Sites such as these are centered within good neighborhoods and provide enough space to create a transformational development. This type of neighborhood redevelopment is not new to PK. Recently we were selected by the City of East Lansing as co-developers of the former Liberty Hyde Bailey School building into an affordable senior housing community.

I certify that I am a person in the offeror's firm/organization responsible for the decision regarding the elements being offered in the Proposal and have not and will not participate in any action contrary to the terms of this provision. The following response is for both 121 East Catherine and 353 South Main.

Sincerely,


Jacob Horner
Vice President



References

Municipal

Louis Canfield
Chief of Staff for Mayor Rosalynn Bliss
City of Grand Rapids
lcandfield@grcity.us
616-456-4123

Financial Institution

Tom Edmiston
Senior Vice President
Cinnaire
tedmiston@cinnaire.com
517-364-8907

Third Reference

Joe Martin
Special Projects Coordinator
Charles Stewart Mott Foundation
jmartin@mott.org
810-766-1710

Project Narrative/Development Summary

PK Companies (PK) is pleased to present the Ann Arbor Housing Commission (AAHC) with this proposal to develop both 121 E Catherine and 353 S Main, bringing a total of 156 new affordable units to downtown Ann Arbor. The following presents an overview of our proposal pursuant to RFP# AAHC-21-A, with additional details in the following sections of this proposal.

353 S Main

At 353 S Main, PK proposes to construct a nine to ten-story structure containing 70-80 apartment homes, 100% of which will be affordable. A minimum of 15% and a maximum of 50% of which will be assisted with project-based vouchers dependent on need and priority of AAHC. The housing vouchers will target units to extremely low income individuals and families, including those in need of supportive living options. The unassisted units will be available to households earning 60% or less of the Area Median Income. The apartment homes will include a mix of studio, one-bedroom, and two-bedroom units.

The building at 353 S Main is proposed to have approximately 4,000 square feet of commercial space along with a residential lobby on the ground floor. PK will engage with the community and surrounding businesses to ensure that the commercial space is made available to a user that is complimentary to the existing businesses in the Main Street corridor or fills an area of need among the goods and services available in the neighborhood.

PK proposes that this building follows the community engagement recommendations with pedestrian, wheelchair and bicycle amenities incorporated into the design. The proposed building will serve as an enhancement to the pedestrian realm.

PK recognizes 353 S Main as a gateway to downtown and thus an important landmark to preserving the character of downtown Ann Arbor. PK will construct a building of thoughtful design and high quality materials and will continue community engagement through the design process to ensure that the building character is in alignment with community desires.

121 E Catherine

PK proposes to construct a five-story building at 121 E Catherine, bringing an additional 65-70 affordable apartment homes to downtown Ann Arbor. Much like the 353 S Main building, PK is proposing that 15% to 50% of the units at 121 E Catherine are assisted with housing vouchers, allowing those units to be targeted for lower income families and households. The balance of the units will be available to households earning 60% or less of the Area Median Income. Just as with 353 S Main, the units at 121 E Catherine will include a mix of studio, one-bedroom, and two-bedroom apartment homes.

The first floor of the proposed building will include 5,000 square feet of commercial space, along with a residential lobby and community space. PK recognizes the historical context of this site and area as it was once an anchor for black-owned businesses in Ann Arbor. PK would like to further engage with the community to appropriately incorporate an outdoor public space that pays homage with a locally sourced sculpture or monument honoring the area history.

We also recognize the importance of this site as it relates to its proximity to the Farmer's Market and the Kerry Town shops. PK will continue to engage with the community to fill the commercial space with uses that are complimentary to the goods and services already in proximity to the site.

PK is proposing to construct 24 surface parking spaces at 121 E Catherine. The commercial space, public space, and residential lobby will be constructed within a podium along the street frontages, and the parking will be mostly hidden from the public realm. The proposed development will further reflect the community engagement recommendations by incorporating pedestrian and multi-modal transportation infrastructure.

Tenant Services

PK stays connected to the needs of individuals and families we house. For example, PK actively seeks partnerships with local community organizations to bring Tenant Services to all Residents living within our communities. We feel this co-development opportunity offers the opportunity to expand that impact by incorporating Housing First Model priorities into the development.

Green Building (Net Zero)

PK has delivered construction and rehabilitation of each of our LIHTC properties with certification through either the National Green Building Council, Enterprise Green Communities, or LEED. PK is proposing that 121 E Catherine and 353 S Main are certified under the Passive House Institute of the United States. This is a program that goes above and beyond energy efficiency standards of NGBC, EGC, or LEED programs and capitalizes on passive heating and cooling strategies to reduce energy use.

The proposed structures at 121 E Catherine and 353 S Main will include fully electric utilities and will capitalize on roof installation solar arrays as well as off-site renewable energy to meet the 2030 zero-carbon goals.

Financing

PK has utilized a multitude of financing programs and has formed strategic partnerships with for-profit and non-profit organizations with which we share a common vision and principles. PK has consistently received Low Income Housing Tax Credit awards in Michigan and is a very active Developer of USDA-financed multifamily housing.

PK will finance 353 S Main and 121 E Catherine with LIHTC equity, HUD financing for construction and permanent loans, along with the AAHC millage funds as soft loans to construct the buildings as proposed.

PK will execute allocations of tax credits through 4%/9% combinations for each site. With this combination of credits, both projects will score at the top of the competitive criteria in the given funding round. We will submit one project per round so as not to compete for credits with one another. PK has demonstrated experience in 4%/9% combinations, receiving an award last funding round for the rehabilitation of the Marywood Motherhouse in Grand Rapids.

PK Background

PK is a leader in affordable housing in Michigan and across the country. As a leader in the industry, PK has extensive experience working with local municipalities, state and federal agencies, and neighborhood associations to create projects that both leverage financial opportunities and provide housing to those most in need. Our experience and expertise uniquely positions PK to co-develop both the 121 E Catherine and 353 South Main sites.

PK Companies is the parent company for three affiliated companies which provide development, construction, and property management services. PK Development Group was formed in 2006 to accommodate the growing capacity of the company in the development business. This has led to substantial growth, and we now manage and own over 4,000 apartment homes.

PK has formed a strategic partnerships in Flint with the Mott Foundation, the Uptown Reinvestment Corporation, and Metro Community Development. We have formed a strategic partnerships in Grand Rapids with Third Coast Development, Grand Valley State University and the Dominican Sisters of Grand Rapids. Our ability and flexibility to formulate unique financing structures, formation of strategic partnerships, and geographic expansion have all lead to the success of PK Development Group.

B. Professional Qualifications

Co-developer Respondent Description

This proposal envisions a Limited Partnership between PK Companies, Ann Arbor Housing Commission, and a Tax Credit Equity Investor for both the 121 E. Catherine and 353 S. Main sites. We would propose that PK and AAHC serve as co-general partners of the limited partnerships with equal shares of ownership. Our separate fee proposal includes details of the proposed split of developer fees, cash flow, and other benefits.

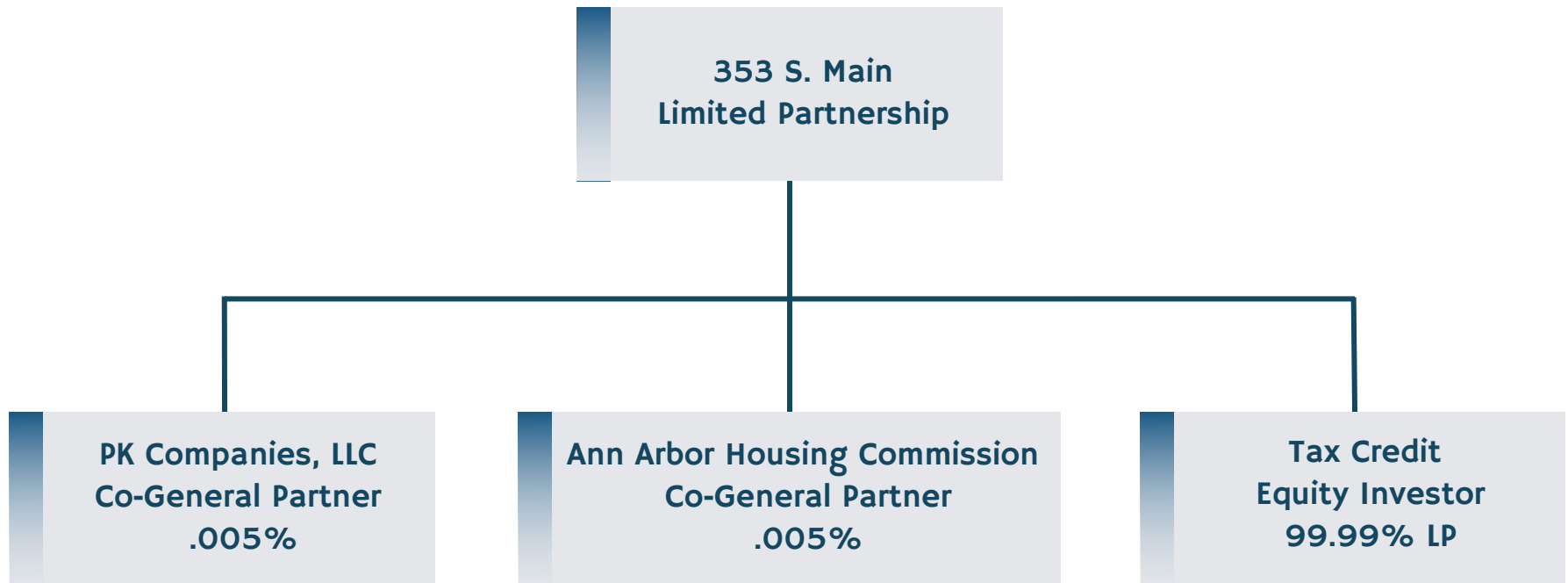
The following pages include proposed organizational charts for each limited partnership. Following the organizational charts is a list of the anticipated roles and responsibilities of each party.

PROPOSED PARTNERSHIP STRUCTURE 121 E. CATHERINE



PROPOSED PARTNERSHIP STRUCTURE

353 S. MAIN



Roles and Responsibilities

PK Companies

1. Undertake pre-development activities and due diligence
2. Hire 3rd party professional services including environmental, architectural, engineering, marketing, accounting, and legal, as needed under the advisement of AAHC and SmithGroup
3. Hire and oversee general contractor and all trades
4. Develop architectural plans and construction documents and specifications consistent with local lender or other guidelines, and obtain local approvals and permits
5. Obtain all permits, approvals, and environmental clearances
6. Develop and manage a project budget
7. Develop and manage an implementation schedule and oversee construction
8. Develop a project operating pro-forma showing at least 15-year projections
9. Assist in obtaining financing and coordinating local resources
10. Provide all required guarantees which exceed those which can be provided by the AAHC because of its nonprofit & governmental status
11. Provide all necessary financial guarantees and assurances to the lenders and investors, including but not limited to: tax credit timing adjustments, payment of excess development costs, construction completion obligations, completion date, cost certification and environmental indemnities
12. Determine a general management structure and prepare a management plan with the AAHC as the property manager for the property
13. Coordinate and lead Low Income Housing Tax Credit application to MSHDA, Federal Home Loan Bank, and other applications, as needed
14. Assist with developing training and employment opportunities to Section 3 individuals.
15. Solicit participation by MBE, WBE, and Section 3 firms
16. Ensure compliance with Davis-Bacon, if required
17. Provide regular monthly reports on the progress of development efforts, including work completed, associated costs, and schedule
18. Oversee monthly draws and coordinate draws with title company and all funders
19. Assist AAHC staff in developing capacity in the development and mixed-finance arenas
20. Oversee asset management functions as required through lease-up and conversion to permanent financing
21. Lead hiring of auditor for audits, tax returns and Cost Certification
22. Submit 8609 to MSHDA

Ann Arbor Housing Commission's Role (and its affiliated legal entity)

1. Engage the selected Co-developer in the overall development process including decisions impacting the development and management of the Project
2. Participate in the overall development process including making decisions impacting the development and management of the Project
3. Approval of Architect, Engineer/s and General Contractor
4. Lead some municipal project approvals, including approval to transfer ownership of property, ground lease, and approval of the payment-in-lieu-of-taxes (PILOT) from the City of Ann Arbor, if necessary
5. Assist with public relations between the development and the community
6. Assist design, construction, and quality control of the development

7. Work closely with the Co-developer, City, and DDA on the building design, materials and finishes
8. Assist with compliance with Section 504 of the Rehabilitation Act, as amended, and the rules and regulations there under, with regard to provision of accessible housing
9. Assist in securing public resources
10. Lead in securing a portion of pre-development funds for market study, appraisals, design and other pre-development and pre-entitlement activities
11. Where possible, assist with interaction amongst public funding agencies including, but not limited to, HUD, MSHDA, FHA, the City of Ann Arbor and Washtenaw County
12. Assist in applying for local/state/federal funding to help support the development financing
13. Work with Co-developer to apply for Low Income Housing Tax Credits, New Markets Tax Credits, bond financing or other resources, if appropriate
14. Lead in securing project-based vouchers, if needed
15. Facilitate funding and coordination of community and tenant support services
16. Maintain ownership or co-ownership control of all properties
17. Establish a financial structure that allows it to participate in a stream of income from the development, including developer fee cash flow and incentive management fees
18. Provide historical operating costs to develop detailed operating budgets showing at least 15-year projections
19. Assist with Section 3 and Davis-Bacon compliance, as needed
20. Lead leasing activities and manage waitlists
21. Limited guarantees to be negotiated with the selected Co-developer and various lenders and syndicators, such as guarantees related to the lease-up of the project, tax credit basis adjustments, tax credit recapture events, operating deficit guarantee, environmental indemnities and payment of any deferred development fee
22. Property Management

Tax Credit Equity Investor

As is standard for a housing tax credit development, there will be an investor limited partner who will own 99% or more of the limited partnership in order to receive the tax benefits generated by the development. In exchange for the benefits, the investor will provide a substantial amount of equity to the project to finance the construction and lower the amount of debt needed. The investor is largely motivated by the tax benefits and not the ongoing cash flow of the project. The investor does not have day-to-day involvement with the project and only participates in major decisions and oversight of the development.

PK has worked with a number of investors over its 30-year history and has negotiated favorable terms to deliver the maximum benefit to the development. These include a favorable buyout of the investor's interest after the tax credit compliance period, with no more than 10% of the residual value being shared with the investor. Should PK be awarded, we would work with AAHC to select an investor using a competitive bidding process to get the most value.

PK and its investors also work diligently to optimize the legal and tax structure to deliver more benefits to the investor, which results in more equity to the development. Creative techniques we have employed include monetizing solar credits and the related depreciation, as we hope to do with this proposal.

Development Team Experience and Capacity

PK Companies (PK) is a leader in affordable housing who gets results. Our expertise makes us uniquely positioned to co-develop both the 121 E Catherine and 353 South Main sites. As a leader in the Affordable Housing industry, PK has extensive experience working with local municipalities, state and federal agencies, and neighborhood associations to create projects that both leverage financial opportunities and provide housing to those most in need.

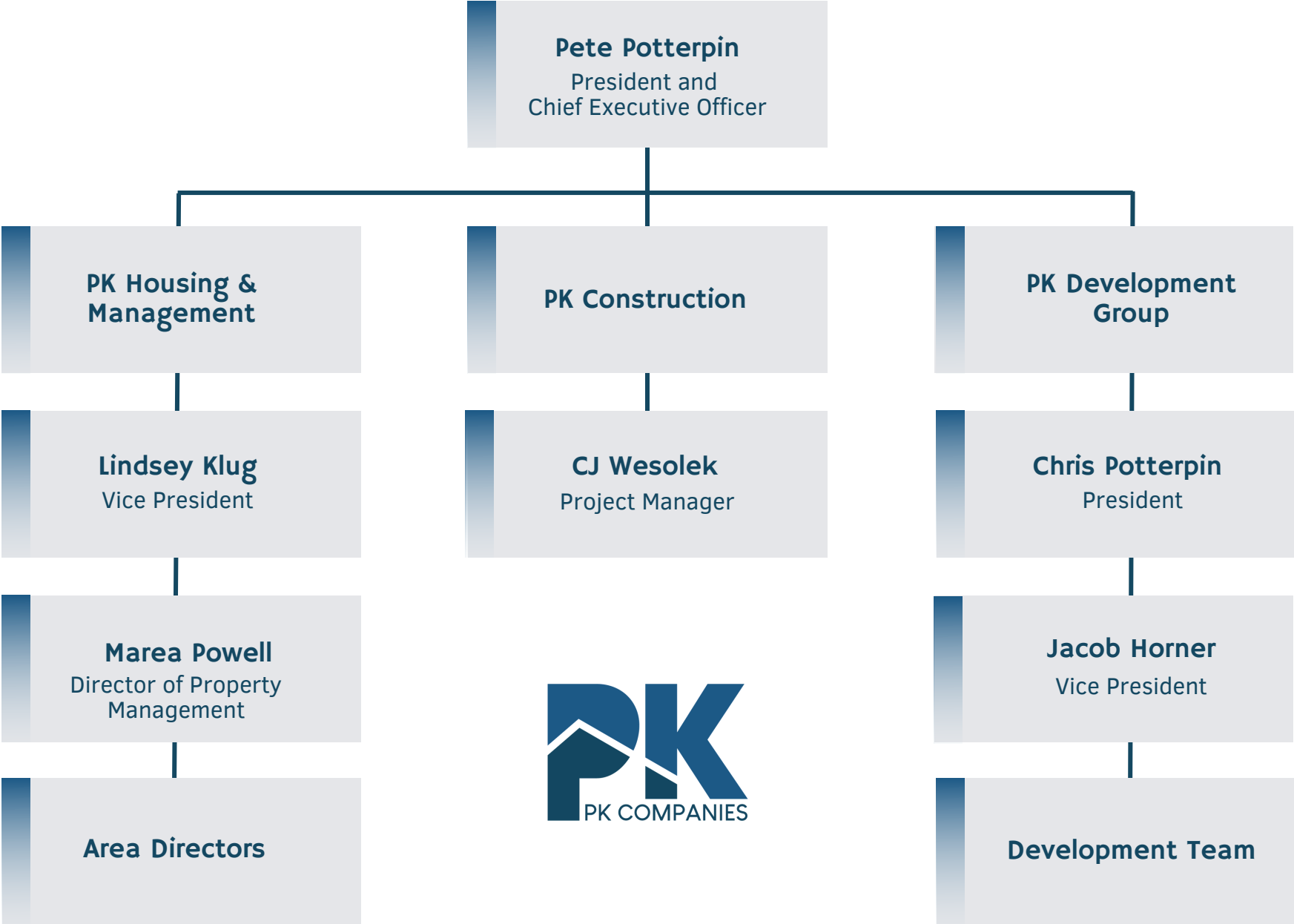
PK has been in the business of creating housing solutions for over 30 years and is one of the most active developers of affordable housing in Michigan. We work closely with state and federal housing agencies. Our executives serve as leaders in several affordable housing trade associations, and they devote a significant amount of time to affordable housing advocacy. This has led to substantial growth, and we now manage and own over 4,000 apartment homes. Our long-term approach means we rarely sell properties; when we make an investment in a community, we do it with the intention to be neighbors for a long time.

Our experience and advocacy assists us in staying connected to a dynamic affordable housing market. PK does not, however, focus only on regulatory, equity, or lender changes. Through our participation in various groups, as well as our Housing & Management Division, we stay connected to the needs of individuals and families we house. For example, in 2021, PK began actively seeking partnerships with local community organizations to bring Tenant Services to all Residents living within our communities. We feel this co-development project offers a unique opportunity to expand that impact by incorporating Housing First Model priorities into this development.



PK Companies offers a full-service approach with a long-term ownership philosophy that includes construction and management. PK is a hands-on organization that has a strong focus on community engagement, agency partnership, curb appeal, and the ongoing maintenance of our communities.

PK COMPANIES LEADERSHIP



PK COMPANIES

PK Companies is committed to creating partnerships that provide housing solutions to better fulfill the needs of our communities. We strive to add value to the areas we serve and enrich the lives of our residents. PK delivers answers to housing needs that address the wants of their residents and strengthen the wider community. Through a comprehensive strategy, PK purchases, develops, and manages properties that offer opportunities for creative housing solutions.

PK is a family-owned real estate firm based in Okemos, Michigan. It was originally formed as PK Housing & Management Inc. in 1981 by Ronald J. “Pete” Potterpin as a full-service property management company. Starting in 1990, PK began acquiring and rehabilitating affordable housing properties and has been building its portfolio ever since. In 1999, PK Construction Company was formed to act as a general contractor on PK development projects. In 2006, PK Development Group was formed to accommodate the growth of the development business.

Today, PK Housing & Management manages a varied portfolio of multifamily housing and mixed-use developments. Although PK is a Michigan-based company and has historically done most of its business here, the company is not constrained by geography. In 2009, PK first expanded their footprint into Texas through a strategic partnership and have since completed 12 tax credit developments across that state. Likewise, in 2014 PK expanded west, developing three affordable housing communities in California. PK’s portfolio now consists of completed projects and managed properties in Michigan, Indiana, Ohio, North Carolina, Missouri, Texas, and California. PK also has extensive experience working in rural markets as well as urban core communities like Detroit, Grand Rapids, East Lansing, and Flint.



This breadth and depth of industry knowledge and expertise obtained over the last 30 years has combined with solid financial stability to make PK a specialist in the affordable housing sector. PK is an expert in developing and administering low-income tax credit developments. Furthermore, PK knows how to harness value in the historic preservation tax credit program, new market tax credit program and opportunity zones. Over the years, PK has cultivated strong relationships with both national and state agencies, in particular USDA-Rural Development and HUD, as well as the various state and local economic development and housing agencies that they work with on a daily basis. It is this continuum of growth that has led to new strategic partnerships, allowing PK to successfully diversify its portfolio to include more urban, conventionally financed, market-rate and mixed-income developments.

PK COMPANIES BACKGROUND & KEY STAFF

PK Companies is the parent company for three affiliated companies which provide development, construction, and property management services. What follows is a summary of each of those affiliates and their key staff as shown in the proceeding organizational chart.

PK DEVELOPMENT GROUP

PK Development Group (“PK”) was formed in 2006 to accommodate the growing capacity of the company in the development business.

PK has found its most fruitful growth opportunities and successful development projects through three methods: creatively using a multitude of financing programs, expanding our geographic footprint into new states across the country, and forming very strategic partnerships with both for profit, and non-profit organizations with which we share a common vision and principles.

PK has consistently received Low Income Housing Tax Credit awards in Michigan, and a top-five Developer of USDA-financed multifamily housing. PK has also syndicated, received financing for, and successfully delivered projects using New Market Tax Credits (NMTC), Historic Rehabilitation Tax Credits, Tax Increment Financing (TIF), conventional financing, grants, and tax abatements. Several of our recent projects have used more than one of these programs to deliver a successful development.

PK has formed strategic partnerships to deliver first-in-class developments to our communities. One of our most active partnerships is with Third Coast Development. Third Coast has local expertise and demonstrated experience in commercial and residential development and leasing in the Grand Rapids market. PK and Third Coast have received four tax credit awards for developments with 360 apartment homes and 44,000 square feet of commercial space in 2020.

PK also formed a strategic partnership in Flint, with the Mott Foundation and the Uptown Reinvestment Corporation, to close the Flint Marketplace development, which was completed in 2020.

Our ability and flexibility to formulate unique financing structures, formation of strategic partnerships, and geographic expansion have all lead to the success of PK Development Group.



Chris Potterpin, President

Mr. Potterpin works with the VP of Development to implement the strategic goals of PK. Oversees the formation of a pipeline of real estate opportunities. Advocates to make more resources available for affordable housing and to streamline various financing programs. Coordinates PK Development’s activities with the leaders of other PK entities.



Jacob Horner, Vice President

Mr. Horner solicits development opportunities. Evaluates all aspects of an opportunity, looking for creative opportunities to improve a deals competitiveness, not only within governmental agency programs but also within the local market. Directs and oversees the Development Team staff ensuring their efforts to work toward operational goals.

Development Team Staff

Coordinates due diligence collection. Prepares confidential correspondence, reports, and other complex documents. Creates, maintains, distributes accordingly database and spreadsheet files. Assists in closing documents and prepares closing memorandums for interested parties. Communicates within direct team and companywide to keep all parties informed.

PK HOUSING & MANAGEMENT

PK Housing & Management currently manages a varied portfolio of both affordable and conventional multifamily housing comprising 126 developments and over 4,000 units in the states of Michigan, Ohio, Indiana, Missouri, and Texas. Of the developments that PK Housing manages, 117 are owned by PK and 9 are third-party management. PK has extensive experience working with USDA Rural Development, HUD, TDHCA, and MSHDA, and maintains a strong working relationship with each of these agencies. Most of the developments we manage utilize the Low-Income Housing Tax Credit and PK personnel are constantly trained with the latest changes in the program. PK Housing uses Yardi, a web-based software system that is among the best in the industry and is widely used by many management companies. This gives us up to the minute reporting and information at our sites and in our main office located in Okemos. We stay on the cutting edge of new developments in the industry.



Lindsey Klug, Vice President

Mrs. Klug works with owners, investors, corporate staff, and field staff to set achievable operational goals. She holds various affordable housing certifications including LIHTC Housing Credit Certified Professional (HCCP), S.T.A.R. RD Compliance, and C3P Tax Credit certification. She works with governmental agencies at multiple levels, including HUD, MSHDA, USDA-RD to ensure operational compliance with all applicable programs.



Marea Powell, Director of Property Management

Ms. Powell holds various affordable housing certifications including LIHTC Housing Credit Certified Professional (HCCP), S.T.A.R. RD Compliance, Zeffert and Associates Managing RD Compliance, and NRH HUD Occupancy Training Certified. She performs administrative functions in hiring, training, supervising, payables, budgeting, financial oversight, marketing, occupancy, and governmental program compliance to achieve the operational goals of the company.

Area Directors

Perform all administrative functions in hiring, training, supervising, payables, budgeting, financial oversight, marketing, occupancy and governmental program compliance for a portfolio of properties.

PK CONSTRUCTION COMPANY

PK Construction Company, LLC (PKC) was formed in 1999 as an adjunct to PK Housing and Management to act as a general contractor to PK's own development projects. This division enhances the development team's unique suitability for this project. The collaboration between PK Development Group and PK Construction Company offers the best opportunity for value engineering even when an outside General Contractor is utilized. The typical scope of work in apartment construction and rehabilitation projects includes repair, replacement or construction of: exteriors including roofing, windows, siding, doors; interiors including flooring, cabinets, countertops, plumbing and electrical fixtures, doors and trim, painting and drywall repair; building systems including HVAC, electrical, plumbing and mechanical; and grounds including sidewalk and parking lot repair or resurfaced, parking and property lighting, signage, general landscaping and new property or tenant amenities. Designated barrier-free apartment units and the accessible common areas are constructed or reconstructed as necessary to meet current ADA/ barrier-free requirements. New offices, maintenance/storage and laundry buildings, bus shelters, pavilions and picnic shelters have also been constructed on various project sites.



Pete Potterpin, President

Pete Potterpin is both the President of PK Companies and PK Construction. Oversees the project manager and coordinates construction activities with other PK entities. Attends construction draw reviews and monitors construction progress to ensure that the jobs are on schedule and on budget.



CJ Wesolek, Project Manager

Mr. Wesolek oversees the day-to-day operations of assigned construction projects. Works directly with subcontractors to ensure quality and timeliness. Main point of contact with PK Housing and Management site staff. Works with architects and subcontractors to develop cost estimates and the construction budget.

OUTSIDE PARTNERS

Over our 30 years in the affordable housing industry, we have cultivated many outside relationships with professionals in architecture, engineering, construction, and legal services. We would work with AAHC to select a team of professionals, either from the roster of firms that we currently work with or from other qualified firms in a competitive process. Based on recent experience, we would recommend that Integrated Architecture and Pioneer Construction be invited to bid on the architecture, engineering, and construction work. We highlight their expertise below as an example of the type of firms we choose to work with.

PK and IA are working together in the construction of Belknap Place Apartments. We are also working with IA on the conversion and historical preservation of 100+ year-old campus of the Dominican Sisters of Grand Rapids into senior housing. PK sees IA as a good partner in these projects because of their core values; Dig Deep, Design Smart, Follow Through, Collaborate, Be Accountable, Push the Limit. Although all of these values are prioritized, it is their collaborative nature that stands out. IA helps us to discover each site's unique and particular story and then determine design solutions that reflect current and future trajectories. The resulting designs are human-centric with a focus on sustainability.

Pioneer Construction has been the general contractor of all three Grand Rapids developments we have closed and will soon be the contractor on our fourth. Pioneer is diligent, reliable, and keeps us informed each step of the way during construction. Their senior management is also involved with us during the entire design process to align the construction work with

PK has also worked with a number of highly-qualified law firms that specialize in affordable housing development. We work with Mallory Lapka Scott and Selin from Lansing, who has been providing legal services to affordable housing developers in Michigan for over 30 years. We also work with Applegate Thorne-Thompsons out of Chicago. Similar to MLSS, Applegate has a very specified focus on affordable housing and community development.

Sustainable Developments

PK is a strong proponent of sustainable development. We recognize that building new housing has a negative environmental impact and so we seek to limit or mitigate that impact to the extent possible. All our most recent development projects have been built to a LEED-silver or equivalent

standard. For the Main and Catherine developments, we would meet a Passive House standard. This higher standard will result in a hyper-efficient building which will impose the lowest practicable negative environmental impact. More detailed information on the design elements is included in section D.4 of this proposal.

Resident Enrichment

PK does not just develop communities; it creates environments that provide the foundation for continued vibrance through its Housing & Management Services branch and its partnerships with local organizations..

Our apartment communities are managed by PK Housing and Management. PK Housing and Management not only handles the day-to-day operations, maintenance, and customer relationships, but also manages the federal, state, and local compliance tasks. Stability is key, with both quality physical maintenance and economic occupancy as top priorities. Utilizing a skilled hands-on approach, PK Housing and Management staff offer strong leadership in Resident compliance with community rules and regulations cultivating an environment in which the community itself, and the surrounding neighborhood, can thrive.

Many of our properties offer supportive services including weekly walking clubs, monthly health screening, quarterly legal services, health and nutritional classes, financial planning, and semi-annual credit counseling. In addition to these services, PK is in discussions with Local Initiatives Support Corporation (“LISC”) to develop a portfolio-wide facilitation of their Financial Opportunities Center services to all its Residents. This potential partnership is very exciting as through their Opportunities Centers, LISC offers people the opportunity to receive one-on-one financial and employment coaching. You can learn more about LISC at: <https://www.lisc.org/michigan/our-initiatives/financial-opportunity-center/>.

PK Communities is committed to embracing a Housing First prioritized Tenant Services program at both 121 E. Catherine and 353 S. Main. Housing First is based on the idea that homelessness is above all a housing crisis that can be addressed through the provision of safe and affordable housing. Furthermore, people experiencing homelessness, regardless of their housing history and duration of homelessness, can achieve housing stability in permanent housing. Some may need very little support while others may need more. To provide this support, PK is in discussions with Avalon Housing to implement their program.

HIGHLIGHTED RECENT PROJECTS

Grand Rapids, Michigan

Our Grand Rapids developments have been made possible by one of our most active partnerships with Third Coast Development. Third Coast has local expertise and demonstrated experience in commercial and residential development and leasing in the Grand Rapids market. In partnership with Third Coast Development, PK has completed two mixed-use, mixed-income communities and in September of 2021, we broke ground on a third mixed-use site, Belknap Apartments.

DIAMOND PLACE APARTMENTS - Grand Rapids, Michigan



Diamond Place is the redevelopment of a large, blighted brownfield site on a key corridor in Grand Rapids into 165 apartment homes and 22,000 square feet of commercial space including a GFS Market, Giza Sushi & Ramen Bar, AT&T Wireless, and Tropical Smoothie Café.

Our development team worked closely with the community to meet two primary needs 1) affordable housing in a neighborhood where market rent has been increasing and causing gentrification and 2) a fresh-food grocery store in a USDA-qualified food desert. Diamond Place was financed with both low-income housing tax credits and new market tax credits, developed in partnership with Third Coast Development, and constructed by Pioneer Construction. Project Cost: \$32 Million



BELKNAP PLACE APARTMENTS – Grand Rapids, Michigan



Currently under construction utilizing a neighborhood-centric approach, Belknap Place Apartments will be a 3-story 50-unit apartment building nestled in the historic Belknap Lookout neighborhood of Grand Rapids. The project is a public-private partnership between the development team of PK Development Group and Third Coast Development, and the current owner of the property, Grand Valley State University (GVSU). Belknap Place incorporates a neighborhood-centric design so that it does not impose on the current neighborhood dynamic. To address current housing gaps, the project incorporates a project-based subsidy for 8 of the units, funded by GVSU. The project was awarded a 9% tax credit award in 2020. Project Cost: \$13 Million



LEO & ALPINE – Grand Rapids, Michigan



Leo & Alpine is a transit-oriented redevelopment project situated on a formerly underutilized Brownfield. The project is a mixed-income community consisting of 36 apartment homes and approximately 2,250 square feet of commercial space split between two storefronts. This development, financed with low-income housing tax credits, has increased density and provided affordable housing and new employment opportunities along an important corridor in the city of Grand Rapids.

Leo & Alpine was developed in partnership with Third Coast Development and was completed in the Spring of 2019. Project Cost: \$9 Million

FLINT MARKETPLACE - Flint, Michigan



The Flint Marketplace project is a redevelopment of a vacant, blighted structure into urban mixed-use, mixed-income housing. Located in downtown Flint, the project is helping to bolster both market-rate and affordable housing opportunities near employment centers of the city.

The project includes 75 apartment homes, 18 townhomes, and 4,600 square feet of commercial space. The project is financed with low-income housing tax credits, a permanent loan from the Michigan Strategic Fund (MSF), and a philanthropic investment from our project partners, Uptown Reinvestment Corporation. PK has formed strategic partnerships in Flint with the Mott Foundation and the Uptown Reinvestment Corporation to make this development a reality. This project was completed by DW Lurvey Construction. Project Cost: \$19.6 Million



BAILEY CENTER - East Lansing, Michigan



PK partnered with a nonprofit, Capital Area Housing Partnership, to redevelop the vacant and underutilized 1920-built Liberty Hyde Bailey School in East Lansing. The development includes 30 senior apartment homes, 25 of which are affordable, as well as a 7,700-square-foot daycare center, a community performance art space, and several commercial office spaces on the first floor. The Bailey Center is financed in part by low-income housing tax credits and was made possible through strategic partnerships. Renovations of this building were completed in May of 2018 by PK Construction. Project Cost: \$8.9 Million



RAINER COURT - Detroit, Michigan



Rainer Court is a historically preserved and rehabilitated 36-unit apartment building located in Detroit's Midtown neighborhood and completed in 2015. The property was originally built in 1923, with 56 units. The property has been operating as an apartment complex since its original construction. The property includes approximately 1,800 square feet of garden-level retail space. The project was developed in coordination with Midtown Detroit Inc.

Rainer Court was the first of its kind for PK Construction, completed in 2015. The company's past had been in mostly moderate rehabs of rural properties, a historic rehab in Detroit's Midtown was different than the usual. Project Cost: \$6.5 Million



PK Companies Real Estate Owned and Managed

Operational Properties Owned and Managed								
Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential Units	Commercial Sq Ft
Bramblewood Apts	New Haven	Michigan	2001	Mod Rehab	RD/LIHTC	Senior	32	n/a
Brandonwood Apts	Albion	Indiana	2018	Acquisition	USDA RD	Multi-Family	17	n/a
Cambridge Court	Greenville	Michigan	2000	Mod Rehab	RD/LIHTC	Multi-Family	32	n/a
Carriage Town Square	Flint	Michigan	2020	Acquisition	LIHTC	Multi-Family	30	n/a
Center Street Apts	Hartford	Michigan	2019	Mod Rehab	RD/LIHTC	Multi-Family	32	n/a
Chapel Lane Apts	Ashley	Indiana	2018	Acquisition	USDA RD	Multi-Family	44	n/a
Cherrywood	West	Texas	2010	Mod Rehab	RD/LIHTC	Senior	44	n/a
Clinton West Apts	Stockbridge	Michigan	2006	Mod Rehab	RD/LIHTC	Senior	16	n/a
Copper Hills Apts	Houghton	Michigan	2015	Mod Rehab	RD/LIHTC	Multi-Family	56	n/a
Cottonwood	Taft	Texas	2013	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Country Meadows Apts	Markle	Indiana	2018	Acquisition	USDA RD	Multi-Family	16	n/a
Country Village Apts	Roscommon	Michigan	2018	Acquisition	LIHTC	Senior	40	n/a
Countrywood Apts	Reno	Texas	2012	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Courtwood Apts	Eagle Lake	Texas	2010	Mod Rehab	RD/LIHTC/Sec 8	Senior	50	n/a
Deer Creek Townhomes	Sturgis	Michigan	2018	Acquisition	LIHTC	Multi-Family	40	n/a
Diamond Place Apts I (LDHA)	Grand Rapids	Michigan	2016	New Construction	LIHTC	Multi-Family	123	n/a
Diamond Place Apts II (NMTC)	Grand Rapids	Michigan	2016	New Construction	Conventional/NMTC	Mixed Use	42	21,353
Drake Terrace Apts	Kendallville	Indiana	2018	Acquisition	USDA RD	Multi-Family	50	n/a
Drake Terrace Apts II	Kendallville	Indiana	2018	Acquisition	RD/LIHTC	Elderly	18	n/a
Drake Terrace Apts III	Kendallville	Indiana	2018	Acquisition	RD/LIHTC	Multi-Family	46	n/a
East Garden Apts	Archbold	Ohio	2018	Acquisition	RD/LIHTC	Multi-Family	49	n/a
Edgemont Colony	Edgerton	Ohio	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Elmwood Apts	Buffalo	Texas	2013	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Fawn Haven Apts	Butler	Indiana	2018	Acquisition	USDA RD	Multi-Family	26	n/a
Franklin Pointe Apts	Reed City	Michigan	2019	Mod Rehab	RD/LIHTC	Multi-Family	64	n/a
Golden Acres	Knox	Indiana	2018	Acquisition	USDA RD	Elderly	30	n/a
Hillwood Apts	Weimar	Texas	2019	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Holiday Hills	Cromwell	Indiana	2018	Acquisition	USDA RD	Multi-Family	20	n/a
Indian Terrace Apts I	Auburn	Indiana	2018	Acquisition	USDA RD	Multi-Family	32	n/a
Indian Terrace Apts II	Auburn	Indiana	2018	Acquisition	RD/LIHTC	Elderly	48	n/a
Knoll Creek Apts	Waterloo	Indiana	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Knollview Apts	Ovid	Michigan	2000	Mod Rehab	RD/LIHTC	Multi-Family	28	n/a
Lake Bei Der Bank	Topeka	Indiana	2018	Acquisition	USDA RD	Multi-Family	26	n/a
Lakeview	Manistique	Michigan	2008	Mod Rehab	RD/LIHTC	Multi-Family	40	n/a
Leo & Al Apts	Grand Rapids	Michigan	2018	New Construction	Conventional/LIHTC	Mixed Use	36	2,576

PK Companies Real Estate Owned and Managed

Operational Properties Owned and Managed - Continued

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential	Commercial
							Units	Sq Ft
Maple Heights Apts	Saline	Michigan	2015	Mod Rehab	RD/LIHTC	Multi-Family	48	n/a
Mapleview Apts	Maple Rapids	Michigan	2000	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Martin House Manor	Ligonier	Indiana	2018	Acquisition	USDA RD	Multi-Family	28	n/a
Martin House Manor II	Ligonier	Indiana	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Mayville Apts	Mayville	Michigan	2007	Mod Rehab	RD/LIHTC	Multi-Family	20	n/a
McNair Manor	Batesville	Indiana	2018	Acquisition	USDA RD	Multi-Family	46	n/a
Milford Meadows	Milford	Indiana	2018	Acquisition	USDA RD	Multi-Family	14	n/a
Mill Pond Family	Brooklyn	Michigan	2018	Acquisition	USDA RD	Multi-Family	36	n/a
Mill Pond Senior	Brooklyn	Michigan	2018	Acquisition	USDA RD	Elderly	12	n/a
North Court	Frisco	Texas	2016	New Construction	Conventional/LIHTC	Multi-Family	134	n/a
North Garden Place Apts	Antwerp	Ohio	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Northwood Apts	Navasota	Texas	2012	Mod Rehab	RD/LIHTC	Multi-Family	48	n/a
Oakview Apts	Delta	Ohio	2018	Acquisition	USDA RD	Multi-Family	38	n/a
Oakwood Apts	Madisonville	Texas	2012	Mod Rehab	RD/LIHTC	Multi-Family	36	n/a
Orland Manor	Orland	Indiana	2018	Acquisition	USDA RD	Multi-Family	12	n/a
Oxford Heights Apts	Greenville	Ohio	2018	Acquisition	USDA RD	Elderly	24	n/a
Park Terrace Heights	Columbia City	Indiana	2018	Acquisition	USDA RD	Multi-Family	40	n/a
Park Terrace Heights II	Columbia City	Indiana	2018	Acquisition	USDA RD	Multi-Family	56	n/a
Perry Acres	New Haven	Michigan	2003	Mod Rehab	RD/LIHTC/Sec 8	Multi-Family	24	n/a
PK Villas	20 Cities	3 States	2018	Acquisition	Conventional	Multi-Family	415	n/a
Rainer Court Apts	Detroit	Michigan	2014	Substantial Rehab	Conventional/Historic	Multi-Family	36	1,800
Redkey Apts	Redkey	Indiana	2018	Acquisition	USDA RD	Multi-Family	16	n/a
Rivercrest Apts	Croswell	Michigan	2007	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a
Rock Creek Manor	St. Charles	Michigan	2006	Mod Rehab	RD/LIHTC	Multi-Family	56	n/a
Rolling Brook	Algonac	Michigan	2011	Mod Rehab	RD/LIHTC	Senior	74	n/a
Rosebush Estates	Rosebush	Michigan	2001	Mod Rehab	RD/LIHTC	Multi-Family	20	n/a
Sandhill Manor	Houghton Lake	Michigan	2002	Mod Rehab	RD/LIHTC/Sec 8	Multi-Family	60	n/a
Selden Apts	Detroit	Michigan	2017	Mod Rehab	Conventional	Multi-Family	49	n/a
Skyline Village	Markle	Indiana	2018	Acquisition	USDA RD	Multi-Family	48	n/a
South Park	Shirley	Indiana	2018	Acquisition	USDA RD	Multi-Family	19	n/a
Southwood Apts	Shepherd	Texas	2012	Mod Rehab	RD/LIHTC	Multi-Family	48	n/a
St. Charles Apts	Fremont	Indiana	2018	Acquisition	RD/LIHTC	Multi-Family	20	n/a
Sulky Downs	Shipshewana	Indiana	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Surrey Lane Apts	Greenville	Ohio	2018	Acquisition	USDA RD	Multi-Family	36	n/a
Sunrise Apts	Lynn	Indiana	2018	Acquisition	USDA RD	Multi-Family	28	n/a

PK Companies Real Estate Owned and Managed

Operational Properties Owned and Managed - Continued

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential	Commercial
							Units	Sq Ft
Waterloo Apts	Waterloo	Indiana	2018	Acquisition	USDA RD	Multi-Family	12	n/a
West Elm Apts	Wauseon	Ohio	2018	Acquisition	USDA RD	Multi-Family	100	n/a
West Family Apts	West	Texas	2011	Acquisition	USDA RD	Multi-Family	32	n/a
West Unity Apts	West Unity	Ohio	2018	Acquisition	USDA RD	Multi-Family	24	n/a
Westbury Apts	Wayland	Michigan	2000	Mod Rehab	RD/LIHTC	Multi-Family	32	n/a
Westwind Apts	Redkey	Indiana	2018	Acquisition	USDA RD	Multi-Family	16	n/a
Whispering Winds Apts	West Unity	Ohio	2018	Acquisition	USDA RD	Multi-Family	16	n/a
Wildwood Manor	Ironwood	Michigan	2006	Mod Rehab	RD/LIHTC	Senior	24	n/a
Woodbrook Apts	Three Rivers	Michigan	2002	Mod Rehab	RD/LIHTC	Senior	32	n/a
Woodland Glen Apts	Grabill	Indiana	2018	Acquisition	USDA RD	Multi-Family	32	n/a
Yale Apts	Yale	Michigan	2007	Mod Rehab	RD/LIHTC	Multi-Family	24	n/a

85	3,276	25,729
Total Operational Properties	Total Residential Units	Total Commercial Sq Ft

Development Properties Owned & Managed

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential	Commercial
							Units	Sq Ft
Arbor Glen Apts	St. Charles	Michigan	2020	Mod Rehab	RD/LIHTC	Multi-Family	48	n/a
Belknap Place Apts	Grand Rapids	Michigan	2021	New Construction	LIHTC	Multi-Family	50	n/a
Cherry Hill Apts	Lansing	Michigan	2016	Conventional	Conventional	Multi-Family	33	n/a
Clairewood Apts	St. Claire	Michigan	2020	Mod Rehab	USDA RD	Multi-Family	47	n/a
Creekside	Ravenna	Michigan	2020	Mod Rehab	RD/LIHTC	Multi-Family	32	n/a
Grayling Pines Apts	Grayling	Michigan	2020	New Construction	RD/LIHTC	Multi-Family	24	n/a
Lakewood Apts	Stockbridge	Michigan	2020	Mod Rehab	RD/LIHTC	Multi-Family	32	n/a
Marketplace Apts	Flint	Michigan	2019	New Construction	LIHTC	Mixed Use	92	4,500
Pine Bluff Apts	Kingsford	Michigan	2020	Acquisition	RD/LIHTC	Multi-Family	56	n/a
Plato's Cave Apts	Branson	Missouri	2018	Adaptive Reuse	Conv/Workforce	Multi-Family	342	n/a
Plato's Sheffield Apts	Sheffield	Alabama	2020	Adaptive Reuse	Conv/Workforce	Multi-Family	150	n/a
Sable Pointe Apts	New Era	Michigan	2020	Adaptive Reuse	RD/LIHTC	Multi-Family	20	n/a
Sterling Heights	Sterling Heights	Michigan	2021	Adaptive Reuse	Conv/Workforce	Multi-Family	213	n/a
Village Apts	Bellaire	Michigan	2020	Mod Rehab	RD/LIHTC	Multi-Family	44	n/a
Whispering Pines Apts	Grayling	Michigan	2020	New Construction	RD/LIHTC	Senior	24	n/a

PK Companies Real Estate Owned and Managed

Development Properties Owned & Managed - Continued

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential Units	Commercial Sq Ft	
Willow Creek	Escanaba	Michigan	2020	Acquisition	RD/LIHTC	Senior	56	n/a	
							18	1,263	4,500
							Total Development Properties	Total Residential Units	Total Commercial Sq Ft

Passive Properties Owned, Not Managed

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential Units	Commercial Sq Ft	
Bailey Center	East Lansing	Michigan	2016	Adaptive Reuse	LIHTC	Senior/Mixed Use	30	9,080	
Columbus Gardens	Columbus	Mississippi	2015	Conventional	Conventional	Senior	24	n/a	
Cottonland Village	Monroe	Louisiana	2015	Conventional	Conventional	Multi-Family	40	n/a	
Meadowbrook	Escanaba	Michigan	2005	New Construction	RD/LIHTC	Senior	32	n/a	
Riverland	Reedley	California	2014	Mod Rehab	USDA RD	Multi-Family	76	n/a	
Tehachapi Senior II Apts	Tehachapi	California	2016	Mod Rehab	USDA RD	Multi-Family	44	n/a	
Willow Grove Townhomes	Escanaba	Michigan	2005	New Construction	LIHTC	Multi-Family	48	n/a	
							7	294	9,080
							Total Passive Properties	Total Residential Units	Total Commercial Sq Ft
							110	4,833	39,309
							Total Real Estate Owned	Total Residential Units	Total Commercial Sq Ft

Fee Managed Properties

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential Units	Commercial Sq Ft
Abbott Parkside Apts	East Lansing	Michigan	N/A	Fee Manage	Conventional	Senior	62	n/a
Crockett Manor Apts	Crockett	Texas	N/A	Fee Manage	USDA RD	Multi-Family	40	n/a
Crockett Senior Apts	Crockett	Texas	N/A	Fee Manage	USDA RD	Senior	36	n/a
Jasper Manor	Jasper	Texas	N/A	Fee Manage	USDA RD	Senior	36	n/a

PK Companies Real Estate Owned and Managed

Fee Managed Properties - Continued

Property Name	City	State	Year Acquired	Development Type	Financing Program	Property Use	Residential Units	Commercial Sq Ft	
Live Oak Manor	Three Rivers	Texas	N/A	Fee Manage	USDA RD	Senior	36	n/a	
Mill Pond Apts	Buchanan	Michigan	N/A	Fee Manage	LIHTC/Sec 8	Multi-Family	50	n/a	
Navasota Manor	Navasota	Texas	N/A	Fee Manage	USDA RD	Senior	40	n/a	
Shire Crest Acres Apts	West Unity	Ohio	N/A	Fee Manage	USDA RD	Multi-Family	24	n/a	
Taft Terrace	Taft	Texas	N/A	Fee Manage	USDA RD	Multi-Family	32	n/a	
Terracewood Apts	Woodville	Texas	N/A	Fee Manage	USDA RD	Senior	40	n/a	
Trinity Buena Vista Homes	Saginaw	Michigan	N/A	Fee Manage	LIHTC	Multi-Family	12	n/a	
West Columbia Manor	West Columbia	Texas	N/A	Fee Manage	USDA RD	Multi-Family	24	n/a	
							14	432	0
							Total Fee Managed Properties	Total Residential Units	Total Commercial Sq Ft
							124	5,265	39,309
							Total Real Estate Owned & Managed	Total Residential Units	Total Commercial Sq Ft

Development Plan

PK plans to continue the engagement that AAHC has championed with the community through the planning, design, and construction stages of each development. Community engagement will be conducted through neighborhood meetings, informational question and answer sessions, and charrettes. PK has demonstrated that we are not only adept at listening to the needs and desires of the communities we work in, but we are also able to develop buildings that include components to address the unique needs and desires. For instance, with the Diamond Place development in Grand Rapids, the neighborhood was very vocal about the need for a grocery store as the site was located in a USDA Food Desert. The project team took that important input and was able to secure Gordon Food Services as the anchor tenant for their new innovative urban market format. PK also secured the financing needed to make this a reality by utilizing the New Markets Tax Credit and other soft funding sources. PK wants to ensure that the community is involved and informed in the design of the building, the impact of construction to the downtown, the leasing of commercial spaces, and the inclusion of cultural elements.

The basic conceptual design will largely follow the massings provided by AAHC in the Request for Proposals and building designs, elevations, materials and facades will be determined through a collaborative effort between PK, AAHC, the project architect, and the community.

PK's early construction estimates are approximately \$30 million per building. This amount includes nearly \$21 million in hard construction costs, along with fully funded operating and lease-up reserves. This budget also includes soft costs for environmental, market studies, architecture and engineering, financing costs, and developer fees. See attached high-level project sources and uses budget for each site.

PK proposes to utilize both the 4% and 9% tax credits for each building. The development timeline proposed by PK will be dependent upon the award of 9% tax credits. We are proposing to make applications these credits in consecutive tax credit funding rounds from MSHDA. Prior to applying for tax credits, we would seek City of Ann Arbor approval of the proposed site plan and approval of a payment in lieu of taxes or other form of abatement. To obtain these approvals, design and engineering work will be needed and so the architect and engineer will be selected and engaged as soon as possible after the RFP is awarded.

Optimistically, the first site will be submitted for the April 2022 round, and the second in the October 2022 funding round. Our due diligence would take place between receipt of being awarded a contract by the AAHC and submitting each of the tax credit applications. Once a tax credit allocation is awarded for a given site, we would then make application to MSHDA for the 4% credits, as these awards have a rolling deadline.

The combination of 4% and 9% credits for each building may seem like an unnecessary complication but it is vital for the competitiveness of the 9% tax credit application. One of the larger pointing items for the 9% evaluation is credit efficiency, which is the amount of 9% credits per affordable housing unit created. If 4% credits are utilized for the same development, those units can also be counted in the calculation, making the development far more competitive. PK received an award in the February 1, 2021 round for a similar structure with both 4% and 9% credits in the same building. Our scoring estimates utilizing the 4/9 structure put both Catherine and Main as scoring at the very top of the list with the other developments it would be competing with.

We estimate that the delivery of final drawings and specifications, along with construction bidding to take approximately 180 days from receipt of a 9% tax credit award. Community engagement with the design may extend this timeline depending on resident feedback. It is anticipated that receiving MSHDA's underwriting approval on the 4% side of the development and closing on the financing will take 120 days in addition to the timeline set forth above. For each building, the closing of financing for the 9% side and the 4% side will occur simultaneously. Therefore, the site that receives 9% credits in the April 2022 funding round will close in January of 2023, while the site receiving 9% credit in the October 2022 round will close in July 2023. This will stagger construction schedules to prevent any overburdening of the downtown area with construction activity and closures. A construction schedule of 12-15 months is anticipated from commencement to completion on each building.

The PK team has seen success in marketing and pre-leasing efforts by building out a leasing office and a model unit ahead of the delivery of the remainder of the building. Providing these assets will allow the marketing and leasing team to get-ahead of schedule and perform 100% lease-up and stabilized occupancy of each building within 120 days of construction completion. As AAHC is slated to be the property manager we would work with them to devise a lease-up strategy that employs these techniques to meet our goals.

With regards to the Partnership Structure, please see the above narrative under Co-Developer Respondent Description, the following proposed roles and responsibilities and organizational charts, and enclosed fee proposal.

C. Financing and Affordability

Financing Narrative

PK proposes both 121 E Catherine and 353 S Main will be financed with allocations of Low-Income Housing Tax Credits from both the 9% competitive program and 4% credits paired with tax-exempt bonds. Each site will be split into two condominium units in order to achieve this structure. The condominium association would be controlled by AAHC and PK on a 50/50 basis. Based on our analysis of the sites, the proposed characteristics of the developments, and the competitive criteria for receiving 9% tax credits, the proposed projects will score among the highest of all applications MSHDA receives. However, the receipt of tax credits cannot be taken for granted, as the application and evaluation processes are both complex and frequently changing. We would work with AAHC to make the tax credit applications as competitive as possible so that we have a high likelihood of success in the first round in which we apply.

PK also intends to utilize the DDA Housing Fund and Ann Arbor Millage Funds available for each site in the form of a soft loan to help finance the development. Likewise, PK would seek to use the funds available from the DDA to finance costs related to site infrastructure. We would also seek to utilize some of the Affordable Housing Millage funds to finance the provision of Tenant Services. To help maintain sustainable operations PK intends to apply for a Payment In Lieu of Taxes for both 121 E Catherine and 353 S Main properties with the City of Ann Arbor.

PK will identify the best lender and loan type for this project and may tap one of our many financing partners for conventional construction and permanent loans. We recently closed two loans with David Wilkins with Walker & Dunlop, who is one of the largest affordable housing lenders in the country with a strong presence in southeast Michigan. We had a good experience with W&D and would recommend working with them in the future if they have competitive terms. We have also worked with Chase Bank, Huntington Bank, Fallbrook Capital, Merchants Capital and others to secure this financing for similar developments. We estimate that using a HUD construction-to-permanent loan to finance both developments will be optimal as it has a long term and a very low interest rate.

The proposed unit mix for each building includes a minimum of half of the units (39 per building, 78 total) at 60% AMI with rents set to 95% of LIHTC maximums. This results in net tenant rent as \$905 for a studio, \$961 for a 1-bedroom, and \$1,144 for a 2-bedroom apartment home. The remaining half of units are proposed to be designated as voucher units with a prospective award from the Ann Arbor Housing Commission. These apartment homes will allow the project to collect income at the Fair Market Rent levels while leasing the units to residents of deeper-income targeted levels such as 30%, 40%, and 50% AMI.

PK is the best fit as a co-developer for these sites because we are an expert on the 9% competitive tax credit application process. We have received twelve 9% tax credit allocations over the last ten years with total tax credits of over \$78 million, leading to the creation or preservation of 697 affordable apartment homes. PK is also in the process of completing the rehabilitation of 10 Michigan properties totaling 576 apartment homes with the allocation of 4% tax credits from MSHDA. PK recently received an award to redevelop the Mother House at Marywood, which is owned by the Dominican Sisters of Grand Rapids, into affordable senior housing. We utilized the 4% and 9% tax credit / condominium structure within the same building to receive a tax credit award for Marywood, which is the same structure we propose for both Catherine and Main.

PK is directly involved in Michigan's affordable housing policy and advocacy. Chris Potterpin is the President of the Michigan Housing Council and is constantly working with other affordable housing industry leaders and MSHDA to guide housing policy. Because of this we have a very deep understanding of MSHDA's policy goals. This allows us to position a development for a high chance of success in a highly competitive environment.

PK has built strong relationships with a number of tax credit investors. Cinnaire is our strongest partner and is a Michigan-based not-for-profit syndicator of tax credit investments who is an industry leader in Michigan. PK has also worked with national tax credit investment firms of Alliant, Aegon, WNC, and Raymond James and has a large pool of investors to draw upon. We would work with AAHC to select the best investor partner to meet our goals. We do not simply choose which investor will pay the highest price for the tax credits, as there are many non-financial considerations involved with having an investor partner for 15 years. We have a long-term philosophy with all of our business relationships and this is one of the most important relationships we have.

In terms of historical RFP awards, PK was selected in competitive RFPs as a co-developer of affordable housing for Belknap Place in Grand Rapids by Grand Valley State University, for the Marywood Mother House by the Dominican Sisters of Grand Rapids, and for the former Liberty Hyde Bailey School by the City of East Lansing. PK has also been selected through an RFP as a developer partner by the Michigan State Land Bank Authority and is able to utilize their programs for the Ann Arbor developments as needed. Finally, PK was selected as a partner by the Charles Stewart Mott Foundation and Uptown Reinvestment Corporation to bring 92 units of affordable and market-rate housing to downtown Flint.

**D. COMMUNITY DEVELOPMENT
AND TENANT SERVICES**

Community Space

At both the 121 E. Catherine and 353 S Main sites, PK envisions a multi-faceted approach to community space both interior and exterior. On the interior, we plan a community room around 1500 square feet. This space would hold a kitchenette, library with computer access, high-speed internet with wifi, and gathering space that would serve both planned events and open use. In addition to this space, a dedicated office for our Tenant Services partner would be provided. On the exterior, we plan to provide space for patio seating. This space would also provide outdoor opportunities for planned events and open use.

Housing First Prioritized Tenant Services

PK Communities is committed to embracing a Housing First prioritized Tenant Services program at both 121 E. Catherine and 353 S. Main. Housing First is based on the idea that homelessness is above all a housing crisis that can be addressed through the provision of safe and affordable housing. Furthermore, people experiencing homelessness, regardless of their housing history and duration of homelessness, can achieve housing stability in permanent housing. Some may need very little support while others may need more. To provide this support, PK is in discussions with Avalon Housing as a possible service provider for Main (they intend to submit a proposal for Catherine). However, we understand that AAHC has relationships with a number of service providers and would like to work directly with them to find the best fit for these sites. PK currently works with 4 other service providers in different geographic locations to provide these services to our residents.

As the primary service provider, the provider will be on site, in addition to being on call 24/7/365 for acute crises. The provider will provide housing-based case management for tenants. Services are voluntary, flexible, client-led, and ongoing. Service interventions begin with assertive engagement outreach, and assistance with basic needs as we work to develop trust and supportive relationships. All supportive housing clients are assigned a case manager, who will complete comprehensive assessments and help residents identify goals and action plans with top priority on addressing behaviors that threaten tenancy.

The provider will provide crisis response, advocacy, care coordination, transportation and more, working with residents in all areas of their lives to achieve health and stability for the entire household. This may include recovery support, safety planning, education, employment, or other goals. Service intensity is based on need, and typically decreases over time as residents build informal support networks. High needs individuals may receive multiple contacts a week in order to manage (or avoid) a crisis, and the provider will maintain close relationships with these households, able to respond as needed. Any provider who we select must place a high value on communitybuilding, and case managers encourage social connection and participation in community center activities.

Once individuals have been identified, the service provider's staff will work to engage them and facilitate their move-in process where they are then assigned a case manager. maintains strong working relationships with various local providers, health systems, shelters, and other local resources. As such, the provider we select must have an excellent track record of engaging and transitioning our population successfully into housing.

Within 30 days of move in, services staff will complete a comprehensive assessment with each

household, and link them to needed supports such as family and legal advocacy, employment, and education. We will also coordinate care to address physical and behavioral health needs, linking clients to primary care providers and assisting with navigation of mental health and substance abuse treatment systems. The provider must have services on call 24/7 and be able to provide crisis intervention as needed. Support services for tenants are not time limited and will vary in frequency and intensity as needed. The team is trained on and will utilize evidence-based practices such as motivational interviewing, assertive outreach, trauma informed care, housing first, and harm reduction.

We would seek to find a provider who will ensure its support services teams will work closely to coordinate eviction prevention plans and identify accommodations that will help tenants achieve success. Regular meetings will be held to identify tenants who are at-risk and in need of a service intervention, with daily contact between services and property management should any issues arise. The estimated annual cost to provide these services, per site, is \$75,000. To pay for this program we would seek to use the City of Ann Arbor Affordable Housing Millage Funds outlined in the Request for Proposal.

Community Engagement

PK employs a comprehensive approach to the various aspects of any given development. Our methodology includes direct input from the community-at-large, local businesses, municipal staff and elected leaders, and neighborhood associations. The goal is to discover the project's unique story so that our architect can create a development that fits that site's particular artistic and cultural design needs. Always with a human-centric focus, that design is envisioned not only in the here and now, but the needs of the future to ensure its function as affordable housing for the long-term.

For purposes of this proposal, we consulted the Draft 5/3/2021 *City of Ann Arbor Housing + Affordability Summary Report. 2020-2021 Community Engagement Recommendations*. We thank AAHC and SmithGroup for providing such comprehensive detail on the community's desires.

We completely understand and appreciate the strong desire for the developments to include 100% affordable housing and seek to provide that in perpetuity through our proposed legal structure. We believe the most equitable solution is for the AAHC to maintain long-term control of the property which is why we have proposed a land lease with the property reverting to AAHC at the end of the lease term. We also want to provide AAHC the flexibility to rehabilitate the property with another round of tax credits after the 15 year compliance period, with or without PK, by providing a buy-sell agreement. This is covered in more detail in our enclosed Fee Proposal.

Regarding the design elements, our plan is to closely follow the community's recommendations for the Catherine site with the following:

- Activating ground floor with retail that complements the surrounding area and does not complete with adjacent businesses
- Design the parking areas and drives with a focus on safe flow of traffic
- Working with the general contractor to have a comprehensive parking plan during construction and for special events
- Engage with the community to envision a highly-visible public art installation which pays homage to the site's historical use by black-owned businesses, and commission an artist to

create that vision for the benefit of the entire community. The installation will be at street-level with bench seating and landscaping.

For the Main site, we will also seek to follow similar recommendations. The retail space and pedestrian environment must be designed thoughtfully to activate this site as a gateway to the downtown. The residential lobby will be located off William to maximize the available storefront and make the area lively and inviting. There will be no parking on-site but we will have bike storage areas.

We also would like to incorporate some resident-only outdoor space for both developments. As owners and managers of affordable housing we know that it is critical to have such space, especially in an urban environment. On the Catherine site, we believe this would be best accomplished by making the upper floors with a smaller footprint and setting the building back to provide a common patio space. For the Main site, we believe this would be best accomplished by incorporating a recessed balcony area on the second floor.

Based on our understanding of AAHC's policies the building will be 100% nonsmoking, which we fully support. All of PK's buildings are 100% smoke free.

All of the above elements are based on our understanding of the community's desires through reading the SmithGroup report and speaking with some people in our network who live in Ann Arbor. This is, of course, a very high-level understanding and so we need to engage ourselves directly with the community. The intent is not to duplicate the good work that has already been done, but to share a more specific proposed development plan with the goal of aligning it with the community's desires to the extent practicable.

E. DESIGN & PERFORMANCE

Design Narrative

PK has long standing relationships with Integrated Architecture and Progressive AE as well as Pioneer Construction and Sachse Construction. PK values and strives for local participation in all its projects from general contractor all the way through smallest sub-contractors. PK will utilize its current partners for tax credit applications and pre-construction work and once an award is received we'll put the project out for bid to the aforementioned partners as well as local contractors and architects. PK Construction Company will participate in the design process to assist in value engineering of the plans to save costs without sacrificing quality.

The project team will engage a Certified Passive House Consultant to provide expertise in the Passive House Institute programs and ensure the project achieves PHIUS+, the highest green building certification recognized by MSHDA. PK has completed multiple new developments and rehabs that include on-site PV solar arrays and we will rely on our experience with these properties to provide on-site rooftop solar energy for both 121 E Catherine. We'll investigate the opportunity for rooftop solar at 353 S Main, however due to the size of the footprint solar integration is challenging.

The development team will continue the community and neighborhood engagement established by AAHC regarding the type of users for the commercial spaces. If there are any goods or services in demand, our goal would be to secure commercial tenants that help fill that demand and are complimentary to the existing businesses in the area. The first-floor commercial space will be financed along with the 4% tax credit financing at each site.

PK is proposing to build urban, modern style buildings that fit within the fabric of the respective neighborhoods at both 353 S Main and 121 E Catherine. The design of the buildings will reflect a quality and character of urban-density, market-rate residential and mixed-use construction. We anticipate the façade materials of each building to include primarily brick and stone with metal and glass accents. Both buildings will include a ground floor residential lobby with on-site management and community space.

353 S Main

At 353 S Main, PK proposes to construct a nine to ten-story structure containing 70 to 80 apartment homes, all of which will be affordable. Between 15-50% of which will be assisted with project-based vouchers dependent on need and priority of AAHC. The housing vouchers will target units to extremely low-income individuals and families, including those in need of supportive living options. The unassisted units will be available to households earning 60% or less of the Area Median Income. The apartment homes will include a mix of studio, one-bedroom, and two-bedroom units.

The building at 353 S Main is proposed to have approximately 5,000 square feet of commercial space along with a residential lobby on the ground floor. PK will engage with the community and surrounding businesses to ensure that the commercial space is made available to a user that is complimentary to the existing businesses and a welcome addition to the Main Street corridor.

PK proposes that this building follows the community engagement recommendations by incorporating pedestrian, wheelchair and bicycle amenities into the design. The proposed building will serve as an enhancement to the existing pedestrian and multi-modal infrastructure.

PK recognizes 353 S Main as a gateway to downtown and thus an important landmark to preserving and enhancing the character of downtown Ann Arbor. PK will construct a building of thoughtful

design and high-quality materials and will continue community engagement through the design process to ensure that the building character is in alignment with community desires.

121 E Catherine

PK proposes to construct a five-story building at 121 E Catherine, bringing an additional 65-70 affordable apartment homes to downtown Ann Arbor. Much like the 353 S Main building, PK is proposing that 15-50% of the units at 121 E Catherine are assisted with housing vouchers, allowing those units to be targeted for lower income families and households. The balance of the units will be available to households earning 60% or less of the Area Median Income. Just as with 353 S Main, the units at 121 E Catherine will include a mix of studio, one-bedroom, and two-bedroom apartment homes.

The first floor of the proposed building will include approximately 4,000 square feet of commercial space, along with a residential lobby and community space. PK recognizes the historical context of this site and area as it was once an anchor for black-owned businesses in Ann Arbor. We would like to further engage with the community to appropriately incorporate an outdoor public space that pays homage with a locally sourced sculpture or monument honoring the history of the area.

We also recognize the importance of this site as it relates to its proximity to the Farmer's Market and the Kerry Town shops. PK will continue to engage with the community to fill the commercial space with uses that are complimentary to the goods and services already in proximity to the site.

PK is proposing to construct 24 surface parking spaces at 121 E Catherine. The commercial space, public space, and residential lobby will be constructed within a podium along the street frontages, and the parking will be mostly hidden from the public realm. The proposed development will further reflect the community engagement recommendations by incorporating pedestrian and multi-modal infrastructure.

PK intends to finalize the design of each building with a continuation of community engagement conducted by AAHC. We believe this will help deliver a greater context of each site and help define neighborhood character and how the sites will fit within that image. We believe in tailoring each project to the community and neighborhood they reside in and will engage in community design charrettes.

Zoning Strategy: Site Planning & Building Massing

Both buildings will be designed to fully comply with the current zoning guidelines. Our team has evaluated the current zoning regulations for each site and intend to design the buildings within those parameters and does not foresee the need for any variances. Each site is evaluated more thoroughly below:

121 E Catherine

The site will contain 24 parking spaces made possible by a concrete and steel podium, designed to include first floor commercial space and a residential lobby along with community space for the residents. The building will be approximately 66,000 square feet and four stories total, leaving room for rooftop mechanicals and a photovoltaic solar array.

353 S Main

Similar to the 121 E Catherine site, PK is proposing first floor commercial and residential lobby and community space for residents. Because of the smaller site footprint, this building is proposed as

approximately 63,000 square feet and nine total stories. There will be no on-site parking for this site and the structure will follow a high-rise style construction of concrete and steel.

Site design and site planning will include bicycle and pedestrian infrastructure to enhance the public realm. Amenities will include at a minimum, bicycle racks, benches, and planters for street trees or landscaping. PK intends to both create and preserve character of downtown Ann Arbor that will seamlessly integrate both 121 E Catherine and 353 S Main into the larger area.

Both buildings will employ many other sustainable development practices in addition to non-motorized transportation infrastructure. As mentioned previously the buildings will be constructed with a PHIUS+ certification, on-site solar energy generation, and green roofs and stormwater diversion.

Innovative & Efficient Construction Techniques

PK will rely on our exemplary experience with the construction and delivery of several mixed-use and mixed-income developments as referenced throughout this proposal. Because many of our developments are mixed-income, PK has a unique capability of delivering affordable apartment homes that feel like market-rate as it pertains to design and the level of finishes. PK has employed 'efficiency plus' units that qualify as a studio apartment home, however the design allows the space to function as a one-bedroom, bringing added efficiency to the construction budget.

PK has delivered several successful and under-budget affordable, mixed-income, and mixed-use developments with the proposed development team for 121 E Catherine and 353 S Main. This familiarity will allow us to build upon our success and deliver a high quality design while remaining within the proposed budget and schedule parameters.

Green & Sustainable Design

On each of the LIHTC projects PK has delivered, we have achieved some level of Green Certification through programs such as LEED, National Green Building Council, or Enterprise Green Communities. As mentioned previously, both buildings will seek certification under the Passive House Institute Plus program. This will significantly reduce the amount of energy consumption and tenant utility liabilities through using passive heating and cooling methods incorporated into the design and construction of an air-tight building envelope.

PK will incorporate photo-voltaic solar panel arrays on the roof of each structure to generate renewable energy on site. PK will work with our architects and engineers to determine the energy load necessary for the fully electric structures and if needed, we will coordinate with local providers to purchase renewable energy in order to meet any additional demand for each building. If space allows, PK will seek to incorporate green roof principles in order to improve stormwater management for the site and reduce the heat island effects as the sites are located in the urban core of Ann Arbor.

F. ATTACHMENTS

ATTACHMENT B
LEGAL STATUS OF OFFEROR

(The Respondent shall fill out the provision and strike out the remaining ones.)


The Respondent is:

- A corporation organized and doing business under the laws of the state of _____, for whom _____ bearing the office title of _____, whose signature is affixed to this proposal, is authorized to execute contracts on behalf of respondent.*

*If not incorporated in Michigan, please attach the corporation's Certificate of Authority

- A limited liability company doing business under the laws of the State of Michigan, whom Jacob Horner bearing the title of Vice President whose signature is affixed to this proposal, is authorized to execute contract on behalf of the LLC.
- A partnership organized under the laws of the State of _____ and filed with the County of _____, whose members are (attach list including street and mailing address for each.)
- An individual, whose signature with address, is affixed to this RFP.

Respondent has examined the basic requirements of this RFP and its scope of services, including all Addendum (if applicable) and hereby agrees to offer the services as specified in the RFP.



Signature

Date: 11/30/21

(Print) Name Jacob Horner Title Vice President

Firm: PK Development Group LLC

Address: 1784 Hamilton Rd Okemos MI 48864

Contact Phone 517-347-2001

Fax 517-347-2010

Email jhomer@pkhousing.com

**ATTACHMENT C
CITY OF ANN ARBOR DECLARATION OF COMPLIANCE**

Non-Discrimination Ordinance

The "non discrimination by city contractors" provision of the City of Ann Arbor Non-Discrimination Ordinance (Ann Arbor City Code Chapter 112, Section 9:158) requires all contractors proposing to do business with the City to treat employees in a manner which provides equal employment opportunity and does not discriminate against any of their employees, any City employee working with them, or any applicant for employment on the basis of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight. It also requires that the contractors include a similar provision in all subcontracts that they execute for City work or programs.

In addition the City Non-Discrimination Ordinance requires that all contractors proposing to do business with the City of Ann Arbor must satisfy the contract compliance administrative policy adopted by the City Administrator. A copy of that policy may be obtained from the Purchasing Manager

The Contractor agrees:

- (a) To comply with the terms of the City of Ann Arbor's Non-Discrimination Ordinance and contract compliance administrative policy.
- (b) To post the City of Ann Arbor's Non-Discrimination Ordinance Notice in every work place or other location in which employees or other persons are contracted to provide services under a contract with the City.
- (c) To provide documentation within the specified time frame in connection with any workforce verification, compliance review or complaint investigation.
- (d) To permit access to employees and work sites to City representatives for the purposes of monitoring compliance, or investigating complaints of non-compliance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services in accordance with the terms of the Ann Arbor Non-Discrimination Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Non-Discrimination Ordinance, obligates the Contractor to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract.

PK Development Group LLC

Company Name



4/30/21

Signature of Authorized Representative

Date

Jacob Horner, Vice President

Print Name and Title

1784 Hamilton Rd Okemos MI 48864

Address, City, State, Zip

517-347-2001; jhorner@pkhousing.com

Phone/Email address

Questions about the Notice or the City Administrative Policy, Please contact:

Procurement Office of the City of Ann Arbor
(734) 794-6500

ATTACHMENT D
CITY OF ANN ARBOR
LIVING WAGE ORDINANCE DECLARATION OF COMPLIANCE

The Ann Arbor Living Wage Ordinance (Section 1:811-1:821 of Chapter 23 of Title I of the Code) requires that an employer who is (a) a contractor providing services to or for the City for a value greater than \$10,000 for any twelve-month contract term, or (b) a recipient of federal, state, or local grant funding administered by the City for a value greater than \$10,000, or (c) a recipient of financial assistance awarded by the City for a value greater than \$10,000, shall pay its employees a prescribed minimum level of compensation (i.e., Living Wage) for the time those employees perform work on the contract or in connection with the grant or financial assistance. The Living Wage must be paid to these employees for the length of the contract/program.

Companies employing fewer than 5 persons and non-profits employing fewer than 10 persons are exempt from compliance with the Living Wage Ordinance. If this exemption applies to your company/non-profit agency please check here No. of employees

The Contractor or Grantee agrees:

- (a) To pay each of its employees whose wage level is not required to comply with federal, state or local prevailing wage law, for work covered or funded by a contract with or grant from the City, no less than the Living Wage. The current Living Wage is defined as \$14.05/hour for those employers that provide employee health care (as defined in the Ordinance at Section 1:815 Sec. 1 (a)), or no less than \$15.66/hour for those employers that do not provide health care. The Contractor or Grantor understands that the Living Wage is adjusted and established annually on April 30 in accordance with the Ordinance and covered employers shall be required to pay the adjusted amount thereafter to be in compliance with Section 1:815(3).

Check the applicable box below which applies to your workforce

Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage without health benefits

Employees who are assigned to any covered City contract/grant will be paid at or above the applicable living wage with health benefits

- (b) To post a notice approved by the City regarding the applicability of the Living Wage Ordinance in every work place or other location in which employees or other persons contracting for employment are working.
- (c) To provide to the City payroll records or other documentation within ten (10) business days from the receipt of a request by the City.
- (d) To permit access to work sites to City representatives for the purposes of monitoring compliance and investigating complaints or non-compliance.
- (e) To take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee covered by the Living Wage Ordinance or any person contracted for employment and covered by the Living Wage Ordinance in order to pay the living wage required by the Living Wage Ordinance.

The undersigned states that he/she has the requisite authority to act on behalf of his/her employer in these matters and has offered to provide the services or agrees to accept financial assistance in accordance with the terms of the Living Wage Ordinance. The undersigned certifies that he/she has read and is familiar with the terms of the Living Wage Ordinance, obligates the Employer/Grantee to those terms and acknowledges that if his/her employer is found to be in violation of Ordinance it may be subject to civil penalties and termination of the awarded contract or grant of financial assistance.

PK Development Group LLC
 Company Name


 Signature of Authorized Representative

 Date

1784 Hamilton Rd
 Street Address

Okemos, MI 48864
 City, State, Zip

Jacob Horner, Vice President
 Print Name and Title

517-347-2001; jhorner@pkhousing.com
 Phone/Email address



ATTACHMENT E

VENDOR CONFLICT OF INTEREST DISCLOSURE FORM

All vendors interested in conducting business with the City of Ann Arbor must complete and return the Vendor Conflict of Interest Disclosure Form in order to be eligible to be awarded a contract. Please note that all vendors are subject to comply with the City of Ann Arbor's conflict of interest policies as stated within the certification section below.

If a vendor has a relationship with a City of Ann Arbor official or employee, an immediate family member of a City of Ann Arbor official or employee, the vendor shall disclose the information required below.

1. No City official or employee or City employee's immediate family member has an ownership interest in vendor's company or is deriving personal financial gain from this contract.
2. No retired or separated City official or employee who has been retired or separated from the City for less than one (1) year has an ownership interest in vendor's Company.
3. No City employee is contemporaneously employed or prospectively to be employed with the vendor.
4. Vendor hereby declares it has not and will not provide gifts or hospitality of any dollar value or any other gratuities to any City employee or elected official to obtain or maintain a contract.
5. Please note any exceptions below:

Conflict of Interest Disclosure*	
Name of City of Ann Arbor employees, elected officials or immediate family members with whom there may be a potential conflict of interest.	<input type="checkbox"/> Relationship to employee <input type="checkbox"/> Interest in vendor's company <input type="checkbox"/> Other (please describe in box below)
No conflicts of interest	

*Disclosing a potential conflict of interest does not disqualify vendors. In the event vendors do not disclose potential conflicts of interest and they are detected by the City, vendor will be exempt from doing business with the City.

I certify that this Conflict of Interest Disclosure has been examined by me and that its contents are true and correct to my knowledge and belief and I have the authority to so certify on behalf of the Vendor by my signature below:		
PK Development Group LLC	517-347-2001	
Vendor Name	Vendor Phone Number	
	11/30/21	Jacob Horner
Signature of Vendor Authorized Representative	Date	Printed Name of Vendor Authorized Representative

Questions about this form? Contact Procurement Office City of Ann Arbor Phone: 734/794-6500, procurement@a2gov.org

**ATTACHMENT F
CITY OF ANN ARBOR NON-DISCRIMINATION ORDINANCE**

Relevant provisions of Chapter 112, Nondiscrimination, of the Ann Arbor City Code are included below.
You can review the entire ordinance at www.a2gov.org/humanrights.

Intent: It is the intent of the city that no individual be denied equal protection of the laws; nor shall any individual be denied the enjoyment of his or her civil or political rights or be discriminated against because of actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight.

Discriminatory Employment Practices: No person shall discriminate in the hire, employment, compensation, work classifications, conditions or terms, promotion or demotion, or termination of employment of any individual. No person shall discriminate in limiting membership, conditions of membership or termination of membership in any labor union or apprenticeship program.

Discriminatory Effects: No person shall adopt, enforce or employ any policy or requirement which has the effect of creating unequal opportunities according to actual or perceived age, arrest record, color, disability, educational association, familial status, family responsibilities, gender expression, gender identity, genetic information, height, HIV status, marital status, national origin, political beliefs, race, religion, sex, sexual orientation, source of income, veteran status, victim of domestic violence or stalking, or weight for an individual to obtain housing, employment or public accommodation, except for a bona fide business necessity. Such a necessity does not arise due to a mere inconvenience or because of suspected objection to such a person by neighbors, customers or other persons.

Nondiscrimination by City Contractors: All contractors proposing to do business with the City of Ann Arbor shall satisfy the contract compliance administrative policy adopted by the City Administrator in accordance with the guidelines of this section. All city contractors shall ensure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity and tends to eliminate inequality based upon any classification protected by this chapter. All contractors shall agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of any applicable protected classification. All contractors shall be required to post a copy of Ann Arbor's Non-Discrimination Ordinance at all work locations where its employees provide services under a contract with the city.

Complaint Procedure: If any individual believes there has been a violation of this chapter, he/she may file a complaint with the City's Human Rights Commission. The complaint must be filed within 180 calendar days from the date of the individual's knowledge of the allegedly discriminatory action or 180 calendar days from the date when the individual should have known of the allegedly discriminatory action. A complaint that is not filed within this timeframe cannot be considered by the Human Rights Commission. To file a complaint, first complete the complaint form, which is available at www.a2gov.org/humanrights. Then submit it to the Human Rights Commission by e-mail (hrc@a2gov.org), by mail (Ann Arbor Human Rights Commission, PO Box 8647, Ann Arbor, MI 48107), or in person (City Clerk's Office). For further information, please call the commission at 734-794-6141 or e-mail the commission at hrc@a2gov.org.

Private Actions For Damages or Injunctive Relief: To the extent allowed by law, an individual who is the victim of discriminatory action in violation of this chapter may bring a civil action for appropriate injunctive relief or damages or both against the person(s) who acted in violation of this chapter.

**THIS IS AN OFFICIAL GOVERNMENT NOTICE AND
MUST BE DISPLAYED WHERE EMPLOYEES CAN READILY SEE IT.**

FEE PROPOSAL

The following fee proposal is submitted for both 121 E. Catherine and 353 S. Main.

Ann Arbor Housing Commission (AAHC) and PK Companies (PK) shall be co-general partners of two limited partnerships, each to be formed to separately develop and own 121 E. Catherine and 353 S. Main. AAHC and PK shall both own 50% of the general partnership interest. Tax credit investor(s) will be admitted as the limited partner of each partnership upon close of financing.

1. Both Partnerships will have the maximum amount of developer fee allowable by MSHDA. Any other related party fees shall be reasonable and customary for comparable properties in the market.
2. Developer fees (current and deferred) shall be split 60% PK/40% AAHC. Cash flow from operations and from capital events (sale, refinance) shall be split 50/50 by PK/AAHC after the payment of any deferred developer fees and amounts required to be paid to the investor limited partner.
3. The Partnerships shall enter into long-term land leases with AAHC for each site. The term shall be the lesser of 50 years or as long as is required by the investor limited partner(s) with a nominal lease payment (not more than \$1,000 annually). At the end of the term the property reverts to AAHC.
4. All guarantees shall be split equally between AAHC and PK, with the exception of the completion guaranty. Such guarantees of AAHC shall be limited to the extent required by law and/or as necessary to protect AAHC's tax exempt status.
5. PK and AAHC shall enter into an equitable buy-sell agreement which will allow either party to buy the partnership interest of the other party after the end of the 15-year tax credit compliance period for its appraised fair market value before such interest may be offered or sold to a third party.
6. Both AAHC and PK agree that SmithGroup is working on behalf of AAHC, and any amounts owed to SmithGroup shall be paid by AAHC and not as a partnership cost. PK may also engage a professional to provide similar services at its own expense.