



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640 ♦ 989.837.3300 * 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

REGULAR MEETING OF THE MIDLAND CITY COUNCIL
City Hall, 333 W. Ellsworth Street

February 24, 2020

7:00 PM

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL - Steve Arnosky
Diane Brown Wilhelm
Maureen Donker
Pamela Hall
Marty A. Wazbinski

CONFLICT OF INTEREST DISCLOSURE STATEMENT

CONSIDERATION OF ADOPTING CONSENT AGENDA ITEMS:

All resolutions marked with an asterisk are considered to be routine and will be enacted by one motion. There will be no separate consideration of these items unless a Council member or citizen so requests during the discussion stage of the "Motion to adopt the Consent Agenda as indicated." If there is even a single request the item will be removed from the consent agenda without further motion and considered in its listed sequence in regular fashion.

APPROVAL OF MINUTES:

- 1. * Approve minutes of the February 10 regular City Council meeting.
ARMSTRONG

PUBLIC HEARINGS:

- 2. Zoning Petition No 628 - Approval to amend the City of Midland Zoning map by rezoning property located at 3115 Isabella Street from RB Multi-Family Residential to RA-1 Single Family Residential (also see material sent in the January 27 agenda packet). MURSCHEL

PUBLIC COMMENTS, IF ANY, BEFORE CITY COUNCIL. This is an opportunity for people to address the City Council on issues that are relevant to Council business but are not on the agenda.

RESOLUTIONS:

- 3. Receive and file the financial report for the six-month period ending December 31, 2019. KEENAN
- 4. 2020 Sidewalk Improvement Program. FREDRICKSON
- 5. * Approving the request from First United Methodist Church to conduct the Currie Concert on Sunday, May 31, 2020. FREDRICKSON

Considering purchases and contracts:

- 6. * Replacement of the Main Pump House #3 Pump at the Wastewater Treatment Plant. FRAZEE
- 7. * Purchase of 22A crushed limestone. MURPHY
- 8. * Purchase of concrete and related supplies. MURPHY

Setting a public hearing:

- 9. * Set a Public Hearing to amend the FY 2019-20 Major Street Fund budget FREDRICKSON
 - a. Add expenditure for Cambridge Street reconstruction
 - b. Increase expenditures for construction costs related to the 2020 Eastman Avenue Reconstruction project
- 10. * Setting a public hearing for the Midland Daily News Building Redevelopment Project Brownfield Project. KEENAN
- 11. * Zoning Petition No 629 - Action to set a public hearing to amend the City of Midland Zoning Map by rezoning property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A. MURSCHEL

NEW BUSINESS:

TO CONTACT THE CITY WITH QUESTIONS OR FOR ADDITIONAL INFORMATION:

Citizen Comment Line: 837-3400
 City of Midland website address: www.cityofmidlandmi.gov
 City of Midland email address: cityhall@midland-mi.org
 Government Information Center: located near the reference desk at the Grace A. Dow Memorial Library

Item Attachment Documents:

1. * Approve minutes of the February 10 regular City Council meeting.
ARMSTRONG

A regular meeting of the City Council was held on Monday, February 10, 2020, at 7:00 p.m. in the Council Chambers of City Hall. Mayor Donker presided. The Pledge of Allegiance to the Flag was recited in unison.

Councilmen present: Steve Arnosky, Diane Brown Wilhelm, Maureen Donker, Pamela Hall, Marty Wazbinski

Councilmen absent: None

NOTE: MAYOR DONKER REMOVED AGENDA ITEMS #3 and #10 FROM THE AGENDA DUE TO A TECHNICAL ERROR IN THE RESOLUTION. THE MINUTES WERE TRANSCRIBED IN THE ORDER THE ITEMS WERE ORIGINALLY PLACED ON THE AGENDA, BUT WITHOUT THE ITEMS LISTED ON THE AGENDA WHICH WERE NOT ACTUALLY PRESENTED FOR CONSIDERATION.

MINUTES

Approval of the minutes of the January 27, 2020 regular meeting was offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski. (Motion ADOPTED.)

LEAGUE OF WOMEN VOTERS & WOMEN'S VOTING RIGHTS DAY

Communications Coordinator Katie Guyer presented information on the League of Women Voter's and introduced Kim Steinke, President of the League of Women Voters of the Midland Area, who accepted the proclamation. The following resolution was then offered by Councilman Hall and seconded by Councilman Wazbinski:

RESOLVED, that the Mayor is authorized to issue the attached Proclamation proclaiming February 14, 2020 as League of Women Voters & Women's Voting Rights Day and congratulating the League of Women Voters on its 100th anniversary and commend the League of Women Voters of the Midland area for its significant contributions to empowering voters and making democracy work. (Motion ADOPTED.)

WASHINGTON WOODS BUDGET AMENDMENT

Director of Planning and Community Development Grant Murschel presented information regarding the proposed amendments to the 2019-20 Washington Woods budget. A public hearing opened at 7:12 p.m., recognizing no public comments, the hearing closed at 7:12 p.m. The following resolution was then offered by Councilman Arnosky and seconded by Councilman Hall:

WHEREAS, Washington Woods was originally budgeted for a Community Development Block Grant (CDBG) allocation of \$42,803 on May 20, 2019 for the 2019-20 fiscal year; and

WHEREAS, the CDBG budget, as amended on December 16, 2019, now allocates an award amount of \$191,718 for energy efficiency upgrades, and

WHEREAS, it is necessary to amend the FY 2019-20 Washington Woods budget to include the accurate CDBG funding award; now therefore

RESOLVED, that the City Council hereby adopts the proposed amendment to the 2019-20 Washington Woods budget by decreasing revenues and expenditures by \$42,803 and increasing revenues and expenditures by \$191,718 to recognize the accurate allocations from the 2019-20 CDBG budget for energy efficiency upgrades. (Motion ADOPTED.)

PUBLIC COMMENTS

Karen Thurlow, Administrator of the Midland Conservation District introduced herself to City Council and invited Council to upcoming events related to the Conservation District's work.

2020 ANNUAL SIDEWALK REPORT

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, the City Engineering Department has submitted the 2020 Annual Sidewalk Report; now therefore

RESOLVED, that in accord with Section 22-16 of the Code of Ordinances, the 2020 Annual Sidewalk Report is hereby received and is ordered filed in the City Clerk’s Office. (Motion ADOPTED.)

CAPITAL IMPROVEMENT PLAN (CIP)

Director of Planning and Community Development Grant Murschel presented information on the 2020-2026 Capital Improvement Plan. Wastewater Services Director Patrick Frazee presented information including Flood Response projects. City Engineer Josh Fredrickson presented information on street system and utilities, including upcoming projects included in the proposed Plan. The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, Section 65 of the Michigan Planning Enabling Act requires that the City of Midland Planning Commission prepare a Capital Improvement Plan (CIP) to further the desirable development of the city; and

WHEREAS, a listing of capital projects covering roads, utilities and the municipal landfill operation was presented to the Planning Commission for review in January; and

WHEREAS, the Planning Commission has reviewed the list of capital projects presented and concluded that all necessary projects are included in the project list; and

WHEREAS, a public hearing was held on January 28, 2020 following which the Planning Commission unanimously recommended approval of the CIP; and

WHEREAS, City Council review and adoption of the CIP is now required; now therefore

WHEREAS, City Council has reviewed the proposed construction project list in the CIP and associated documents; now therefore

RESOLVED, that the City Council hereby adopts the City of Midland Capital Improvement Plan 2020-2026; and

RESOLVED FURTHER, that City Council hereby approves said proposed construction projects listed for 2020-2021 and directs the City Administration to include funding requests for the proposed projects in the 2020-2021 budget. (Motion ADOPTED YEAS: Brown Wilhelm, Donker, Hall, Wazbinski NAYS: Arnosky)

SITE PLAN NO. 396

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, the City Council has received the recommendation of the Planning Commission for approval of Site Plan No. 396, initiated by D & M Site, Inc. for site plan review and approval for an 8,820 square foot medical office facility located at 217 & 223 N. Saginaw Road and 2924 Manor Drive; and

WHEREAS, the City Council has reviewed the proposed Site Plan No. 396 in accord with the provisions set forth in Sections 27.02(A) and 27.06(A) of the Zoning Ordinance of the City of Midland; now therefore

RESOLVED, that the City Council does hereby approve Site Plan No. 396, contingent upon the following:

1. A final stormwater management plan and permit to the satisfaction of the City Engineering Department and shall include required EGLE water permit,
2. A final Soil Erosion and Sedimentation Control Permit to the satisfaction of the City Building Department.
3. A shared access easement agreement shall be obtained and recorded at the

UNAPPROVED

Midland County Register of Deeds to the satisfaction of the City Planning Department. (Motion ADOPTED.)

SITE PLAN NO. 397

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, the City Council has received the recommendation of the Planning Commission for approval of Site Plan No. 397, initiated by Larkin East, LLC for site plan review and approval of two site condominiums totaling 33 residential units located at 204 Commerce Drive. The northern cul-de-sac includes 21 single-family residential units whereas the southern cul-de-sac proposes 12 units within six (6) two-family units (duplexes); and

WHEREAS, the City Council has reviewed the proposed Site Plan No. 397 in accord with the provisions set forth in Sections 27.02(A) and 27.06(A) of the Zoning Ordinance of the City of Midland; now therefore

RESOLVED, that the City Council does hereby approve Site Plan No. 397, contingent upon the following:

- 4. A final stormwater management plan and permit to the satisfaction of the City Engineering Department and shall include required EGLE water permit,
- 5. A final soil erosion and sedimentation control permit to the satisfaction of the City Building Department and shall include EGLE Notice of Coverage as disturbed area is in excess of five (5) acres,
- 6. Final engineering drawings and public sanitary sewer and water utility easements to the satisfaction of the City Engineering Department.
- 7. Final approval of the condominium Master Deed and By-Laws to the satisfaction of the City Planning Department.
- 8. Final approval and execution of a development agreement to the satisfaction of the City Attorney’s Office, Engineering and Planning Departments.
- 9. Private Street Collection agreement to the satisfaction of the City Public Services Department. (Motion ADOPTED.)

DART – TRANSPORTATION COORDINATOR & APPLICATION FOR ASSISTANCE

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), the City of Midland provides a local transportation program for the state fiscal year 2021 and, therefore, it is necessary to apply for state financial assistance under the provisions of Act 51; and

WHEREAS, it is necessary for the City of Midland to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51; and

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and

WHEREAS, the performance indicators for Dial-A-Ride have been reviewed and approved by the City of Midland staff; and

WHEREAS, staff has submitted to the State of Michigan a proposed balanced budget of approximately \$2,368,251 for Dial-A-Ride operations in FY2021 with the intent to apply for an estimated \$896,318 in state operating assistance and capital preventive maintenance funds, an estimated \$870,000 in federal 49 USC 5307 operating assistance and capital preventive maintenance funds, an estimated \$120,000 from fare box fees, an estimated \$25,904 in federal 5303 planning funds, and an estimated \$456,030 in local general fund support to balance the budget for state FY2021; now therefore

RESOLVED, that the City Manager is hereby named as Transportation Coordinator for all public transportation matters, who is authorized to provide such information as deemed necessary by

UNAPPROVED

the State Transportation Commission or department for its administration of Act 51 for FY2021; and
RESOLVED FURTHER, that the City of Midland hereby makes its intentions known to provide public transportation services and to apply for state and federal financial assistance in accordance with Act 51 and the City Clerk is hereby directed to provide a certified copy of the resolution for submittal to the Michigan Department of Transportation as part of the annual budget application packet. (Motion ADOPTED.)

GEORGE STREET RECONSTRUCTION & WATER MAIN CONTRACT NO. 2

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, sealed proposals have been advertised and received in accord with Article II of Chapter 2 of the Midland Code of Ordinances for water main installation and the street reconstruction of George Street from Indian Street to State Street; and
WHEREAS, funding for this project is provided by the Major Street Fund and the Water Fund; now therefore
RESOLVED, that the low sealed proposal submitted by Sova Excavating & Trucking, Inc. of Midland, Michigan for the "2020 George Street Reconstruction & Water Main; Contract No. 02" project, in the amount of \$768,467.38, is hereby accepted and the Mayor and the City Clerk are authorized to execute a contract therefore in accord with the proposal and the City's specifications; and
RESOLVED FURTHER, that the City Manager has the authority to approve change orders modifying or altering this contract in an aggregate amount not to exceed \$70,000.00. (Motion ADOPTED.)

LANDFILL GENERAL ENGINEERING SERVICES – INCREASE PO AUTHORIZATION

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, City Council approved a purchase order for \$130,000.00 to CTI and Associates, Inc. of Novi, Michigan at their August 26, 2019 meeting for the provision of routine engineering and compliance support including responses to regulatory inquiries as well as assistance with cyclical permitting and reporting requirements; and
WHEREAS, the recent requirement to add new gas collection wells in response to gas leaks discovered during routine monitoring led to additional services needed from CTI that have depleted the current purchase order allocation to a level that will not support the remaining general engineering and compliance support needs for the remainder of the fiscal year; and
WHEREAS, staff recommends an additional \$65,000.00 be allocated to provide funds for the engineering services through the end of the fiscal year and there are adequate funds in the FY 2019/20 Landfill operational budget to provide said support; now therefore
RESOLVED, that the Accounting Manager is authorized to increase PO # 2020-00000037 to CTI and Associates, Inc. of Novi, Michigan by \$65,000.00 to cover engineering and compliance support at the Landfill through the end of FY 2019/20. (Motion ADOPTED.)

GIS SOFTWARE MAINTENANCE AND SUPPORT SERVICES RENEWAL

The following resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, the ESRI three-year Geographic Information System (GIS) software maintenance and support subscription is due for renewal; and
WHEREAS, software maintenance and support is directly provided by the manufacturer and is considered sole source; and
WHEREAS, sufficient funding exists in the Information Services Fund, and its 2019-20 budget includes sufficient appropriations to pay the 2019-20 expenditures; now therefore

UNAPPROVED

RESOLVED, that in accordance with Section 2-18 of the Code of Ordinances, the City Council hereby authorizes the Mayor and City Clerk to renew the three-year agreement with ESRI in the amount of \$105,000 to be paid in three annual installments of \$35,000 for maintenance and support services. (Motion ADOPTED.)

Being no further business the meeting adjourned at 8:05 p.m.

Erica Armstrong, City Clerk

Item Attachment Documents:

- 2. Zoning Petition No 628 - Approval to amend the City of Midland Zoning map by rezoning property located at 3115 Isabella Street from RB Multi-Family Residential to RA-1 Single Family Residential (also see material sent in the January 27 agenda packet). MURSCHEL

SUMMARY REPORT TO CITY MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Zoning Petition No. 628 (Rezoning Request)

INITIATED BY: Shannon Romanik

RESOLUTION

SUMMARY: This resolution will give conceptual approval of an amendment to the City of Midland Zoning Map for property located at 3115 Isabella Street to be rezoned from RB Multiple Family Residential to RA-1 Single Family Residential.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolution
- 3. Staff Report to the Planning Commission
- 4. Planning Commission minutes
- 5. Location maps
- 6. Communications

CITY COUNCIL ACTION:

- 1. Public hearing is required.
- 2. 3/5 vote required to approve resolution.

Grant Murschel
Director of Planning & Community Development

GRM/rmg



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland Michigan

Dear Mr. Kaye:

At its meeting on Tuesday, January 14, 2020, the Planning Commission considered Zoning Petition No. 628, the request of Shannon Romanik to rezone the property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential. The applicant requests that the rezoning of the property be enacted upon the sale of the property.

During the public hearing, the applicant offered the condition that the rezoning not take effect until the closing date on the property, which will complete the pending sale between Shelterhouse (current owner/seller) and Romanik (buyer). Shelterhouse is agreeable to this as the organization must maintain operations within this facility until they can move into their new facility at 2500 Waldo Avenue. The new facility is currently under construction with an estimated move-in date of April 1, 2020.

After deliberation on the petition, the Planning Commission took the following action:

Motion by Heying and second by Hanna to recommend to City Council the approval of Zoning Petition No. 628 initiated by Shannon Romanik to rezone property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential, with the condition that the rezoning not take effect until the closing date on the sale of the property from Shelterhouse to Romanik.

Vote on the motion:

- YEAS: Bain, Hanna, Heying, Koehlinger, Mayville, Rodgers and Sajbel
- NAYS: None
- ABSTAIN: Broderick
- ABSENT: Pnacek

The motion was approved 7 to 0.

One (1) written public comment in support, and three (3) public comments in support were made during the public hearing on this request.

Following the action by the Planning Commission, further discussion with the City Attorney has taken place regarding the City’s ability to work with the condition offered by the applicant. It has been determined that City Council is unable to take final action on the rezoning and have its effect be delayed until some unspecified date when the property purchase has been completed. As such, staff is proposing that final enactment of the zoning ordinance amendment not take place until after the closing.

The public hearing will still move forward on February 24. Following the public hearing, staff will be presenting a resolution of conceptual support to be adopted at that time; this resolution also includes

direction to staff that the official ordinance amendment be presented for consideration following completion of the property sale. Staff will work with both the buyer and seller regarding the closing date and bring forward the amending ordinance for final consideration of the rezoning at the first City Council meeting after the closing takes place. It is anticipated that this date would be sometime in the latter parts of March or early April.

A resolution to *conceptually* approve Zoning Petition No. 628 as proposed is included for City Council consideration.

Sincerely,



Grant Murschel
Director of Planning & Community Development

GRM/rmg



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BY COUNCILMAN

WHEREAS, a public hearing was held by the City Council on Monday, February 24, 2020 for property located at 3115 Isabella Street for the purpose of considering the advisability of amending the Zoning Map of Ordinance No. 1585, the Zoning Ordinance of the City of Midland, from RB Multiple Family Residential to RA-1 Single Family Residential; and

WHEREAS, the applicant has offered a condition that final effect of the proposed rezoning be delayed until the closing date of the sale of the subject property between the applicant (buyer) and the current property owner (seller); and

WHEREAS, conceptual approval can be given at this time with final approval and effect required after the property closing date; now therefore

RESOLVED, that the City Council gives conceptual approval to Zoning Petition No. 628 the request of Shannon Romanik to rezone property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential; and

RESOLVED FURTHER, that City staff is hereby directed to return to City Council after the property closing date with a resolution to give final effect to the zoning amendment.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk



**STAFF REPORT TO THE PLANNING COMMISSION
JANUARY 14, 2020**

Subject: Zoning Petition #628 (Rezoning Request)

Applicant: Shannon Romanik

Location: 3115 Isabella Street

Area: 5.095 acres

Existing zoning: RB Multiple Family Residential

Proposed zoning: RA-1 Single Family Residential

Adjacent Zoning: North: RA-1 Single Family Residential, RB Multiple Family Residential
 South: Chippewa River (township zoning)
 East: RA-1 Single Family Residential
 West: RA-1 Single Family Residential

Adjacent Development: North Place of worship, multi-family residential
 South Chippewa River
 East Single family residential
 West Single family residential

REPORT

Zoning Petition No. 628, initiated by Shannon Romanik, proposes to rezone the property known as 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential. The applicant requests that the rezoning of the property be enacted upon the sale of the property. There are no other conditions offered by the applicant; therefore, the full contents and permitted uses within the RA-1 Single Family Residential zoning district must be considered.

Aerial location maps, current zoning, and Future Land Use designation maps are enclosed.

BACKGROUND

The property is located in a predominantly residential area of the city with some retail use and a place of worship. The subject parcel as well as the land to the immediate east and west are planned for low density residential purposes. Property to the north is planned for high density residential use. The Chippewa River exists as the southern boundary to the subject parcel.

According to Article 21 of the City Zoning Ordinance, the purpose of the Residential Districts are to provide for single family and two family detached residential development. The RA-1 Single Family Residential district has minimum area, density, and building placement requirements to provide different housing types to accommodate the varied needs of the population. It is further the intent of these Districts to permit a limited range of uses that are related to and compatible with residential land use, and which would contribute to the richness and stability of neighborhoods. Uses that would interfere with the quality of single family residential life are prohibited in these Districts. This parcel is bounded by Isabella Street (M-20) at the north and the Chippewa River at the south.

ASSESSMENT

In accordance with Section 30.03(D) of the Zoning Ordinance, the Planning Commission and City Council shall at minimum, consider the following before taking action on any proposed zoning map amendment:

1. Is the proposed amendment consistent with the City’s Master Plan?

Yes. The Future Land Use map of the City’s Master Plan identifies this property as low density residential. RA-1 zoning is considered an appropriate application of low density residential planning.

2. Will the proposed amendment be in accordance with the intent and purpose of the Zoning Ordinance?

“Section 1.02 B Intent : It is the purpose of this Zoning Ordinance to promote the public health, safety, comfort, convenience, and general welfare of the inhabitants of Midland by encouraging the use of lands and natural resources in accordance with their character, adaptability and suitability for particular purposes; to enhance social and economic stability; to prevent excessive concentration of population; to reduce hazards due to flooding; to conserve and stabilize the value of property; to provide adequate open space for light and air; to prevent fire and facilitate the fighting of fires; to allow for a variety of residential housing types and commercial and industrial land uses; to minimize congestion on the public streets and highways; to facilitate adequate and economical provision of transportation, sewerage and drainage, water supply and distribution, and educational and recreational facilities; to establish standards for physical development in accordance with the objectives and policies contained in the Master Plan (Comprehensive Development Plan); and to provide for the administration and enforcement of such standards.”

Yes. In staff’s opinion, the proposed rezoning would promote the intent of the Zoning Code through reclassification of the parcel as stated (outlined below) because the proposed rezoning reflects the desires of the Master Plan for this property complies with regulations of the zoning ordinance.

3. Have conditions changed since the Zoning Ordinance was adopted that justifies the amendment?

Yes, the pending relocation of the existing non-profit that has used this property for many years is taking place within a few months’ time. The existing owners (the non-profit) are wanting to sell the property as they will no longer use it.

4. Will the amendment merely grant special privileges?

No, the area is planned for low density residential use. As such, the proposed zoning amendment is in line with the Master Plan and allows for consistent zoning of properties to the north of the Chippewa River. The applicant is offering that the rezoning not be official until the property sale closing takes place. This will allow for the existing use to be maintained compliantly, as it is today, without modifying the conforming status.

5. Will the amendment result in unlawful exclusionary zoning?

No, the amendment would result in standard residential zoning that is located frequently within the city limits.

6. Will the amendment set an inappropriate precedent?

No, the zoning petition is supported by the City’s updated Master Plan and its Future Land Use map.

7. Is the proposed zoning consistent with the zoning classification of surrounding land?

Yes, the properties to the north, east and west are zoned RA-1 Single Family Residential, with the exception being the RB Multiple Family zoned property to the northeast.

8. Is the proposed zoning consistent with the future land use designation of the surrounding land in the City Master Plan?

Yes, the Master Plan supports the subject parcel to be zoned and used as low density residential along with lands to the east and west.

9. Could all requirements in the proposed zoning classification be complied with on the subject parcel?

Yes, the subject parcel could meet all requirements of the RA-1 Single Family Residential district. It should be noted though that after a period of discontinued use of 180 days, the property could not be used as a shelter and non-profit offices as it is today.

10. Is the proposed zoning consistent with the trends in land development in the general vicinity of the property in question?

Yes, residential zoning of the subject parcel is consistent with the current development and use in this area of Isabella Street (M-20).

ADDITIONAL STAFF COMMENTS

One (1) written public comment has been received in support of the petition at the time this report was drafted. It should also be noted that the existing owner, the Council on Domestic Violence and Sexual Assault (Shelterhouse) has consented to the rezoning request.

As mentioned previously, the applicant and the existing owner desire for the zoning change to be effective at the time of closing on the property. A closing date has not yet been set but staff anticipates the applicant and seller to discuss this information at the January 14 meeting in further detail. Additional information will be presented by staff at that time.

STAFF RECOMMENDATION

Upon review of the requested zoning change, staff recommends approval of the rezoning petition for the following reasons:

- The request is consistent with the City’s Master Plan and its Future Land Use map.
- The request is appropriate given the zoning and use of adjacent parcels.

PLANNING COMMISSION ACTION

Staff currently anticipates that the Planning Commission will hold a public hearing on this request during its regular meeting on January 14, 2020 and will formulate a recommendation to City Council thereafter. If recommended to City Council the same evening, we anticipate that on January 27, 2020 the City Council will set a public hearing on this matter. Given statutory notification and publication requirements, the City Council will schedule a public hearing for February 24, 2020 at which time a decision will be made on the proposed zoning change. Please note that these dates are preliminary and may be adjusted due to Planning Commission action and City Council agenda scheduling.

Respectfully Submitted,



Grant Murschel
Director of Planning & Community Development

grm/NMW

**MINUTES OF THE REGULAR MEETING OF THE
MIDLAND CITY PLANNING COMMISSION,
TO TAKE PLACE ON TUESDAY, JANUARY 14, 2020 7:00 P.M.,
COUNCIL CHAMBERS, CITY HALL, MIDLAND, MICHIGAN**

1. The meeting was called to order by Chairman Mayville at 7:00 p.m.
2. The Pledge of Allegiance was recited in unison by the members of the Commission and the other individuals present.
3. Roll Call
PRESENT: Bain, Broderick, Hanna, Heying, Koehlinger, Mayville, Rodgers and Sajbel
ABSENT: Pnacek
OTHERS PRESENT: Grant Murschel, Director of Planning & Community Development, Nicole Wilson, Community Development Planner and sixteen (16) others.
4. **Approval of Minutes**
Heying made a motion to approve the minutes of the regular meeting of December 10, 2019, seconded by Rodgers. Motion was approved 8-0.
5. **Public Hearings**
 - a. Zoning Petition No. 628 - initiated by Shannon Romanik to rezone property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential.

Broderick indicated that she had a conflict of interest with the petition noting her involvement with the sale transaction. She excused herself from her chair and left the chamber. The other Commissioners noted her conflict and agreed with her decision to not participate in the discussion or deliberation.

Murschel gave the staff presentation for Zoning Petition No. 628.

Bain asked if the parcel was originally rezoned to accommodate Shelterhouse. Murschel said he could not definitely say this was the case but the property could have received other approvals to allow Shelter house to locate there.

Bain further asked about the historic potential for a Native American burial area in this location. Murschel responded that in the past, federal grants were used in this location requiring an archeological review of the property prior to construction activities. Throughout that process soil testing was completed and the archeologist rendered an opinion that the construction would not have an impact on the burial ground and construction was able to commence. Murschel stated that the proposed change of zoning would not have an impact on the historic preservation of the site.

Hanna commented that the use of the property was traditionally as a single family home, and then was converted to meet a need in the community.

Heying asked about the condition to delay the rezoning until the time of closing. Murschel commented that while unusual with regard to intentionally delaying the rezoning, conditions are offered regularly.

Mayville commented that without the closing, the property zoning would remain RB. Mayville further asked about the advantages to RA-1 zoning as opposed to RB. Murschel responded that single family homes are not permitted in an RB zoning district and the applicant is desiring to use this property for single-family home purposes.

Petitioner Comments:

Shannon Romanik, 4900 Sturgeon Avenue

Ms. Romanik commented that her goal is really to provide a home for her family and thanked the Planning Commission for the opportunity to present this request.

Public Comments in support:

Janine Ouderkirk, 3115 Isabella Street

Ms. Ouderkirk commented that the move could not happen prior to April 1 due to the impending move and completion of construction of the organization's new facility. The existing house was built by a doctor in 1925 and served most notably as a shelter throughout the years, first ran by Midland County as Harbor House.

Gene Anderson 3309 Isabella Street

Immediate neighbor 'upstream' and welcomes the new neighbors to the area.

Meg Harding, 3319 Rivercrest Court

Neighbor a couple of houses upstream and noted that she moved to her residence in 1962 and is excited to see it returned to a family home.

Janet Lang Cannon, 2921 Chippewa Lane

Parents built their home in 1957. She also owns 2915 Chippewa Lane and stated that she remembers the history of the property. Ms. Cannon commented that she is concerned about the high-density/multi-family low income housing to the north.

Public Comments in opposition:

No comments were made in opposition.

Mayville closed the public hearing.

Bain made a motion to waive the rules of procedure and consider the zoning petition this evening.

Seconded by Rodgers. Motion carries 7-0.

Hanna commented that this is a great opportunity to restore the home to its former use. Heying commented that the rezoning is a step in the process to return the building to a home and a challenge for someone to tackle but that it is good to see the use returned to single family.

Bain commented that the rezoning is consistent with the Master Plan and its Future Land Use Map.

Heying made a motion to recommend approval of Zoning Petition No. 628 initiated by Shannon Romanik to rezone property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential with the condition of the rezoning not taking effect until upon closing of the property. The motion was seconded by Hanna.

Yeas: Bain, Hanna, Heying, Koehlinger, Mayville, Rodgers and Sajbel

Nays: None

Abstain: Broderick
Absent: Pnacek

Motion carries 7-0.

6. **Old Business** – None.

7. **Public Comments** (unrelated to items on the agenda) – None.

8. **New Business** – None.

9. **Communications**

a. Site Plan Review Process

Murschel gave a presentation related to the Site Plan Review.

Hanna asked about administrative action as relates to staff discretion and if this was meant to allow staff to approve plans that are denied by the Planning Commission. Murschel replied that staff would not have “veto” authority under this proposal and that any appeal option would remain with either the City Zoning Board of Appeals or City Council.

Mayville asked about the parameters that would be applied to administrative review. Murschel responded that those items have not yet been identified and that staff would bring forward a more detailed proposal. Mayville commented that this is a good discussion and good direction and suggested that assembling the square footage of the site plans reviewed in the previous years to identify an appropriate cutoff point.

Bain commented that the criteria often have objective criteria (e.g. Health & Safety) and how broadly the umbrella of that criteria are applied. Murschel responded that the criteria themselves do not identify the specific regulation. Murschel spoke to the site plan check list that has been developed that provides methodical check list of those criteria required by the ordinance. This helps to communicate what standards are to be and are being met. Bain further commented the need to identify clear lines of division between what is under our regulation power and what falls to other jurisdictions.

Heying asked for clarification of the timeline expected. Murschel responded that staff would bring forward a more detailed proposal at the first meeting in February. Murschel also commented that staff will be prepared to handle any public concerns or questions relating to this.

Hanna commented that the general public should be educated as to the processes. Murschel commented that an MCTV session will be filmed around education of the public of the site plan review process.

b. Capital Improvement Plan 2020-2026 - Enclosed within packet only. Staff presentation and public hearing scheduled for January 28, 2019.

10. **Report of the Chairperson** – None.

11. **Report of the Planning Director**

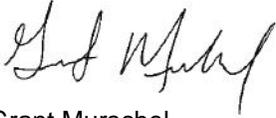
12. Items for Next Agenda – January 28 , 2020

- a. **Site Plan No. 395** - initiated by DGR Properties, LLC for site plan review and approval of a five (5) building, 32,100 square foot mini-storage facility located at 916 Waldo Avenue.
- b. **Site Plan No. 396** - initiated by D & M Site, Inc. for site plan review and approval for an 8,820 square foot medical office facility located at 217 N Saginaw Road.
- c. **Site Plan No. 397**- initiated by Jerome Schafer for site plan review and approval of two (2) site condominiums totaling 33 residential units located at 204 Commerce Drive.
- d. **Capital Improvement Plan 2020-2026** – Staff presentation and public hearing.

13. Adjournment

It was moved by Rodgers and seconded by Heying to adjourn at 8:06 p.m. Motion passed unanimously.

Respectfully submitted,

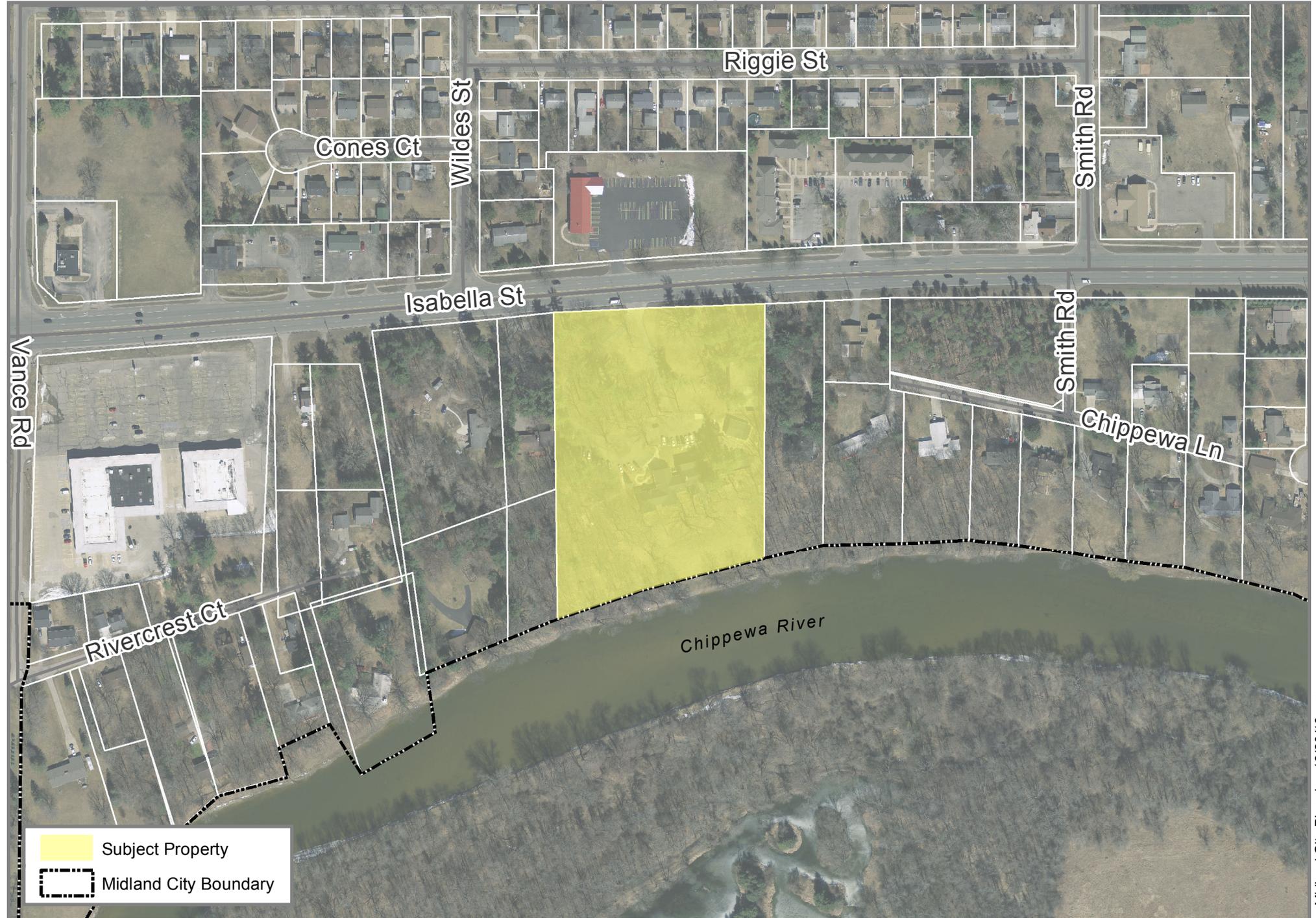


Grant Murschel
Director of Planning & Community Development

MINUTES ARE NOT FINAL UNTIL APPROVED BY THE PLANNING COMMISSION

ZP #628 | 3115 Isabella Street (M-20)

> R-21 Multiple-Family Residential to RA-1 Single Family Residential



-  Subject Property
-  Midland City Boundary

ZP #628 | 3115 Isabella Street (M-20)

> R-22 Multiple-Family Residential to RA-1 Single Family Residential

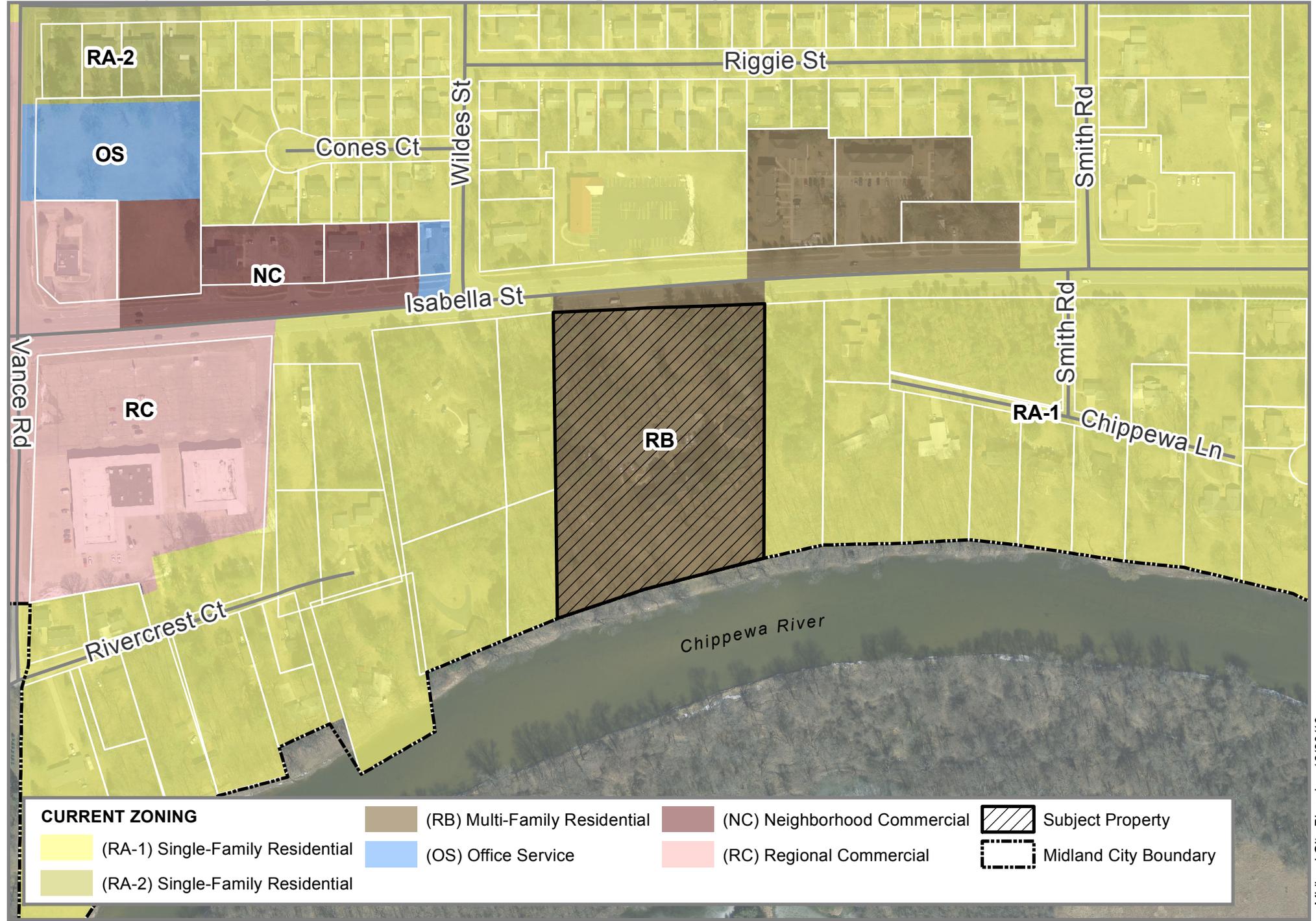


22

 Subject Property
 Midland City Boundary

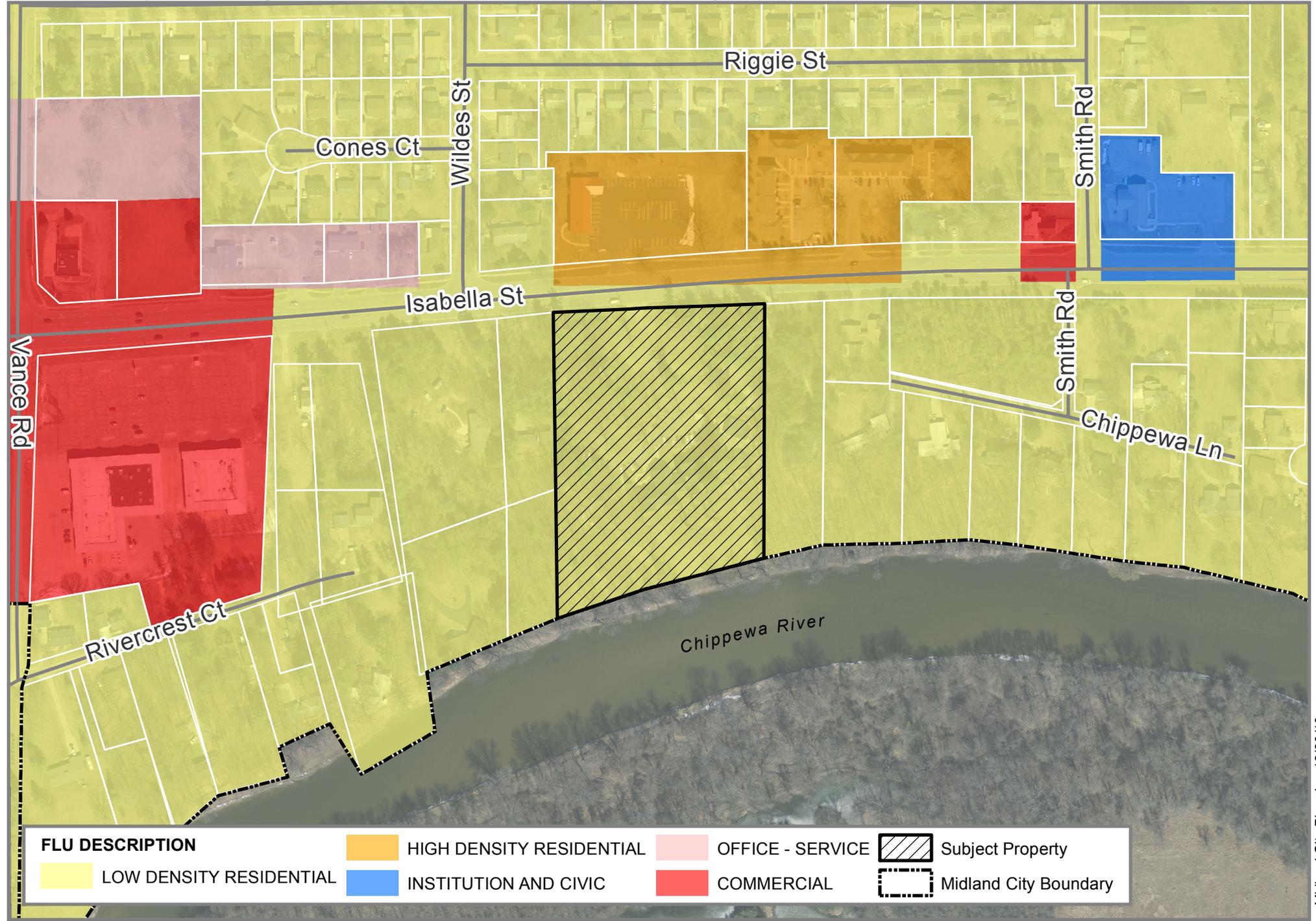
ZP #628 | 3115 Isabella Street (M-20)

> RA-2 Multiple-Family Residential to RA-1 Single Family Residential



ZP #628 | 3115 Isabella Street (M-20)

> R-24 Multiple-Family Residential to RA-1 Single Family Residential



FLU DESCRIPTION

LOW DENSITY RESIDENTIAL

HIGH DENSITY RESIDENTIAL

INSTITUTION AND CIVIC

OFFICE - SERVICE

COMMERCIAL

Subject Property

Midland City Boundary

PUBLIC HEARING NOTICE
City of Midland
Proposed Conditional Rezoning

Please take notice that the Midland City Planning Commission will conduct a public hearing on Zoning Petition No. 628, a rezoning request initiated by Shannon Romanik to rezone property located at 3115 Isabella Street from RB Multiple Family Residential to RA-1 Single Family Residential.

Said hearing will take place on Tuesday, January 14, 2020 at 7:00 p.m., in Council Chambers, City Hall, Midland, Michigan, as required by Article 30, Section 30.03(A) of Ordinance No. 1585.

If you have any questions, contact the City Planning Department at (989) 837-3374.

MIDLAND CITY PLANNING COMMISSION

Grant Murschel
Director of Planning & Community Development

RECEIVED
JAN 06 2020
PLANNING DEPT

ZP #628 | 3115 Isabella Street (M-20)

> Rb Multiple-Family Residential to RA-1 Single Family Residential



*No objection to
This Request
Tom McLean*

Item Attachment Documents:

3. Receive and file the financial report for the six-month period ending December 31, 2019. KEENAN

SUMMARY REPORT TO MANAGER
For City Council Meeting of February 24, 2020

SUBJECT: Receive and file the financial report to City Council for the six-month period ending December 31, 2019.

INITIATED BY: David A. Keenan, Assistant City Manager

RESOLUTION

SUMMARY: This resolution receives the financial report of the City of Midland, for the six-month period ending December 31, 2019, and places it on file for public examination.

ITEMS ATTACHED:

1. Letter of transmittal
2. Financial report
3. Investment reports for 9/30/19 & 12/31/19
4. Budget Transfers for July – December 2019
5. June 30, 2019 encumbrances
6. Resolution

CITY COUNCIL ACTION:

1. 3/5 affirmative vote required to approve resolution



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640 ♦ 989.837.3300 * 989.837.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan 48640

Dear Mr. Kaye:

The contents of this financial report for the six-month period ending December 31, 2019 include the following items:

- A financial summary of the City's funds providing six-month totals, comparisons to budget and prior year, and a general overview of each fund presented.
- A summary of the investment holdings at September 30, 2019 and December 31, 2019, together with a summary of the investment results.
- A listing of budget transfers, by month, processed during the first six months of 2019/20.
- A listing of the 2018/19 encumbrances that were rolled into the 2019/20 fiscal year.

The accompanying resolution for Council's consideration would receive and file this information for public examination.

Very truly yours,

David A. Keenan, CPA
Assistant City Manager

City of Midland
Quarterly Financial Report
Quarter Ending December 31, 2019

INTRODUCTION

The following pages provide a summary of the quarterly financial results for the six months ended December 31, 2019. Comparative totals are provided for last fiscal year's six months ending December 31, 2018 (PY). They are intended to provide the reader with a higher level understanding of how each of the City's funds performed against budgetary expectations. The budget amounts reflect 50% of the amended budgets as of the quarter end, and also include amounts encumbered forward from the previous year. Certain funds will reflect budgeted expenditures in excess of revenue. This will result if a fund's 2019/20 budget was balanced by using fund balance (carryover), or if there were significant encumbrances from 2018/19 that were rolled forward into the 2019/20 year.

GOVERNMENTAL FUNDS

The City has many individual governmental funds which account for much of the City's basic services such as public safety, public services, and street maintenance. The major types of governmental funds include general, special revenue, and debt service. Governmental funds use the modified accrual basis of accounting which focuses on which sources of revenue are available to fund the costs of service delivery that will occur over the next 12 months. "Available" is typically defined as being on hand during the year, or within 60 days of fiscal year-end.

General Fund

The General Fund is the City's largest fund. About 90% of annual General Fund revenue is received during the first half of the year, with about 75% coming in the first quarter. This is due to property taxes, which are due in September, and personal property tax reimbursement, which provides about \$4.5 million in revenue and is received in November each year. Expenditures are typically smooth throughout the year but can fluctuate due to the timing of capital projects. The 2019/20 budget is higher than PY due to more planned construction, larger support for Storm Water Management, and increased funding to cover pension costs.

| General | | 50% | | | 50% | | |
|--------------|-----|------------|-------------|-----------------------|------------|-------------|-----------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Revenue | 101 | 39,034,546 | 21,387,934 | 17,646,612 | 37,330,228 | 20,688,675 | 16,641,553 |
| Expenditures | 101 | 22,438,989 | 26,099,294 | 3,660,305 | 21,901,851 | 23,695,813 | 1,793,962 |
| Gain (Loss) | | 16,595,557 | (4,711,360) | 21,306,917 | 15,428,377 | (3,007,138) | 18,435,515 |

Special Revenue Funds

Major Street Fund

The Major Street Fund accounts for the maintenance and construction of streets designated by the Michigan Department of Transportation as major streets. The county-wide road millage of 2 mills is on the County’s winter tax bill which is due in February. The City typically receives these funds, budgeted at \$4.1 million for 2019/20, during the 3rd and 4th quarters of the fiscal year. The budget for capital projects include \$3.7 million as adopted plus another \$5.5 million encumbered from 2018/19, and \$1 million for the Main Street Plaza. This represents 68% of the entire Major Street Fund budget so depending upon when these costs are incurred can greatly impact the budget to actual comparison. We expect to receive about 7% more in gas and weight taxes compared to PY, which appear to be on track thus far. The decrease in revenue is mainly due to the timing of grant receipts, while the decrease in expenditures relates to fewer projects being included in the 2019/20 fiscal year.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|--------------|-----|-----------|-------------|--------------------|-------------|-----------------|--------------------|
| Major Street | | | | | | | |
| Revenue | 202 | 3,974,528 | 5,198,629 | (1,224,101) | 4,560,091 | 5,071,105 | (511,014) |
| Expenditures | 202 | 4,905,084 | 7,457,366 | 2,552,282 | 6,114,034 | 7,918,204 | 1,804,170 |
| Gain (Loss) | | (930,556) | (2,258,737) | 1,328,181 | (1,553,943) | (2,847,099) | 1,293,156 |

Local Street Fund

The Local Street Fund accounts for the maintenance and construction of streets designated by the Michigan Department of Transportation as local streets. Revenues are lower in 2019/20, which is related to a smaller construction budget for 2019/20, requiring less county road millage funding. The prior year also included a state grant which was not repeated in 2019/20. Capital projects make up \$3.1 million of the \$5 million budget so their timing will greatly impacts the budget to actual comparisons.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|--------------|-----|-----------|------------|--------------------|-----------|-----------------|--------------------|
| Local Street | | | | | | | |
| Revenue | 203 | 1,921,370 | 1,914,200 | 7,170 | 2,405,518 | 2,205,325 | 200,193 |
| Expenditures | 203 | 2,074,645 | 2,510,964 | 436,319 | 2,164,583 | 2,757,444 | 592,861 |
| Gain (Loss) | | (153,275) | (596,764) | 443,489 | 240,935 | (552,119) | 793,054 |

SmartZone Fund

This fund accounts for activity relating to the City’s two SmartZones, established under the Local Development Financing Authority Board. The main revenue stream comes from two tax increment financing authority districts. The first includes a 14-acre development park which captures all City millage except debt, and 3 mills of the 6 mill SET (State millage). The second is a much larger district and captures only the 3 mills of SET. There has been negative or minimal tax capture in most years since the SmartZones’ inception so activities have been very limited. Any initial or ongoing administrative costs are funded through foundation grants that were provided at the SmartZones’ startup. The Midland Business Alliance serves as the administrative agent for this fund.

| SmartZone | | 50% | | | 50% | | |
|--------------|-----|-----|----------|--------------------|---------|-------------|--------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Revenue | 246 | - | 22,500 | (22,500) | - | 12,500 | (12,500) |
| Expenditures | 246 | - | 42,500 | 42,500 | - | 40,000 | 40,000 |
| Gain (Loss) | | - | (20,000) | 20,000 | - | (27,500) | 27,500 |

Center City Authority Fund

This fund accounts for the economic development in the Center City District. It receives tax increment financing on real property parcels located within the corridor improvement authority district, which overlaps with the Center City District. Unfortunately, taxable values within the district are yet to increase. Activities thus far have mostly been funded by foundation contributions and a \$1 million gift from the Dow Chemical Corporation, housed at the Midland Area Community Foundation. \$100,000 of these funds are included in both revenue and expenditures for the current year to fund the façade improvement program.

| Center City Authority | | 50% | | | 50% | | |
|-----------------------|-----|---------|---------|--------------------|---------|-------------|--------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Revenue | 247 | 100,519 | 350 | 100,169 | 348 | 2,003 | (1,655) |
| Expenditures | 247 | 101,364 | 9,716 | (91,648) | 1,501 | 12,850 | 11,349 |
| Gain (Loss) | | (845) | (9,366) | 8,521 | (1,153) | (10,847) | 9,694 |

Storm Water Management Fund

This fund accounts for storm sewer maintenance, open drain cleaning, and county drain assessments related to storm water management within the City. Its main funding source is a millage that is part of the City’s annual operating millage. Both the Major and Local Street Funds perform roadside drainage activities that are considered part of the City’s storm water management program.

It is initially expensed in each street fund so that it can be accounted for with Act 51 dollars, and then the activity is transferred to the Storm Water Management Fund, together with funding to cover the expenses. Revenue increased for 2019/20 due to addition funding from the General Fund. The 2019/20 budget includes \$1,098,000 in capital, \$258,000 of which was encumbered from 2018/19. Only \$41,000 of the capital budget was spent by mid-year.

| Storm Water Management | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------------|-----|-----------|-------------------|---------------------------|----------------|------------------------|---------------------------|
| | | Revenue | 250 | 441,488 | 484,982 | (43,494) | 439,289 |
| Expenditures | 250 | 378,661 | 807,702 | 429,041 | 494,132 | 713,173 | 219,041 |
| Gain (Loss) | | 62,827 | (322,720) | 385,547 | (54,843) | (230,716) | 175,873 |

Grace A Dow Memorial Library Fund

This fund accounts for the property tax levy, library services revenue, and a General Fund contribution which is used to provide library services to the Midland community. The Library received \$2 million in property tax revenue in the first quarter, and another \$320,000 in personal property tax reimbursement from the State in November. The 2019/20 budget includes \$641,000 in capital improvements, including \$320,000 to replace the building roof, paid for with accumulated City funds. The remaining capital items are mostly funded by a grant from the Herbert H. & Grace A. Dow Foundation, and the Friends of the Library. The General Fund plans to contribute \$1.4 million of support to the library in 2019/20, which is slightly less than the prior year adopted budget of \$1.455 million. Typically, the amount required from the General Fund is significantly reduced by year end. For example, prior year’s actual contribution was \$1.1 million.

| Grace A Dow Memorial Library | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------------------|-----|-----------|-------------------|---------------------------|----------------|------------------------|---------------------------|
| | | Revenue | 271 | 3,393,029 | 2,290,006 | 1,103,023 | 3,384,035 |
| Expenditures | 271 | 2,042,261 | 2,537,121 | 494,860 | 1,968,508 | 2,348,122 | 379,614 |
| Gain (Loss) | | 1,350,768 | (247,115) | 1,597,883 | 1,415,527 | (138,561) | 1,554,088 |

Community Development Block Grant Fund (CDBG)

This fund accounts for revenues from the Department of Housing and Urban Development to be used for residential and other capital improvements. It is a federally funded program and is subject to the City’s annual Single Audit. As funds are expended, they are earned in the form of reimbursement for the same amount. As such, expenditures should be similar to revenues each quarter.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|--------------|-----|--------|------------|--------------------|---------|-----------------|--------------------|
| CDBG | | | | | | | |
| Revenue | 274 | 29,538 | 255,188 | (225,650) | 38,061 | 263,521 | (225,460) |
| Expenditures | 274 | 29,538 | 251,870 | 222,332 | 37,489 | 263,521 | 226,032 |
| Gain (Loss) | | 0 | 3,318 | (3,318) | 572 | 0 | 572 |

Homeland Security Fund

During the second half of 2018/19 the City was appointed as Fiduciary for the Region 3 Homeland Security Grant Program. We provide administrative services for the program that include 14 counties. Fiscal year 2019/20 is a year of transition as prior year grants are being expended. Requests under our purview are just beginning to be received. In the future, revenue and expenditure totals should be more robust and similar in amount. This is a federal program that will require a compliance audit (Single Audit) annually. The City is reimbursed for most of its administrative expenses.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|--------------------------|-----|----------|------------|--------------------|---------|-----------------|--------------------|
| Homeland Security | | | | | | | |
| Revenue | 275 | - | 410,581 | (410,581) | - | - | - |
| Expenditures | 275 | 21,400 | 410,581 | 389,181 | - | - | - |
| Gain (Loss) | | (21,400) | - | (21,400) | - | - | - |

Special Activities Fund

This fund accounts for various activities that are funded by outside parties, are not included in any other fund, and the City is the benefactor of those activities. Familiar programs for the year include the Downtown Art and Tapped.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|---------------------------|-----|-------|------------|--------------------|---------|-----------------|--------------------|
| Special Activities | | | | | | | |
| Revenue | 281 | 9,852 | 42,375 | (32,523) | 5,964 | 40,100 | (34,136) |
| Expenditures | 281 | 7,917 | 46,500 | 38,583 | 5,121 | 41,000 | 35,879 |
| Gain (Loss) | | 1,935 | (4,125) | 6,060 | 843 | (900) | 1,743 |

Midland Housing Fund

This fund accounts for a housing rehabilitation program, which was established many years ago by foundation contributions. Recent activity typically consists of the school trades program with area high schools and normally includes the construction and sale of one home per year. During the year, construction costs are expensed and at year-end are capitalized as inventory pending the sale of the home. Most revenue comes from the sale of homes, with a small amount coming from interest earnings.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|------------------------|-----|----------|------------|--------------------|---------|-----------------|--------------------|
| Midland Housing | | | | | | | |
| Revenue | 282 | 13,430 | 400 | 13,030 | 110,449 | 11,202 | 99,247 |
| Expenditures | 282 | 86,602 | 4,800 | (81,802) | 87,692 | 13,902 | (73,790) |
| Gain (Loss) | | (73,172) | (4,400) | (68,772) | 22,757 | (2,700) | 25,457 |

Dial-A-Ride Transportation Fund

This fund accounts for the City’s public transit system, Dial-A-Ride. Federal and state grants are expected to fund 74% of this program for 2019/20. Dial-A-Ride is subject to the City’s annual compliance audit (the Single Audit). The General Fund provides a contribution for local match in an amount to balance the operations for the year (\$629K). User fees account for about 5% of total revenue.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-----------------------------------|-----|-----------|------------|--------------------|-----------|-----------------|--------------------|
| Dial A Ride Transportation | | | | | | | |
| Revenue | 288 | 1,195,589 | 1,203,316 | (7,727) | 1,068,131 | 1,224,033 | (155,902) |
| Expenditures | 288 | 1,070,983 | 1,203,316 | 132,333 | 1,006,560 | 1,224,033 | 217,473 |
| Gain (Loss) | | 124,606 | 0 | 124,606 | 61,571 | 0 | 61,571 |

Midland Community Television Fund (MCTV)

This fund accounts for franchise fees generated by an agreement with Charter Communications and AT&T. These fees provide 95% of the financial support for the public access channels operated by the City. Franchise fees have been declining since 2015 as many users opt for internet-based television. Revenue still exceeds expenditures in most years by a large amount, and the fund balance is at \$1.6 million as of 6/30/19. We will need to monitor the rate of revenue decline carefully in the upcoming years to determine if any programming or funding strategy changes are necessary.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------------------|-----|---------|------------|--------------------|---------|-----------------|--------------------|
| Midland Community Television | | | | | | | |
| Revenue | 296 | 347,469 | 364,450 | (16,981) | 361,156 | 378,825 | (17,669) |
| Expenditures | 296 | 283,763 | 392,866 | 109,103 | 264,115 | 339,620 | 75,505 |
| Gain (Loss) | | 63,706 | (28,416) | 92,122 | 97,041 | 39,205 | 57,836 |

Downtown Development Authority Fund (DDA)

This fund accounts for property taxes levied by the DDA and captured tax revenue under tax increment financing plans. These funds are used for improvements and maintenance to the downtown area, as well as program and events which bring people into the downtown district. TIF revenues are typically budgeted conservatively due to the potential for tax appeal settlements, and are received during the second quarter of each fiscal year...except in 2019/20 when they will be posted in February, which is why revenue is so much lower in the current year. TIF revenue for the DDA will be increasing between \$300,000 and \$400,000 annually as the Stadium District Brownfield Project is now complete.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|--------------|-----|-----------|------------|--------------------|---------|-----------------|--------------------|
| DDA | | | | | | | |
| Revenue | 297 | 110,304 | 361,068 | (250,764) | 530,795 | 277,655 | 253,140 |
| Expenditures | 297 | 336,394 | 347,977 | 11,583 | 324,379 | 319,443 | (4,936) |
| Gain (Loss) | | (226,090) | 13,091 | (239,181) | 206,416 | (41,788) | 248,204 |

Debt Service Fund

The Debt Service Fund is required because the City has sold limited tax and unlimited tax general obligation bonds that are backed by the full faith and credit of the City of Midland. Activity mainly includes a special voter-approved millage for the service of bonded indebtedness, General Fund contributions, as well as annual principal and interest payments. Three bonds issues are still serviced by the debt service fund and will be paid off in 2020/21, 2021/22, and 2022/23.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|---------------------|-----|-----------|------------|--------------------|-----------|-----------------|--------------------|
| Debt Service | | | | | | | |
| Revenue | 301 | 1,531,940 | 1,197,661 | 334,279 | 1,522,468 | 1,194,516 | 327,952 |
| Expenditures | 301 | 458,863 | 1,193,613 | 734,750 | 467,971 | 1,192,721 | 724,750 |
| Gain (Loss) | | 1,073,077 | 4,048 | 1,069,029 | 1,054,497 | 1,795 | 1,052,702 |

PROPRIETARY FUNDS

Proprietary funds are used to report services where the City charges a fee to the customer to recover most or all of the cost of the service rendered. Proprietary funds provide both long- and short-term financial information. The two types of proprietary funds are enterprise and internal service funds. While budgets are not required for proprietary funds, the City utilizes them and budget to actual comparisons are provided herewith.

Enterprise Funds

An enterprise fund derives most of its revenue through charging users a fee for services rendered. This could come in the form of water charges, apartment rent, ice rental, or greens fees, just to name a few. The City has many enterprise funds, which are presented below.

Civic Arena Fund

This fund accounts for the operations and maintenance, capital improvements, and debt retirement of the City’s Civic Arena facility. The General Fund provides an annual contribution of \$350,000, or about 24% of the financial support for the Civic Arena. The Midland Amateur Hockey League is the largest consumer of ice, followed by the Adult Hockey League. The turf arena consistently provides between \$60,000 and \$70,000 of revenue since its conversion from ice back in 2014. The building is 15 years old and several mechanical repairs are planned for the current and upcoming year. The intent is to fund them out of the reserves we have been able to set aside. A bond issue was required to fund the construction of the building and requires annual debt payments of about \$340,000 through 2030.

| | | 50% | | | 50% | | |
|--------------------|-----|---------|-----------|-----------------------|---------|-------------|-----------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Civic Arena | | | | | | | |
| Revenue | 508 | 741,022 | 719,250 | 21,772 | 673,464 | 722,720 | (49,256) |
| Expenditures | 508 | 475,509 | 861,967 | 386,458 | 455,121 | 721,043 | 265,922 |
| Gain (Loss) | | 265,513 | (142,717) | 408,230 | 218,343 | 1,677 | 216,666 |

Sanitary Landfill Fund

The Sanitary Landfill Fund accounts for the operation and maintenance of the City’s trash and garbage disposal system. It also covers composting operations, as well as demolition collection. In the fiscal year 2018/19 the City combined the Renewable Energy Fund operations with the Sanitary Landfill Fund. This Fund now also accounts for gas collection, transport, and conversion into electricity. Capital spending makes up about 30% of the 2019/20 expenditures budget and is only about 30% expended by mid-year.

Approximately \$2.4 million of the accumulated \$9 million working capital will fund the large capital outlay included in the amended budget for 2019/20.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-----------------|-----|-----------|-------------|--------------------|-----------|-----------------|--------------------|
| Landfill | | | | | | | |
| Revenue | 517 | 2,080,804 | 2,081,840 | (1,036) | 2,002,516 | 1,976,595 | 25,921 |
| Expenditures | 517 | 2,623,805 | 3,314,423 | 690,618 | 2,209,513 | 4,105,878 | 1,896,365 |
| Gain (Loss) | | (543,001) | (1,232,583) | 689,582 | (206,997) | (2,129,283) | 1,922,286 |

Washington Woods Fund

This fund accounts for the operation and maintenance of one of the City’s two senior housing facilities, with the other being Riverside Place. The recent major renovation is complete and the units are back open to be rented, and the facility is near or at capacity. Rental revenue and total revenue are trending ahead of last year and current year budget. Total operating expenditures are tracking in line with last year and budget; however, the current year budget has \$519,000 in capital expenditures that still remain mostly unspent. This will consume a large portion of the beginning \$940,000 working capital balance, but the fund should still finish 2019/20 ahead of budget.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------|-----|---------|------------|--------------------|---------|-----------------|--------------------|
| Washington Woods | | | | | | | |
| Revenue | 536 | 913,317 | 906,764 | 6,553 | 821,760 | 827,400 | (5,640) |
| Expenditures | 536 | 778,373 | 1,133,953 | 355,580 | 791,603 | 930,386 | 138,783 |
| Gain (Loss) | | 134,944 | (227,189) | 362,133 | 30,157 | (102,986) | 133,143 |

Riverside Place Fund

This fund accounts for the operation and maintenance of one of the City’s two senior housing facilities, with the other being Washington Woods. Revenue is trending slightly ahead of both budget and prior year. Expenditures are slightly ahead of last year, but are trending to come in at or under budget for the current year.

| Riverside Place | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|------------------------|-----|-----------|-------------------|---------------------------|----------------|------------------------|---------------------------|
| Revenue | 537 | 1,124,488 | 1,095,834 | 28,654 | 1,075,242 | 1,087,600 | (12,358) |
| Expenditures | 537 | 991,863 | 1,177,175 | 185,312 | 988,123 | 1,163,549 | 175,426 |
| Gain (Loss) | | 132,625 | (81,341) | 213,966 | 87,119 | (75,949) | 163,068 |

Currie Municipal Golf Course Fund

This fund accounts for the operations, maintenance, and capital improvements for the City’s golf complex which includes 27 holes of regulation golf, 9 holes of par-3 golf, 9 holes of foot golf, a driving range, and two club houses. The Course is managed by Billy Casper Golf. The General Fund provides an annual contribution of \$250,000 or 21% of actual revenue for 2018/19 and 18.6% of budgeted revenue for 2019/20. Total revenues for 2019/20 are ahead of prior year, and trending to hit or be very near budget. Expenditures, while slightly higher than last year, are trending better than last year as a percentage of budget consumed. If there are only one or two floods this spring on the mild side, this could be a comparatively good year for Currie Golf Course.

| Currie Municipal Golf Course | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------------------|-----|-----------|-------------------|---------------------------|----------------|------------------------|---------------------------|
| Revenue | 584 | 777,435 | 672,508 | 104,927 | 666,756 | 627,054 | 39,702 |
| Expenditures | 584 | 610,384 | 665,596 | 55,212 | 591,977 | 583,932 | (8,045) |
| Gain (Loss) | | 167,051 | 6,912 | 160,139 | 74,779 | 43,122 | 31,657 |

Downtown Parking Fund

The Parking Fund accounts for the operations of the City’s metered and leased parking spaces, enforcement of time-limited free parking, and the downtown parking structure. All parking activities are located within the downtown area. The current year adopted budget includes a \$45,000 DDA contribution and a \$15,000 General Fund contribution, while spending down working capital by \$22,000. After the downtown parking study has been fully reviewed and a plan for implementation has been decided, this Fund will likely need an infusion of funding for capital outlay, potentially additional staff, and ongoing operating costs. The existing model is not effective if the City plans to continue to provide parking enforcement in its downtown.

| | | 50% | | | 50% | | |
|-------------------------|-----|----------|----------|-----------------------|----------|-------------|-----------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Downtown Parking | | | | | | | |
| Revenue | 585 | 92,124 | 87,803 | 4,321 | 98,011 | 87,153 | 10,858 |
| Expenditures | 585 | 126,606 | 98,599 | (28,007) | 132,041 | 102,846 | (29,195) |
| Gain (Loss) | | (34,482) | (10,796) | (23,686) | (34,030) | (15,693) | (18,337) |

Wastewater Fund

The Wastewater Fund accounts for the operation and maintenance of the City's sewage disposal system, capital additions and retirement of bonds. The current year budget includes debt service payments of \$1.38 million, of which only \$29,000 have been paid thus far. There are two debt instruments, one will be paid off in 2020/21 and the second in 2021/22. \$3.8 million is budgeted in capital expense, of which \$1 million was spent by mid-year. Historically revenue trails budget during the year. At each year-end a large adjustment will be made to record approximately \$450,000 of unbilled receivables which helps bring the revenue back into line with budget. Expenditures are ahead of last year, largely due to more capital spending to date in the current year. Approximately \$1.8 million in capital expenditures were encumbered from 2018/19 into 2019/20.

| | | 50% | | | 50% | | |
|-------------------|-----|-----------|-------------|-----------------------|-----------|-------------|-----------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Wastewater | | | | | | | |
| Revenue | 590 | 3,423,404 | 3,882,129 | (458,725) | 3,406,174 | 3,790,816 | (384,642) |
| Expenditures | 590 | 3,300,287 | 5,183,786 | 1,883,499 | 3,015,845 | 4,648,735 | 1,632,890 |
| Gain (Loss) | | 123,117 | (1,301,657) | 1,424,774 | 390,329 | (857,919) | 1,248,248 |

Water Fund

The Water Fund accounts for the operation and maintenance of the City's water supply system, capital additions, and retirement of debt. It is the City's second largest fund, next to the General Fund. Revenues are ahead of prior year, helped by a 4.5% rate increase effective 7/1/19. Expenditures are \$1 million less than prior year due to significantly less capital spending to date. Approximately \$4.5 million of mostly capital expenditures were encumbered from 2018/19 into 2019/20. Similar to the discussion about trailing revenue in the Wastewater Fund, at year-end an adjustment of approximately \$600,000 will be made to recognize unbilled receivables, and bring revenue more into line with budget.

| | | | 50% | Pos (Neg) | | 50% | Pos (Neg) |
|--------------|-----|-----------|-------------|-----------|-----------|-------------|-----------|
| | | Q2 | Budget | Variance | Q2 - PY | Budget - PY | Variance |
| Water | | | | | | | |
| Revenue | 591 | 5,606,968 | 6,243,840 | (636,872) | 5,465,951 | 6,174,674 | (708,723) |
| Expenditures | 591 | 5,221,875 | 8,006,513 | 2,784,638 | 6,240,037 | 8,558,135 | 2,318,098 |
| Gain (Loss) | | 385,093 | (1,762,673) | 2,147,766 | (774,086) | (2,383,461) | 1,609,375 |

Internal Service Funds

Similar to enterprise funds, internal service funds charge a fee to its customers for the service provided. The intent is that the fees charged will be sufficient to cover the ongoing operations of the fund. The difference is that the customers of internal service funds are other operations within the City.

Stores Revolving fund

This fund accounts for the revenue and expenses associated with inventory items consumed by various departments and not specific to any one department. A significant inventory component is gasoline. Due to the favorable pricing throughout the year, both the sale of fuel and the cost of fuel sales trail budget and prior year.

| | | | 50% | Pos (Neg) | | 50% | Pos (Neg) |
|-------------------------|-----|---------|---------|-----------|---------|-------------|-----------|
| | | Q2 | Budget | Variance | Q2 - PY | Budget - PY | Variance |
| Stores Revolving | | | | | | | |
| Revenue | 631 | 381,806 | 415,110 | (33,304) | 419,119 | 368,700 | 50,419 |
| Expenditures | 631 | 350,223 | 378,515 | 28,292 | 390,149 | 336,274 | (53,875) |
| Gain (Loss) | | 31,583 | 36,595 | (5,012) | 28,970 | 32,426 | (3,456) |

Information Services Operations Fund

This fund accounts for the operations of the City’s information Services Department. This includes not only the City’s wide-area-network, but also the Geographic Information System, and all of the computer hardware. Revenue is higher than prior year due to the sale of surplus computer equipment, and a modest rate increase to the City departmental users. Expenditures are higher than prior year due to separation payout for an employee who left the City, and increases in software maintenance costs.

| Information Services | | Q2 | 50% | Pos (Neg) | Q2 - PY | 50% | Pos (Neg) |
|----------------------|-----|----------|-----------|-----------|----------|-------------|-----------|
| | | | Budget | Variance | | Budget - PY | Variance |
| Revenue | 636 | 523,541 | 520,122 | 3,419 | 505,847 | 496,400 | 9,447 |
| Expenditures | 636 | 607,602 | 628,944 | 21,342 | 552,405 | 686,916 | 134,511 |
| Gain (Loss) | | (84,061) | (108,822) | 24,761 | (46,558) | (190,516) | 143,958 |

Equipment Revolving Fund

This fund accounts for the purchase, maintenance, and rental of city-owned equipment that is rented to other departments within the City. Revenue trails budget at mid-year. It is likely that part of this will be made up during the second half of the year, but a downward adjustment should be expected during the budget process. Expenditures are less than prior year due to about \$1 million less in capital purchases, to date. Non capital expenditures appear to be tracking to be on budget for the year.

| Equipment Revolving | | Q2 | 50% | Pos (Neg) | Q2 - PY | 50% | Pos (Neg) |
|---------------------|-----|-----------|-----------|-----------|-----------|-------------|-----------|
| | | | Budget | Variance | | Budget - PY | Variance |
| Revenue | 640 | 2,767,746 | 2,915,547 | (147,801) | 2,727,614 | 2,738,696 | (11,082) |
| Expenditures | 640 | 2,438,379 | 2,803,508 | 365,129 | 3,410,888 | 2,988,004 | (422,884) |
| Gain (Loss) | | 329,367 | 112,039 | 217,328 | (683,274) | (249,308) | (433,966) |

Municipal Service Center Fund

The Municipal Service Center houses many City operations, including Parks and Recreation, Public Services, Dial-A-Ride, the Equipment Revolving Fund inventory and maintenance operations, Signs and Signals, and Water Distribution. Each department pays a fee for its use of the facilities.

| Municipal Service Center | | Q2 | 50% | Pos (Neg) | Q2 - PY | 50% | Pos (Neg) |
|--------------------------|-----|---------|-----------|-----------|---------|-------------|-----------|
| | | | Budget | Variance | | Budget - PY | Variance |
| Revenue | 641 | 215,713 | 218,375 | (2,662) | 218,064 | 207,240 | 10,824 |
| Expenditures | 641 | 129,375 | 360,988 | 231,613 | 138,038 | 284,079 | 146,041 |
| Gain (Loss) | | 86,338 | (142,613) | 228,951 | 80,026 | (76,839) | 156,865 |

Municipal Service Annex Fund

Similar to the Municipal Service Center, the Municipal Service Annex charges rent to its tenants.

| | | 50% | | | 50% | | |
|--------------------------------|-----|--------|---------|--------------------|---------|-------------|--------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Municipal Service Annex | | | | | | | |
| Revenue | 642 | 16,821 | 17,072 | (251) | 17,072 | 16,414 | 658 |
| Expenditures | 642 | 8,155 | 24,320 | 16,165 | 18,063 | 28,733 | 10,670 |
| Gain (Loss) | | 8,666 | (7,248) | 15,914 | (991) | (12,319) | 11,328 |

Property and Liability Insurance Fund

The City purchases property and liability insurance of various sorts, predominately from the Michigan Municipal League Pool. The fund allocates the premiums to the various City departments based on each department’s property and payroll. All insurance claims are paid for out of this fund and all insurance reimbursements are receipted into this fund. Most premiums are paid during the first 60 days of the fiscal year, while revenue is collected, mostly through even monthly fees, over the entire year. That creates a net trailing budget situation at mid-year that will be corrected as the balance of the monthly fees are collected.

| | | 50% | | | 50% | | |
|---|-----|-----------|----------|--------------------|-----------|-------------|--------------------|
| | | Q2 | Budget | Pos (Neg) Variance | Q2 - PY | Budget - PY | Pos (Neg) Variance |
| Property and Liability Insurance | | | | | | | |
| Revenue | 675 | 328,226 | 360,430 | (32,204) | 374,919 | 315,646 | 59,273 |
| Expenditures | 675 | 665,454 | 439,500 | (225,954) | 679,805 | 412,947 | (266,858) |
| Gain (Loss) | | (337,228) | (79,070) | (258,158) | (304,886) | (97,301) | (207,585) |

Health Insurance Fund

This fund pays the insurance claims charged by Blue Cross Blue Shield (BCBS) in a self-funded plan, and premiums charged by Medicare Advantage in a fully insured plan. It recovers its costs by charging each department a rate per employee based upon the illustrative rates established by BCBS. In addition, based upon actuarially determined information, and actual premium information, post-employment insurance costs are allocated back to each department through the payroll system. Finally, based upon the financial health of the fund, the amount collected from user departments may be reduced in order to spend down surplus reserves. The revenue of this fund is mostly the reimbursements from the various departments, refunds from BCBS, and employee contributions towards insurance coverage. Active employees and pre-age-65 retirees are self-insured through BCBS. BCBS invoices the City monthly based on their estimates of what our claims will be, and they adjust their estimates quarterly. The actual payments to BCBS are

reflected in the expenditures below, and they will be adjusted to actual claims at year-end by staff. Through the first six months of the year, actual claims are running \$950,000 **less** than the monthly estimates. This nearly zeros out the net loss reported below.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|-------------------------|-----|-----------|------------|--------------------|-----------|-----------------|--------------------|
| Health Insurance | | | | | | | |
| Revenue | 680 | 5,045,210 | 5,600,250 | (555,040) | 4,973,999 | 5,510,903 | (536,904) |
| Expenditures | 680 | 6,031,672 | 5,689,250 | (342,422) | 5,932,521 | 5,607,219 | (325,302) |
| Gain (Loss) | | (986,462) | (89,000) | (897,462) | (958,522) | (96,316) | (862,206) |

Special Assessment Revolving Loan Fund

When the City participates in a special assessment project, the City pays for a portion of the costs out of its departmental budget, and then the property owner’s portion is paid for out of this fund. The property owners are then able to repay the construction costs over a period of time, typically five years. As reported below, the only activity is some interest revenue.

| | | Q2 | 50% Budget | Pos (Neg) Variance | Q2 - PY | 50% Budget - PY | Pos (Neg) Variance |
|---------------------------|-----|--------|------------|--------------------|---------|-----------------|--------------------|
| S/A Revolving Loan | | | | | | | |
| Revenue | 688 | 17,429 | 37,922 | (20,493) | 14,512 | 29,596 | (15,084) |
| Expenditures | 688 | 0 | 37,922 | 37,922 | 0 | 29,596 | 29,596 |
| Gain (Loss) | | 17,429 | 0 | 17,429 | 14,512 | 0 | 14,512 |

CITY OF MIDLAND
INVESTMENT REPORT
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

PORTFOLIO SUMMARY

PORTFOLIO BY INVESTMENT TYPE

| | Balance <u>09/30/19</u> | Percentage of Portfolio | Range of Return |
|------------------------------|----------------------------|----------------------------|--------------------|
| Certificates of Deposit | \$ 10,000 | 0.03% | 2.06% |
| Money Market Accounts | 14,324,781 | 46.97% | .25% - 1.00% |
| Commercial Paper | 11,441,306 | 37.52% | 1.86% - 2.53% |
| Governmental Investment Fund | 4,719,577 | 15.48% | 1.84% - 2.13% |
| Portfolio Total | <u>\$ 30,495,664</u> | <u>100.00%</u> | |

PORTFOLIO BY INVESTMENT LOCATION

| | Balance <u>09/30/19</u> | Percentage of Portfolio |
|----------------------------|----------------------------|----------------------------|
| Chemical Bank | \$ 13,951,060 | 45.75% |
| Comerica Bank | 397,781 | 1.30% |
| Morgan Stanley Wealth Mgmt | 11,441,306 | 37.52% |
| MBIA | 4,705,517 | 15.43% |
| Portfolio Total | <u>\$ 30,495,664</u> | <u>100.00%</u> |

BENCHMARK RATE COMPARISON

| | <u>Rate</u> |
|-------------------------|-------------|
| Certificates of Deposit | 1.33% |
| Commercial Paper | 1.95% |
| Treasury Bills | 1.84% |

CITY OF MIDLAND
INVESTMENT REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2019

PORTFOLIO SUMMARY

PORTFOLIO BY INVESTMENT TYPE

| | <u>Balance</u> <u>12/31/19</u> | <u>Percentage</u> <u>of Portfolio</u> | <u>Range of</u> <u>Return</u> |
|------------------------------|-----------------------------------|--|----------------------------------|
| Certificates of Deposit | \$ 10,000 | 0.04% | 1.64% |
| Money Market Accounts | 14,360,191 | 46.88% | .25% - 1.00% |
| Commercial Paper | 11,516,718 | 37.60% | 1.74% - 2.07% |
| Governmental Investment Fund | 4,742,152 | 15.48% | 1.46% - 1.82% |
| Portfolio Total | <u>\$ 30,629,061</u> | <u>100.00%</u> | |

PORTFOLIO BY INVESTMENT LOCATION

| | <u>Balance</u> <u>12/31/19</u> | <u>Percentage</u> <u>of Portfolio</u> |
|----------------------------|-----------------------------------|--|
| Chemical Bank | \$ 13,986,229 | 45.66% |
| Comerica Bank | 398,078 | 1.30% |
| Morgan Stanley Wealth Mgmt | 11,516,718 | 37.60% |
| MBIA | 4,728,036 | 15.44% |
| Portfolio Total | <u>\$ 30,629,061</u> | <u>100.00%</u> |

BENCHMARK RATE COMPARISON

| | <u>Rate</u> |
|-------------------------|-------------|
| Certificates of Deposit | 1.34% |
| Commercial Paper | 1.70% |
| Treasury Bills | 1.52% |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|-------------------|-------|---------------------|--|--|--|-----------------|
| July | 1 | General | Salaries and Wages - Regular | Salaries and Wages - Temporary | Transfer funds from Clerk regular wages to temporary wages | 1,120 |
| | 2 | Equipment Revolving | Repair Parts | Vehicles | Transfer funds for additional fabrication of 2 arrowboards. | 307 |
| | 3 | General | Major Maintenance | Major Maintenance/Telephone | Transfer funds from Parks to Plymouth Pool for internet and monthly service fee | 3,820 |
| | 4 | General | Contributed Project Expense | Contractual Services/Grounds Maintenance | Transfer donations, reimbursements, refunds, restitution deposited to contributed project expense to expense account which the donation will be used or to reimburse City for expense already incurred for a service provided. | 1,200 |
| | 5 | General | Numerous | Numerous | Transfer split between Clerk and Community Affairs to establish Community Affairs budget | 367,777 |
| July Total | | | | | | 374,224 |
| August | 1 | Wastewater | Equipment | Construction | Transfer funds to cover the second payment for the Asset Characterization project | 1,430 |
| | 2 | General | Land Improvements | Grounds Maintenance | Transfer funds for drainage issues in Nelson Park | 3,425 |
| | 3 | Civic Arena | Operating Supplies/Buildings and Additions | Equipment | Transfer funds to capital account for floor scrubber | 5,615 |
| | 4 | General | Office Supplies | Vacation Buy Back | Transfer to process a vacation buyback request by Public Works Admin employee | 530 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|--------|-------|--------------|-------------------------------|---|---|-----------------|
| August | | 5 Landfill | Grounds Maintenance | Vacation Buy Back | Transfer to process a vacation buyback request by Landfill employee who opted not to retire as budgeted | 1,008 |
| | | 6 General | College Tuition Reimbursement | Contractual Services/Education and Training | Transfer portion of monies budgeted for finance employee for tuition reimbursement to education to cover Purchasing conference and consulting services to cover the cost of a script in New World to correct a projects issue | 3,450 |
| | | 7 Wastewater | Equipment | Equipment | Transfer funds from centrifugal pump line item budget to replace an aging submersible pump which was a higher priority | 8,350 |
| | | 8 Wastewater | Buildings and Additions | Construction | Transfer to move grit building heat unit from capital outlay to a construction project. | 119,700 |
| | | 9 General | Contributed Project Expense | Operating Supplies/Food | Transfer of donated funds from Miscellaneous Contributed Project Expense to departmental expense accounts | 721 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|---------------------|-------|------------|-----------------------------|--|--|-----------------|
| August | 10 | Library | Operating Supplies | Computer Software | Transfer from operating supplies to purchase DeepFreeze software and added security for all patron computers which denies any patrons from downloading anything to Library computers | 1,177 |
| | 11 | General | Contributed Project Expense | Grounds Maintenance/Contractual Services | Transfer donations, reimbursements, refunds, restitution deposited to contributed project expense to expense account which the donation will be used or to reimburse City for expense already incurred for a service provided. | 865 |
| | 12 | Water | Construction | Construction | Correct project on the transfer of funds to cover the second payment for the Asset Characterization project | 1,430 |
| August Total | | | | | | 147,701 |
| September | 1 | Wastewater | Construction | Equipment | Increased budget for chlorinators for a supplemental purchase to add instrumentation to tie the chlorinators into the scada alarm system | 3,000 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|-----------|-------|-----------------|---------------------------|----------------------|---|-----------------|
| September | 2 | General | Construction | Property Taxes | Transfer to provide sufficient funding in project for the summer tax payment for the property in northeast quadrant of Wackerly-Eastman intersection | 5,300 |
| | 3 | Wastewater | Equipment | Construction | Transfer from capital outlay to construction for installation of a flow meter on the force main coming out of Valley pump station | 100,000 |
| | 4 | Riverside Place | Building Maintenance | Building Equipment | Transfer from maintenance to equipment to replace vents with stainless steel to prevent rust and holes | 3,600 |
| | 5 | General | Reserve for Contingencies | Contractual Services | Transfer from GF reserve for contingencies to cover office reconfiguration costs for the Clerk/DDA Coordinator area | 1,600 |
| | 6 | Landfill | Construction | Construction | Transfer from leachate pretreatment line item to gas collection system expansion for 4 new gas wells and replacement of 6 wells that failed below grade to waste settlement; necessary for compliance with EGLE and EPA | 207,400 |
| | 7 | General | Computers/Software | Computer Software | Transfer for necessary software upgrade to time and assist in controlling traffic signals | 2,650 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|------------------------|-------|---------------------|-----------------------------|------------------------|--|-----------------|
| September | | 8 General | Contributed Project Expense | Contractual Services | Transfer of donated funds from Miscellaneous Contributed Project Expense to departmental expense accounts | 500 |
| September Total | | | | | | 324,050 |
| October | 1 | General | Operating Supplies | Education and Training | Transfer to cover training related to food services | 170 |
| | 2 | Water | Trade In/Sale of Assets | Equipment | Transfer corrects the budget for the cost a new mower vs. the trade in value of the old mower | 6,000 |
| | 3 | Equipment Revolving | Vehicles | Vehicles | Transfer excess funds from vehicle unit 329 to new unit 363 being purchased | 20,519 |
| | 4 | Equipment Revolving | Equipment | Equipment | Transfer excess funds after purchase of tire balancer to purchase horizontal metal band saw to be used to cut metal cleanly and accurately for fabricating and rebuilding equipment, allowing more in house work | 5,814 |
| | 5 | Major Streets | Construction | Construction | Transfer funds from MS2001 to cover deficit in MS1909 to pay utility payments due before shut off and demo. Favorable bids received for MS2001 so sufficient funding is available | 400 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|---------|-------|---------------------|--|--------------------------------|--|-----------------|
| October | 6 | Equipment Revolving | Vehicles | Vehicles | Transfer from landfill pick up which costs less than budgeted to a different landfill pick up in order to add a lift gate so employees can safely move heavy/large items and prevent injury | 2,904 |
| | 7 | Equipment Revolving | Repair Parts | Vehicles | Transfer funds from repair parts to capital outlay vehicles to cover shortfall of truck purchase which cost \$5,631 more than budgeted | 5,631 |
| | 8 | General | Operating Supplies Gas and oil - Vehicles Food | Small Tools Cash Over/Short | Transfer to cover the cost of a log splitter that was purchased for City Forest that was not budgeted for (\$1,524) and an old cash short journal entry related to Dec2018 posted to July19 for \$16 | 1,540 |
| | 9 | Landfill | Construction | Construction | Transfer from leachate pretreatment line item to gas collection system expansion as 2 additional gas wells were identified as failed below grade | 20,000 |
| | 10 | Landfill | Contractual Services | Software Maintenance | Transfer excess safety training funding, as contractor is no longer in use, to software used 24/7 for GTE that auto communicates alarms to the lab for shutdowns and emergency response | 3,400 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|----------------------|-------|---------------------|-----------------------------|---|---|-----------------|
| October | 11 | General | Land Improvements | Construction | Transfer to move budgeted funding from Capital Outlay Land to a project to capture the applicable work in a project. | 50,000 |
| | 12 | General | Contributed Project Expense | Grounds Maintenance Operating Supplies | Transfer of donated funds from Miscellaneous Contributed Project Expense to departmental expense accounts | 2,680 |
| October Total | | | | | | 119,058 |
| November | 1 | Equipment Revolving | Vehicles | Vehicles | Transfer excess funding from unit 18 due to favorable bids to Parks pick up #2-63 to cover the cost of a lift gate and a snow plow. | 3,310 |
| | 2 | Water | Reserve for Contingencies | Equipment Maintenance | Transfer from contingency for emergency replacement of lime rotary to resume normal operations. | 9,200 |
| | 3 | Housing | Operating Supplies | Property Development | Transfer to purchase two properties on Dauer Street that are part of a package from sellers. Housing Commission approved the purchased on 6-2-19. | 6,000 |
| | 4 | Wastewater | Operating Supplies | Transportation Rental | Transfer to cover shortfall of purchase of mini van to use when several people need to attend training and to outfit for industrial sampling, inspections, and remote monitoring. | 50 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|-----------------------|-------|---------------------|---------------------------|--------------------|---|-----------------|
| November | 5 | Equipment Revolving | Repair Parts | Vehicles | Transfer to vehicles to have enough budget in line #8 to purchase #1-85, a replacement vehicle for Wastewater. To compensate ERF, ERF will charge an additional \$50 with November Fleet Billing. | 50 |
| | 6 | Major Streets | Operating Supplies | Operating Supplies | Transfer funds to curb and shoulder from drainage as budget notifications are being received in the 90% range. | 1,800 |
| | 7 | General | Reserve for Contingencies | Equipment | Transfer from contingency for Council approved purchase of a high-speed tabulator/adjudicator or necessary due to expected increase in absentee ballots and process changes to improve efficiency/reliability/timeliness of election process. | 58,378 |
| | 8 | Wastewater | Vacation buy back | Vacation Buy Back | Transfer to decrease vacation buy back in Admin org set and increase vacation buy back in the 101.8140 org set to cover employee requested buy back. Original budget was placed in incorrect account. | 1,408 |
| November Total | | | | | | 80,196 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|----------|-------|------------|----------------------------|------------------------|--|-----------------|
| December | 1 | General | Play Equipment Maintenance | Construction | Transfer to move funding for Julian's Miracle Field as play equipment will be installed on site as part of the project. Play Equipment Maintenance account was reviewed for excess budget and was deemed sufficient to have excess. | 14,150 |
| | 2 | General | Office Supplies | Education and Training | Transfer to training account to establish budget going forward to allow 2 office staff opportunity for annual training | 400 |
| | 3 | General | Printing and Publishing | Operating Supplies | Transfer to purchase 2nd order of materials for the leaf pans for 2019 collection. Leaf pans and the truck edges are taking a beating due to the ice and snow mixed with leaves. | 1,406 |
| | 4 | General | Land Improvements | Construction | Funds budgeted for the Station 3 project were put in a capital outlay account and should have been in a project. This was not realized until after 6/30/19 for the FY19 funds so the transfer was on hold until the funds were encumbered forward. | 60,000 |
| | 5 | Wastewater | Equipment | Construction | Funds were budgeted in a capital outlay account and need to be in a project. Transfer moves the funds into the project. | 226,500 |

BUDGET TRANSFERS
Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|----------|-------|---------------------|-------------------|--------------|---|-----------------|
| December | 6 | General | Construction | Construction | Transfer processed to move funding from project GG1503 Riverfront Clearing, Planting & Overlook Platforms to GG1704 Upper Emerson Riverfront Renovation. The work the monies are being transferred for is the same for either project. Transferring to keep all the Upper Emerson costs in one project. | 21,592 |
| | 7 | General | Major Maintenance | Construction | Transfer to cover last major known invoice related to project GG1804 City Forest Staircases & Railings before closure of the project | 1,100 |
| | 8 | Equipment Revolving | Equipment | Equipment | Transfer to cover unanticipated shipping charges on the horizontal band saw. Excess funding from tire machine purchase. | 507 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|----------|-------|---------------|---|------------------------------------|---|-----------------|
| December | 9 | General | Waste Disposal Service Printing and Publishing | Operating Supplies Small Tools | Transfer to purchase bunker blocks to contain bulk sand and dirt piles and a spare pump for pumping out excavated graves prior to burial. Excess funds were noted in waste disposal due to cemetery keeping their own trailer dumpster vs. having large tender truck come and less printed materials necessary for the cemetery | 1,903 |
| | 10 | Civic Arena | Education and Training | College Tuition Reimbursement | Transfer from education and training to college tuition reimbursement for Civic Arena employee | 464 |
| | 11 | Major Streets | Reserve for Contingencies | Operating Supplies | Transfer from contingency to perform work for the Jerome Street outlawn restoration that needed to be done as soon as possible. | 5,968 |
| | 12 | General | Police and Fire DB | Prefund Retiree Health and Pension | Transfer to reclassify firefighter portion of additional pension funding | 304,255 |
| | 13 | General | Prefund Retiree Health and Pension | Police and Fire DB | Correct Transfer to reclassify firefighter portion of additional pension funding. | 608,510 |
| | 14 | General | Equipment Maintenance | Operating Supplies | Transfer to cover the unexpected costs of acquiring new equipment, rifle scopes, for the SRO program. | 1,764 |

BUDGET TRANSFERS

Period Ending December 31, 2019

| MONTH | XFR # | FUND | FROM ACCT | TO ACCT | DESCRIPTION | TRANSFER AMOUNT |
|-----------------------|-------|---------------|---------------------------------|---------------------------------|--|------------------|
| December | 15 | Major Streets | Operating Supplies | Misc Contractual Services | The original budget amendment utilizing Contingencies was moved to a Trunkline account when it should have been a Major Street account as the City is covering the costs and it is not part of the Trunkline expenses. This is a correction to move the funds from the Trunkline account to another Major Street account | 5,968 |
| | 16 | Golf Course | Contributions - Outside Sources | Contributions - Outside Sources | Reclassification entry from one revenue account to another. | 50,000 |
| December Total | | | | | | 1,304,487 |
| Grand Total | | | | | | 2,349,716 |

CITY OF MIDLAND
BUDGET AMENDMENT FOR ENCUMBRANCES
June 30, 2019

| | Approved Amount |
|-----------------------------|----------------------------|
| 101 - General Fund | |
| Expenditures | |
| General Government | |
| Elections | |
| Supplies | 14,532 |
| City Hall | |
| Capital outlay | 636,774 |
| Public Safety | |
| Police Administration | |
| Fringe benefits | 65,856 |
| Police Patrol | |
| Supplies | 80,000 |
| Equipment maintenance | 15,000 |
| | 95,000 |
| Fire Fighting | |
| Other services & charges | 108,000 |
| Capital outlay | 60,000 |
| | 168,000 |
| Planning | |
| Fringe benefits | 18,099 |
| Capital outlay | 20,800 |
| | 38,899 |
| Public Works | |
| Public Works Activities | |
| Fringe benefits | 14,799 |
| Other services & charges | 126,800 |
| | 141,599 |
| Traffic Services | |
| Capital outlay | 25,000 |
| Parks and Recreation | |
| Parks | |
| Other services & charges | 2,045 |
| Capital outlay | 70,847 |
| | 72,892 |
| Forestry | |
| Other services & charges | 81,343 |
| Recreation | |

CITY OF MIDLAND
BUDGET AMENDMENT FOR ENCUMBRANCES
June 30, 2019

| | Approved Amount |
|--|----------------------------|
| Other services & charges | 12,070 |
| 101 - General Fund | |
| Expenditures | |
| Parks and Recreation (cont) | |
| Softball | |
| Other services & charges | 6,903 |
| Plymouth Park Pool | |
| Capital outlay | 21,631 |
| Cemetery | |
| Fringe benefits | 17,064 |
| Other Functions | |
| Airport | |
| Capital outlay | 26,000 |
| Capital projects | <u>544,652</u> |
| General Fund Total Expenditures | <u><u>1,968,215</u></u> |
| | |
| 202 - Major Street Fund | |
| Other services & charges | 32,000 |
| Capital projects | <u>5,507,528</u> |
| | 5,539,528 |
| 203 - Local Street Fund | |
| Capital projects | 882,340 |
| | |
| 246 - SmartZone fund | |
| Capital outlay | 5,000 |
| | |
| 247 - Center City Authority Fund | |
| Purchased services | 17,731 |
| | |
| 250 - Storm Water Management Fund | |
| Capital projects | 258,000 |
| | |
| 271 - Grace A Dow Library Fund | |
| Capital projects | 54,230 |

CITY OF MIDLAND
BUDGET AMENDMENT FOR ENCUMBRANCES
June 30, 2019

| | Approved Amount |
|--|----------------------------|
| 275 - Homeland Security Grant Fund | |
| Revenue | |
| Federal Grants | 315,544 |
| Expenditures | |
| Personal services | 10,325 |
| Other services & charges | 305,219 |
| Total Expenses | <u>315,544</u> |
| Homeland Security Grant Fund Total - Net | <u><u>-</u></u> |
| | |
| 288 - Dial-A-Ride | |
| Revenue | |
| Federal Grants | 21,200 |
| State Grants | 5,300 |
| Total Revenues | <u>26,500</u> |
| Expenditures | |
| Supplies | 26,500 |
| Total Expenses | <u>26,500</u> |
| Dial-A-Ride Fund Total - Net | <u><u>-</u></u> |
| | |
| 297 - Downtown Development Authority Fund | |
| Other services & charges | 9,132 |
| | |
| 508 - Civic Arena Fund | |
| Capital outlay | 14,000 |
| Capital projects | 40,000 |
| | <u>54,000</u> |
| | |
| 517 - Landfill Fund | |
| Other services & charges | 30,100 |
| Capital outlay | 437,982 |
| | <u>468,082</u> |
| | |
| 536 - Washington Woods Fund | |
| Capital projects | 18,262 |
| | |
| 537 -Riverside Place Fund | |
| Other services & charges | 15,200 |
| Capital outlay | 58,000 |
| | <u>73,200</u> |
| | |
| 584 - Currie Golf Course Fund | |
| Capital outlay | 39,125 |
| Capital projects | 400 |
| | <u>39,525</u> |

CITY OF MIDLAND
BUDGET AMENDMENT FOR ENCUMBRANCES
June 30, 2019

| | Approved Amount |
|--|-------------------------------|
| 590 - Wastewater Fund | |
| Other services & charges | 19,692 |
| Capital outlay | 829,406 |
| Capital projects | 920,906 |
| | <hr/> 1,770,004 |
| 591 - Water Fund | |
| Revenue | 578,890 |
| Other Revenue | |
| Expenditures | |
| Other services & charges | 364,078 |
| Capital outlay | 394,530 |
| Capital projects | 3,693,444 |
| Total Expenses | <hr/> 4,452,052 |
| Water Fund Total - Net | <hr/> <hr/> 3,873,162 |
| | |
| 636 - Information Services | |
| Capital outlay | 24,018 |
| | |
| 640 - Equipment Revolving Fund | |
| Capital outlay | 603,966 |
| Other services & charges | 300 |
| | <hr/> 604,266 |
| | |
| 641 - Municipal Service Center Fund | |
| Capital outlay | 17,132 |
| | |
| 642 - Municipal Service Annex Fund | |
| Capital outlay | 20,637 |
| | |
| Total Revenues | 920,934 |
| Total Expenditures/Expenses | <hr/> 16,617,398 |
| Summary of All Funds: | |
| Net Encumbrances All Funds | <hr/> <hr/> 15,696,464 |



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BY COUNCILMAN

RESOLVED, that the financial information of the City of Midland, for the six-month period ended December 31, 2019, is hereby acknowledged as being received by the Midland City Council on this date, and is ordered placed on file for public examination.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

Item Attachment Documents:

- 4. 2020 Sidewalk Improvement Program. FREDRICKSON

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: 2020 Annual Sidewalk Improvement Program

INITIATED BY: City of Midland Code of Ordinances – Section 22-16

RESOLUTION

SUMMARY: This resolution directs the City Manager to prepare a report which includes estimates of expenses, the life of the improvement and a description of the district benefited from the 2020 Annual Sidewalk Improvement Program.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolution
- 3. Annual Sidewalk Report Priority Code
- 4. List of sidewalk requests received
- 5. Location Maps

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Joshua Fredrickson
Engineering Department



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

The annual sidewalk report identifying locations not having sidewalks on city streets was provided to City Council as part of the February 10 meeting. As part of the sidewalk report process, consideration is given to include locations for sidewalk construction through the annual sidewalk improvement program. This process includes soliciting requests from residents for new sidewalk locations. Attached hereto is a list of the sidewalk requests received. Maintenance requests were referred to the Department of Public Services.

A resolution has been prepared that will initiate the 2020 Sidewalk Improvement Program which includes the sidewalks requested by residents. Any additional sidewalk requests by the Council can be added to the resolution as a result of your discussion at the Council meeting on February 24, 2020.

Letters have been provided to the petitioners, inviting them to speak in favor of their requests at the Council meeting. This is the first year that requests for sidewalks at Joe Mann Boulevard and Main Street have been made. This is the third year that the request for sidewalks along a segment of N. Jefferson Avenue has been made.

A portion of the request on N. Jefferson was also submitted in 2016 and in 2019. Both years the requested sidewalk was subsequently removed from the list. The sidewalk requested on N. Jefferson has a portion of frontage which is located outside of the City limits. For this petitioned sidewalk segment it is recommended to remove it from the list and provide the information to Larkin Township for their consideration.

For sidewalks selected to move forward as part of the 2020 Sidewalk Improvement Program, cost estimates will be developed for the March 23, 2020 Council meeting. This will determine the City and property owner cost shares.

Sincerely,

Joshua N. Fredrickson
City Engineer



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BY COUNCILMAN

WHEREAS, the City Council has had under consideration the construction of concrete sidewalks, to be financed in part by special assessment, located in certain streets in the City of Midland, said streets being:

- N. Jefferson Avenue (East side) from Joe Mann Boulevard to El Rancho Road
- Joe Mann Boulevard (North side) fronting 850 Joe Mann Boulevard
- W. Main Street (West side) from W. Sugnet Road to 0.24 miles north

; now therefore

RESOLVED, that the City Manager is directed to prepare a report which shall include estimates of the expense thereof, an estimate of the life of the improvement, and a description of the district benefited to enable the Council to decide the cost, extent and necessity of the improvement proposed and what part or portion thereof should be paid by special assessments upon property especially benefited, and what part, if any, should be paid by the City at large, in conformance with the provisions of Chapter 20 of the Code of Ordinances of the City of Midland, Michigan.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

ANNUAL SIDEWALK REPORT
Priority Code

CITY OF MIDLAND
ENGINEERING DEPARTMENT

| <u>PRIORITY CODE</u> | <u>DEFINITION</u> | <u>DESCRIPTION</u> |
|----------------------|-------------------------|--|
| 1 | MAJOR WALKS | Sidewalks on one side of Major Streets and Highways |
| 2 | SCHOOL/COLLECTOR WALKS | Sidewalks on one side of any street that connects a Major Walk to a school |
| 3 | LOCAL WALKS | Sidewalks on one side of all other streets (excluding courts) |
| 4 | SECONDARY WALKS | Sidewalks on the other side of streets listed above |
| 5 | COURTS | Sidewalks on courts (cul-de-sacs) |
| 6 | NEW SUBDIVISION STREETS | These sidewalks are funded by developers |

SUB-CATEGORIES OF THE ABOVE DEFINED PRIORITIES

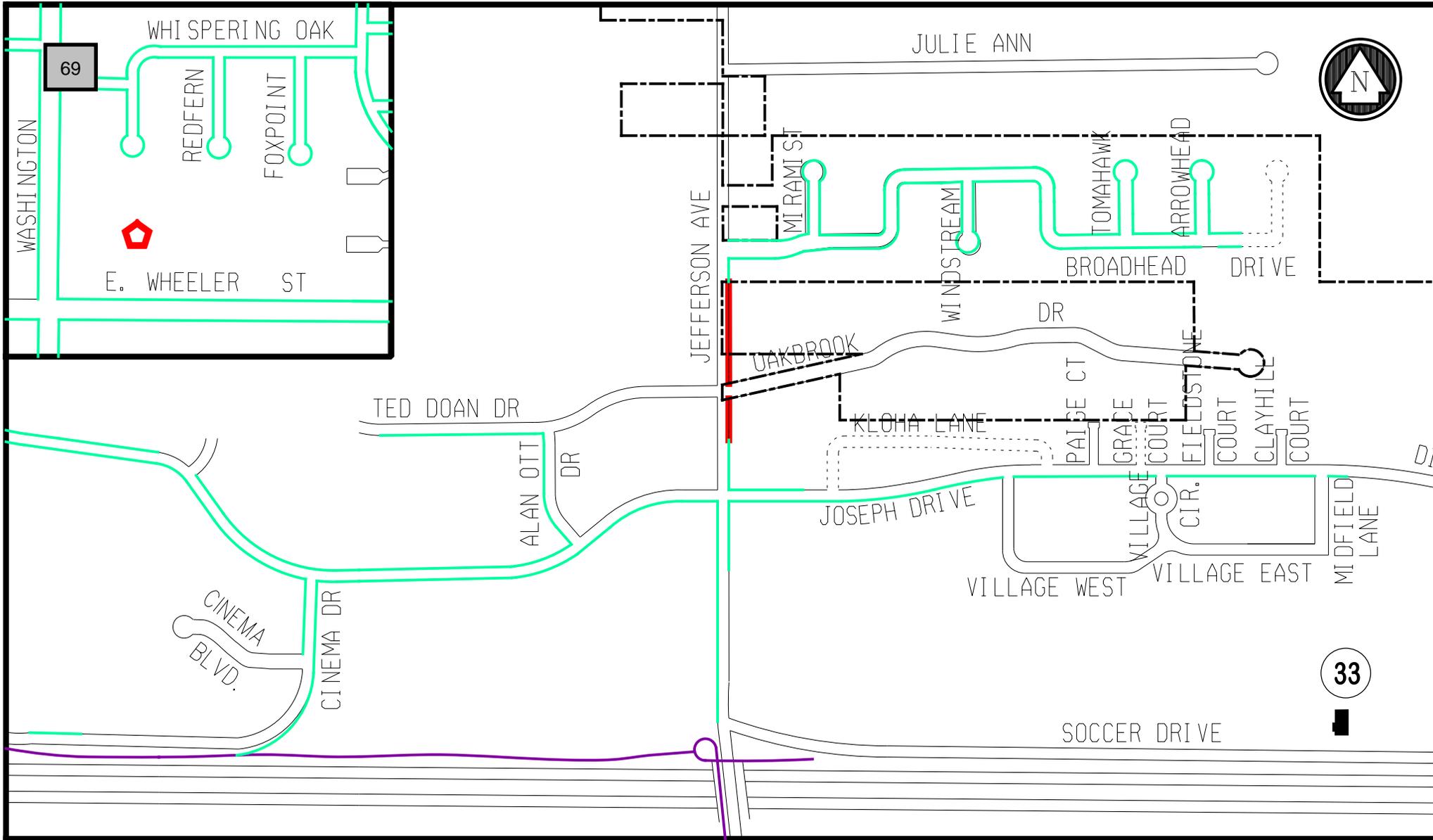
- CODE .1 ACTIVE WALKS
- CODE .2 ON HOLD WALKS
- CODE .3 EXEMPT WALKS

CITY OF MIDLAND
ENGINEERING DEPARTMENT
2019/2020 SIDEWALK REQUESTS

Listed below are the locations of requested sidewalks received over the past year.

PRIORITY CODE

- N Jefferson Road – Add sidewalk on east side between Joe Mann Blvd and Broadhead 1.2
- Joe Mann Boulevard – Add sidewalk on north side fronting 850 Joe Mann Blvd. 4.1
- W Main Street – Add sidewalk on west side from W Sugnet Rd to 0.24 miles north 4.2

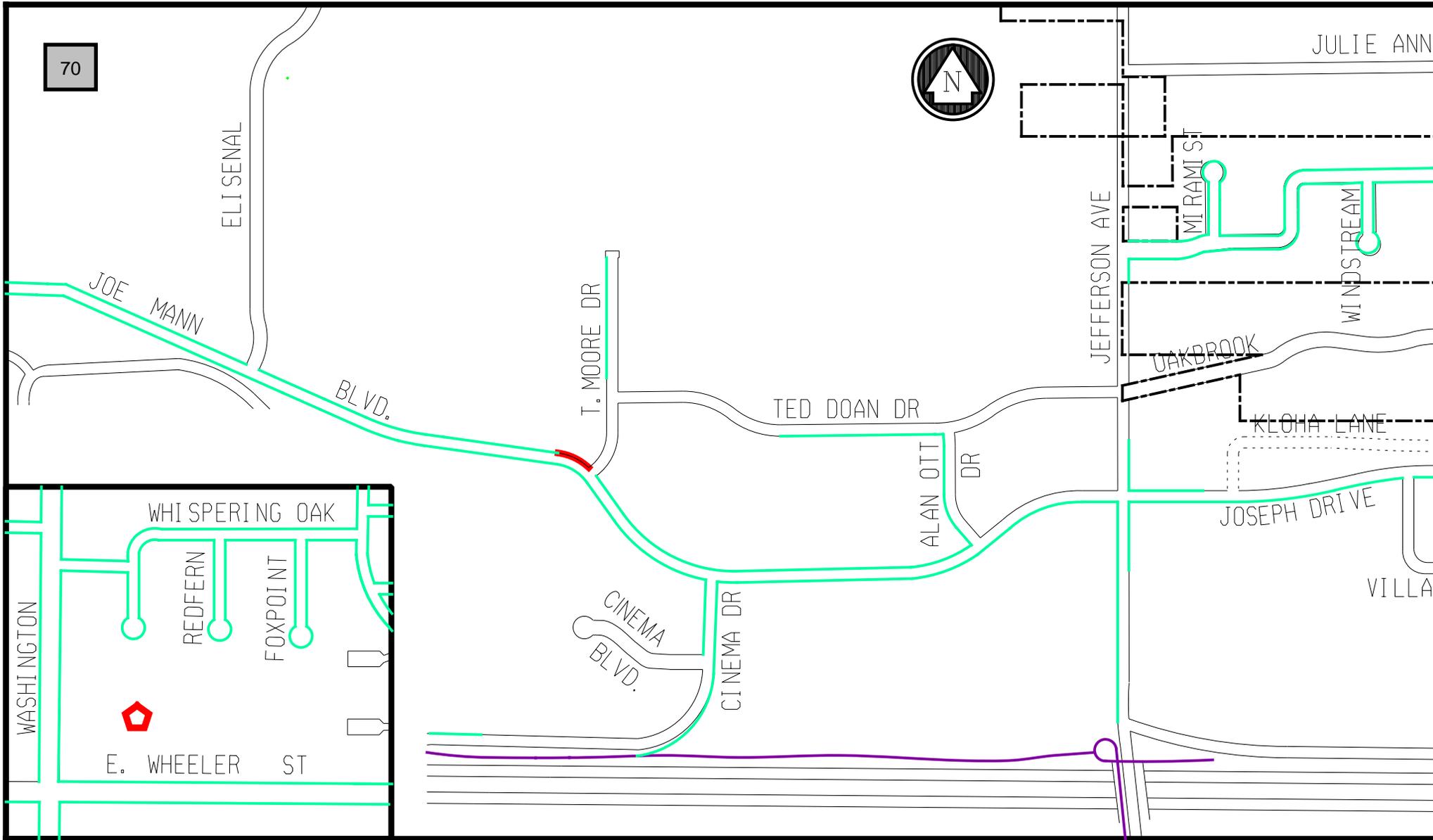


JEFFERSON AVE.

JOSEPH TO BROADHEAD

| | |
|---|-------------------|
|  | REQUESTER |
|  | EXISTING SIDEWALK |
|  | PROPOSED SIDEWALK |

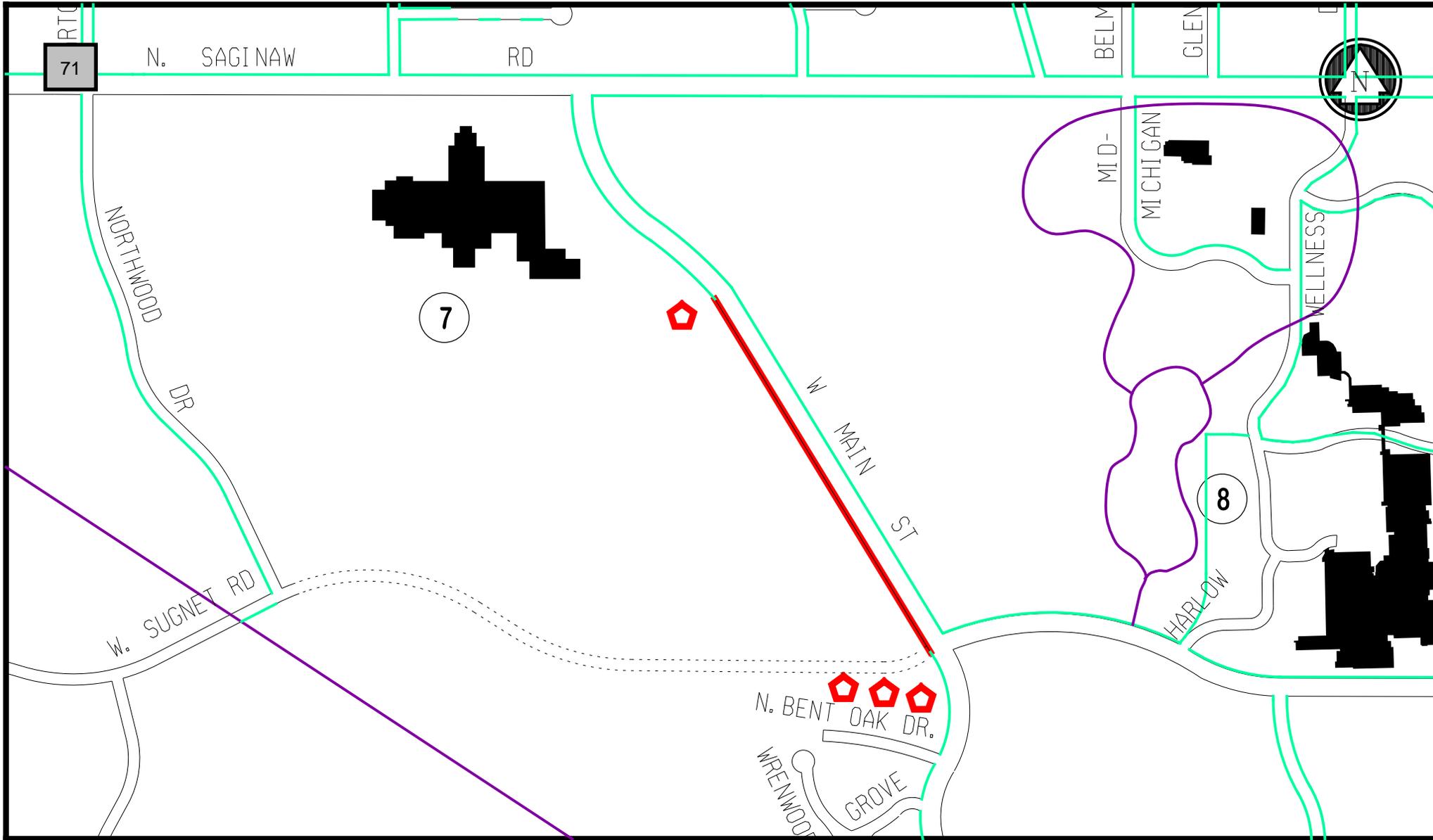
70



JOE MANN BLVD

LUCKY'S TO T. MOORE

-  REQUESTER
-  EXISTING SIDEWALK
-  PROPOSED SIDEWALK



MAIN STREET

SUGNET TO DEER RUN

| | |
|---|-------------------|
|  | REQUESTER |
|  | EXISTING SIDEWALK |
|  | PROPOSED SIDEWALK |

Item Attachment Documents:

5. * Approving the request from First United Methodist Church to conduct the Currie Concert on Sunday, May 31, 2020. FREDRICKSON

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Currie Concert

INITIATED BY: City of Midland Engineering Department

RESOLUTION

SUMMARY: This resolution approves the request of John Engler, Youth Director at First United Methodist Church, seeking permission to conduct their annual Currie Concert on Sunday, May 31, 2020, utilizing the public right-of-way and amplified sound.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Event Application
- 3. Resolution
- 4. Property Area Map

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Joshua Fredrickson
Engineering Department



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February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

Attached, please find a request from John Engler, Youth Director at First United Methodist Church, seeking permission to conduct their annual Currie Concert on Sunday, May 31, 2020, utilizing the public right-of-way and amplified sound. This is an annual event held by First United Methodist Church, and the first year it will be held on City property. The event will take place on City of Midland property located between the H Hotel property and the Tridge. Authorization from the City for this event will be for City property only as described on the attached map. The Administrative Staff has reviewed the request and recommends approval subject to the following conditions:

- The responsible party and contact number for the event date is John Engler, 989-835-6797.
- Provide special event liability insurance in the amount of \$1,000,000 per occurrence, \$2,000,000 aggregate, with the City of Midland named as Additional Insured and the event specified on the certificate. The certificate must be submitted to the City Engineer's Office no less than one week prior to the event. You may fax it to 989-837-5708.
- The City stage has already been reserved for this event.
- If food trucks are used, the traffic circle will need to be closed so they can they set up along the Farmers Market Circle as they do for Tunes by the Tridge. Food trucks will not be allowed to park on the grass.
- For traffic circle closure, organizer will need to contact the Engineering Department at 989-837-3348 three weeks prior to the event to write a Traffic Control Order for this closure. The Department of Public Services will provide barricades per Engineering's TCO.
- Contact Fire Marshal Tony Lelo at 989-837-3413 regarding food trucks and any tent larger than 200 square feet.

- **No markings of any type** (i.e., paint, spray paint, spray chalk, chalk, etc.) are permitted on surrounding sidewalks or trail head plaza.
- Authorization is for City property only. If property other than City property is used, the event organizer is responsible for securing their authorization.
- Contact City Department of Parks and Recreation at 989-837-6930 three weeks prior to the event to discuss electrical availability.

Attached for your consideration is a resolution which will grant approval of the request. The resolution also grants authority to the Administrative Staff to approve future requests if conducted in substantially the same manner.

Sincerely,



Joshua N. Fredrickson
City Engineer

Event Application-Non Park Events

Thank you for submitting an event request with the City of Midland. Please fill out the information below and submit. A staff member will be in touch with you shortly.

| | |
|-----------------------------------|---|
| Sponsoring Organization | Midland First UMC |
| Contact Person/Position | John Engler / Youth Director |
| Please describe your organization | church |
| Non-Profit Organization? | Yes |
| Phone Number | 9898356797 |
| Email | jengler@fumcmid.org |
| Address 1 | 315 W Larkin |
| City | Midland |
| State | Michigan |
| Zip | 48640 |
| Name of Proposed Event | Currie Concert |
| Brief Description of Event | Annual Currie Memorial Concert Free Community Concert / Setup like Tunes by the Tridge |
| Requested Date(s) of Use | 05/31/2020 |
| Requested Time(s) of Use | 1pm to 9pm |
| Is this a Repeat Event? | No |
| Set Up to Begin | 1pm |
| Duration of Event | 5pm - 9pm |
| Clean Up to End | 10pm |
| Requested Location | Tridge Grass Area (like Tunes by the Tridge) |
| Will You Charge Admission? | No |

| | |
|--|--|
| No. Participants Expected? | 1500 |
| What type of event are you hosting? | Other |
| Will you be utilizing tents and if so, what size are your tents? | Tent for a sound tent. Also may have another tent for autographs. |
| Street Closures: Are you requesting any street closures? | No |
| Times Streets Closed | <i>Field not completed.</i> |
| Times Streets Reopened | <i>Field not completed.</i> |
| Please describe your street closure requests: | <i>Field not completed.</i> |
| Will you apply to serve alcohol? | No |
| Concessions: Who will provide? | Looking into food trucks that night. |
| What are your electrical needs? | Electric for sound equipment and lights. Timbrel and Harp will provide |
| Will you be utilizing amplified sound? | Yes |
| How will sound be amplified? | Through Timbrel and Harp sound system |
| Will you be providing additional restroom facilities above what is already offered at the requested location? If so, who will be providing this service? | <i>Field not completed.</i> |
| If you are holding your event in a park, will you | No |

be reserving a park shelter for your event?

The City of Midland offers equipment rental for a fee based on availability. Are you interested in utilizing any of the following?

Mobile Stage

Other Requests: Please note that other elements of your event may require additional approval. Do you have additional requests (i.e. fireworks, etc.)?

Looking into having some food trucks there for the event.

Equipment rental fees must be paid in advance of event. The organization representative may receive an invoice for additional City services after completion of the event based on the final utilization of staff and resources. Please be aware that other elements of your event may require additional approval.

A map, sketch of event layout, race route or other map must be included with this application.

[currie concert.png](#)

Email not displaying correctly? [View it in your browser.](#)





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BY COUNCILMAN

RESOLVED, that the request from John Engler, Youth Director at First United Methodist Church, seeking permission to conduct their annual Currie Concert on Sunday, May 31, 2020, utilizing the public right-of-way and amplified sound, is hereby approved subject to the following conditions:

- The responsible party and contact number for the event date is John Engler, 989-835-6797.
- Provide special event liability insurance in the amount of \$1,000,000 per occurrence, \$2,000,000 aggregate, with the City of Midland named as Additional Insured and the event specified on the certificate. The certificate must be submitted to the City Engineer's Office no less than one week prior to the event. You may fax it to 989-837-5708.
- The City stage has already been reserved for this event.
- If food trucks are used, the traffic circle will need to be closed so they can they set up along the Farmers Market Circle as they do for Tunes by the Tridge. Food trucks will not be allowed to park on the grass.
- For traffic circle closure, organizer will need to contact the Engineering Department at 989-837-3348 three weeks prior to the event to write a Traffic Control Order for this closure. The Department of Public Services will provide barricades per Engineering's TCO.
- Contact Fire Marshal Tony Lelo at 989-837-3413 regarding food trucks and any tent larger than 200 square feet.
- **No markings of any type** (i.e., paint, spray paint, spray chalk, chalk, etc.) are permitted on surrounding sidewalks or trail head plaza.
- Authorization is for City property only. If property other than City property is used, the event organizer is responsible for securing their authorization.
- Contact City Department of Parks and Recreation at 989-837-6930 three weeks prior to the event to discuss electrical availability.

RESOLVED FURTHER, that the Administrative Staff is hereby authorized to approve future requests for the event provided if conducted in substantially the same manner.

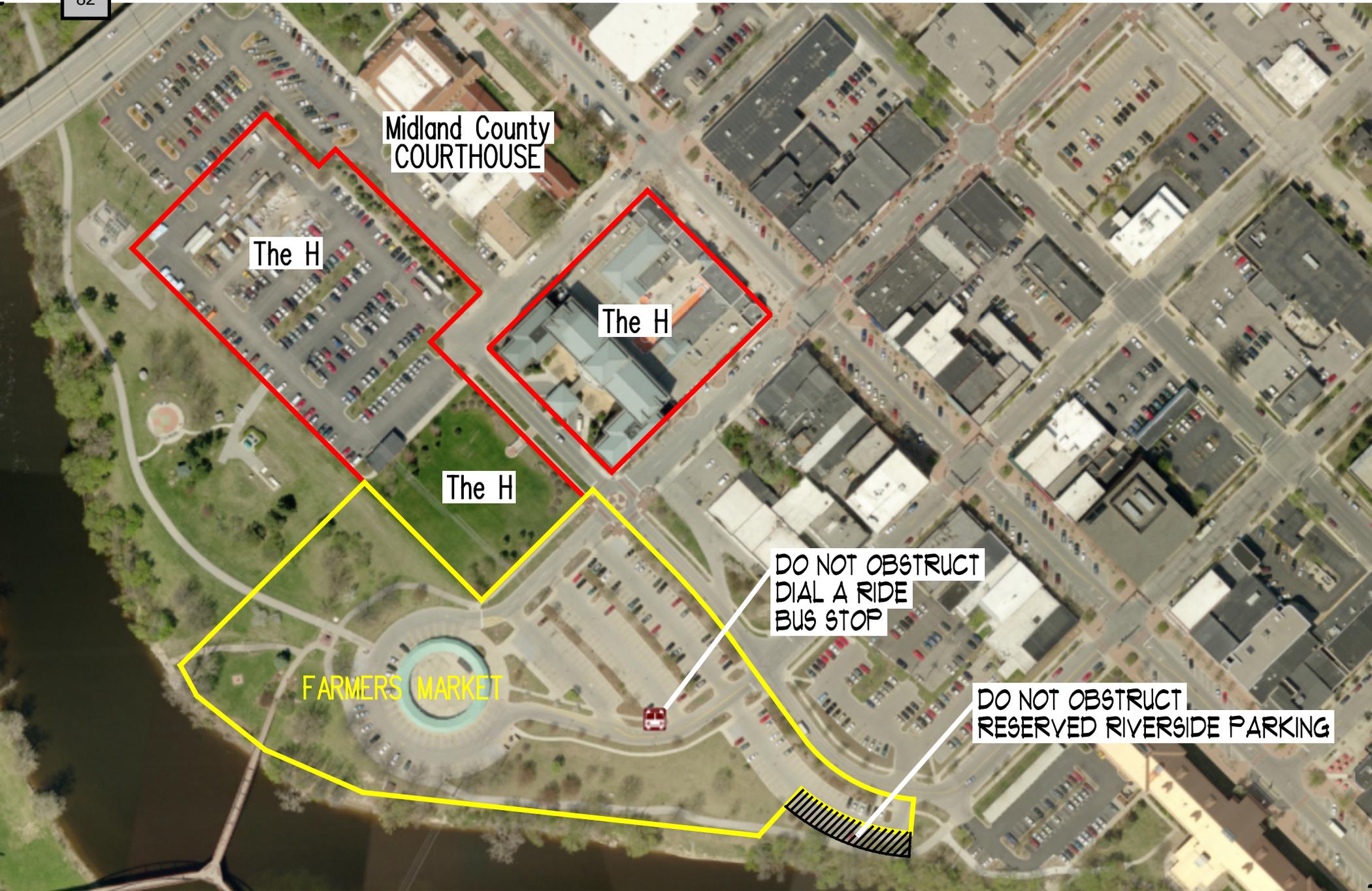
YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk



Midland County
COURTHOUSE

The H

The H

The H

FARMERS MARKET

DO NOT OBSTRUCT
DIAL A RIDE
BUS STOP

DO NOT OBSTRUCT
RESERVED RIVERSIDE PARKING

Item Attachment Documents:

6. * Replacement of the Main Pump House #3 Pump at the Wastewater Treatment Plant. FRAZEE

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Wastewater – Replacement of the Main Pump House #3 Pump

INITIATED BY: Wastewater Treatment Plant

RESOLUTION SUMMARY: This resolution waives sealed bids as impractical, in accord with Sec. 2-18 of the Code of Ordinances, and authorizes a purchase order in the amount of \$110,000.00 to Kennedy Industries of Wixom, Michigan for the purchase of one Xylem Allis Chalmers pump for the Main Pump House at the Wastewater Treatment Plant.

ITEMS ATTACHED:

- 1. Letter of transmittal
- 2. Resolution

COUNCIL ACTION:

- 1. 4/5 vote required to approve resolution.

Patrick Frazee
Director of Wastewater Services



Wastewater Treatment Plant • 2125 Austin St • Midland, Michigan 48642-5969 • (989) 837-3500

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

The City’s sanitary sewer collects wastewater from residential, commercial, and industrial facilities, initially flowing to the Main Pump House at the Wastewater Treatment Plant (WWTP), and then is pumped up to the headworks of the plant prior to being discharged to the Tittabawassee River. The Main Pump House at the WWTP was constructed in 1973, and consists of four pumps, with two as primary, running on variable frequency drives. Staff has replaced two of the pumps over the past four years in order to ensure reliable, efficient operation of the WWTP.

On May 9, 2016 Council accepted the low bid from Kennedy Industries, Inc of Milford for the purchase of the first Xylem Allis Chalmers 16 x 16 x 20 NSY centrifugal pump for the Main Pump House. On August 10, 2016 Council approved the second Xylem Allis Chalmers 16 x 16 x 20 NSY centrifugal pump for the Main Pump House. The bid price for the first two pumps was honored at the original bid amount of \$99,235.00. The price for the third pump now being purchasing is based upon the original bid amount, however, the price is about 10% higher due to an increase in the cost of material over the past four years.

Wastewater staff has had pump replacement in the capital improvement plan for several years. This will be the third and final Main Pump House pump to be purchased, as staff has determined that the fourth pump does not need to be replaced at this time. It has been the intent of staff to purchase all the replacement pumps from the same company, as these pumps are critical components to identical parallel processes in our headworks. Installation of identical pumps also allows us to stock one type of repair parts and assists staff in the familiarity of the equipment as they will be installing and maintaining it.

Funding has been budgeted for the purchase of the Xylem Allis Chalmers Pump in the 2019/2020 Wastewater Enterprise Fund - Capital Budget.

Staff, therefore, requests that a purchase order in the amount of \$110,000.00 be made to Kennedy Industries for the purchase of a 16 x 16 x 20 NSY Xylem Allis Chalmers centrifugal pump. A 4/5 vote is required to approve.

Sincerely,

Patrick Frazee; Director of Wastewater Services

Christina Evans; Accounting Manager



Wastewater Treatment Plant • 2125 Austin St • Midland, Michigan 48642-5969 • (989) 837-3500

BY COUNCILMAN

WHEREAS, the City’s sanitary sewer collects wastewater from residential, commercial, and industrial facilities, and ultimately flows to the Wastewater Treatment Plant (WWTP) grit and screenings building (headworks of the plant); and

WHEREAS, City Council approved issuance of a purchase orders to Kennedy Industries of Wixom, Michigan for the replacement of two of the four Main Pump House pumps in 2016; and

WHEREAS, installation of identical pumps allows us to stock one type of repair parts and assists staff in the familiarity of the equipment as they will be installing and maintaining it; and

WHEREAS, funding has been budgeted for this purpose in the 2019/20 Wastewater Enterprise Fund - Capital Budget; now therefore

RESOLVED, that the City Council hereby determines that sealed proposals are impractical, and in accordance with Section 2-18 of the Code of Ordinances, the requirement for sealed proposals is hereby waived and that a purchase order in the amount of \$110,000.00 be made to Kennedy Industries for the purchase of one 16 x 16 x 20 NSY Xylem Allis Chalmers centrifugal pump.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

Item Attachment Documents:

7. * Purchase of 22A crushed limestone. MURPHY

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Annual purchase of 22A Crushed Limestone
INITIATED BY: Department of Public Services
RESOLUTION SUMMARY: Award of bid for the delivery of 22A Crushed Limestone to Specification Stone Products.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolution

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Karen Murphy
City of Midland Department of Public Services



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

On January 28, 2020 sealed proposals were publicly opened and read by the Accounting Manager for Bid No. 4061 for our annual supply of road materials. The Department of Public Services will use these materials for various construction and repair work.

Funds for these purchases are included in the Operating Supplies line item in the Street Fund activities and Parks maintenance activities. The total amount of purchases will not exceed the funding available for this purpose.

Bids were received as follows:

| 22A Crushed Limestone | Estimated Quantity | Price/Ton | Total Price |
|---|--------------------|-----------|-------------|
| Specification Stone Products, Kawkawlin, MI | 3,300 tons | \$17.33 | \$57,189 |
| Fisher Transportation Co., Inc., Mt. Pleasant, MI | 3,300 tons | \$17.37 | \$57,321 |
| Anthony Gushow & Sons, Auburn, MI | 3,300 tons | \$17.38 | \$57,354 |
| Champagne & Marx Excavating, Saginaw, MI | 3,300 tons | \$17.50 | \$57,750 |
| Great Lakes Fusion, LLC, Durand, MI | 3,300 tons | \$23.25 | \$76,725 |
| Robin Harsh Excavating, Inc., Clare, MI | 3,300 tons | \$25.25 | \$83,325 |

The low bid was submitted by Specification Stone Products. Their estimated delivery is within twenty-four hours and the material meets the specifications set forth in the bid. Therefore, we recommend that City Council accept the bid submitted by Specification Stone Products for 22A Crushed Limestone at \$17.33 per ton, and authorize the Accounting Manager to issue a purchase order for this material.

Sincerely,


Karen Murphy
Department of Public Services



Christina Evans
Accounting Manager



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BY COUNCILMAN

WHEREAS, sealed proposals were advertised and received in accord with Article II of Chapter 2 of the Midland Code of Ordinances for furnishing 22A Crushed Limestone; and

WHEREAS, funds have been provided in the Local and Major Street Fund and Park maintenance activities budgets; now therefore

RESOLVED, that the Accounting Manager is authorized to issue a purchase order to Specification Stone Products of Kawkawlin, Michigan for delivering 22A Crushed Limestone at a cost of \$17.33 per ton in accordance with the proposal and City specifications.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

Item Attachment Documents:

8. * Purchase of concrete and related supplies. MURPHY

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Annual purchase of concrete
INITIATED BY: Department of Public Services
RESOLUTION SUMMARY: Award of bid for the delivery of concrete and related supplies to Elmer’s Crane and Dozer, Inc.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolution

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Karen Murphy
City of Midland Department of Public Services



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February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

On January 28, 2020 sealed proposals were publicly opened and read by the Accounting Manager for Bid No. 4062 for our annual supply of concrete and related supplies. The Department of Public Services will use these materials for various construction and repair work.

Sufficient funds for these purchases are included in the Operating Supplies line item in the Street Fund activities. The total amount of purchases will not exceed the funding available for this purpose.

Bids were received as follows:

| Item | Estimated Quantity | Elmer's Crane & Dozer, Inc. Traverse City, MI | | Fisher Sand & Gravel, Inc. Midland, MI | |
|-----------------------------|--------------------|--|-----------------|---|-----------------|
| | | Unit Price | Amount | Unit Price | Amount |
| Type II Concrete (6 bag) | 500 cu yd | \$113 | \$56,500 | \$118 | \$59,000 |
| Small Load Delivery Charge | 40 | \$0 | \$0 | \$0 | \$0 |
| Split Load Delivery Charge | 20 | \$0 | \$0 | \$0 | \$0 |
| Extra Unloading Time Charge | 5 | \$90 | \$450 | \$90 | \$450 |
| Total | | | \$56,950 | | \$59,450 |

The low bid submitted by Elmer's Crane and Dozer, Inc. of Traverse City, Michigan meets the specifications set forth in the bid. Therefore, we recommend that City Council accept the bid submitted by Elmer's Crane and Dozer, Inc. for concrete and related supplies, and authorize the Accounting Manager to issue a purchase order for these materials.

Sincerely,

Karen Murphy
Department of Public Services

Christina Evans
Accounting Manager



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BY COUNCILMAN

WHEREAS, sealed proposals were advertised and received in accord with Article II of Chapter 2 of the Midland Code of Ordinances for concrete and related supplies; and

WHEREAS, funds have been provided in the Local and Major Street Fund budgets; now therefore

RESOLVED, that the Accounting Manager is authorized to issue a purchase order to Elmer’s Crane and Dozer, Inc. of Traverse City, Michigan for furnishing concrete and related supplies at the unit prices contained in their response to Bid No. 4062 in accordance with the proposal and City specifications.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

Item Attachment Documents:

9. * Set a Public Hearing to amend the FY 2019-20 Major Street Fund budget FREDRICKSON
 - a. Add expenditure for Cambridge Street reconstruction
 - b. Increase expenditures for construction costs related to the 2020 Eastman Avenue Reconstruction project

SUMMARY REPORT TO MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Amending the 2019-20 Major Street Fund Budget to fund construction costs related to the 2020 Eastman Avenue Construction and 2020 Cambridge Street reconstruction projects.

INITIATED BY: City of Midland Engineering Department

RESOLUTION SUMMARY:

This resolution supports the construction on Eastman Avenue and Cambridge Street and sets a public hearing for a budget amendment by:

- a. Setting a public hearing for Monday March 16, 2020, in the Council Chambers of City Hall on the proposal to amend the 2019-20 Major Street Fund budget to increase expenditures by \$450,000 to provide sufficient appropriations to fund the 2020 Eastman Avenue construction project.
- b. Setting a public hearing for Monday March 16, 2020, in the City Council Chambers of City Hall on the proposal to amend the 2019-20 Major Street Fund budget to increase expenditures by \$220,000 to provide sufficient appropriations to add the Cambridge Street project to the construction project.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolutions
- 3. Location Maps

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Joshua Fredrickson
Engineering Department



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February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

Two Major Street projects require additional funding in order to be completed. One is a project on Eastman Avenue and the other, a project on Cambridge Street. The project on Eastman Avenue is related to traffic concerns. The Cambridge Street project is related to a change in construction method. These budget amendments were also included on the January 27 and February 10, 2020 agenda of City Council. Due to an error in the resolution, the public hearing was not held on February 10.

Eastman Avenue

Eastman Avenue traffic congestion has been a community concern for several years. In 2005, the City of Midland commissioned DLZ, Michigan (DLZ) to perform a study of traffic conditions along the Eastman Avenue corridor generally between Wackerly Street and Joe Mann Boulevard and derive potential solutions. Three alternatives were developed at the time, each in excess of 10 million dollars. Due to the anticipated high cost of the solution, it was desired to develop lower cost alternatives to address traffic. Interim alternatives were subsequently developed by DLZ in 2006. Design plans were then developed for the selected preferred interim alternative and in 2008 the project was put on hold due to poor economic conditions.

In 2017, DLZ was contracted to re-evaluate and update the Eastman Avenue interim alternatives study completed in 2006. This update was done using updated traffic volumes. The update indicated that traffic volumes had not increased at the rate projected in 2006. The findings of the updated 2017 study indicated that based on the current traffic volumes, the interim preferred alternative chosen in 2006 remains a valid solution to help reduce traffic congestion along this section of Eastman Avenue.

Funding for the Eastman Avenue project from Airport Road to Joe Mann Boulevard was included in the 2016-17 budget. The scope of the project includes the preferred alternative solution presented by DLZ from 2006 which is the construction of a dedicated right turn lane for southbound Eastman Avenue at Airport Road. An additional southbound through lane will also be added for a segment north of Airport Road. Eastman Avenue will also be resurfaced from Wackerly Street to Joe Mann Boulevard.

Rowe Professional Services Company (Rowe) was hired in 2018 to develop construction plans and specifications for bidding purposes. In May 2019 construction bids were received and reviewed by the City. Funding for the project was insufficient based on bids received and the project was not awarded at that time for construction. Subsequent to the first bid we reviewed the plans and specification. Modifications were made to the schedule and specifications to provide cost savings to the project while maintaining the core of the original scope. The project was bid for a second time in January 2020. Although an improvement from the first bid cycle, the results of the 2020 bid opening remain that project funding is currently insufficient for construction.

Funding currently allocated to Eastman Avenue is \$1,100,000. Based on anticipated expenditures for engineering, inspection and construction an additional \$450,000 is needed to complete the project.

Cambridge Street

A 36-inch water transmission main is located under Cambridge Street. Within the past couple of years, pipe issues have become apparent which have resulted in ongoing leaks and needed repairs. The leaks have been temporarily addressed, but a permanent replacement of the pipe is needed. Working with the City Water Department, a solution was identified and funding allocated for a permanent repair.

Funding to replace the pipe was included in the 2019-20 budget. At the time of the initial budget, the intent of the project was to place a smaller diameter pipe through the existing 36-inch pipe. By placing a smaller diameter pipe through the 36-inch pipe roadwork was not required and street funding was not included with the project.

Due to several factors including the geometry of the existing pipe, it was determined that the construction method needed to be revised. After review of several options, it was determined that a traditional open cut method would be most cost effective. The open cut method will result in removal of a portion of the roadway. Replacing the water main using the open cut method will result in removal and replacement of one lane of the roadway. Based on the condition of the road and replacement of one lane of the paved surface, it is reasonable to include the second lane of roadway for resurfacing. Based on anticipated expenditures for engineering, inspection and construction the cost estimate of the street portion of the project is \$220,000. For the pipe replacement, \$750,000 was included in the 2019-20 budget for the water main replacement and is anticipated to be sufficient for the pipe replacement using an open cut method.

Summary

Attached are two resolutions to establish a public hearing on March 16, 2020 to amend the fiscal year 2019-20 Major Street Fund budget to increase expenditures. The increase associated for the Eastman Avenue project is an amount of \$450,000. Cambridge Street adds a street project in the amount of \$220,000. Funding for the proposed budget amendment would come from existing fund balance.

Respectfully submitted,



Joshua N. Fredrickson
City Engineer



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

BY COUNCILMAN

WHEREAS, construction costs have been obtained for the proposed Eastman Avenue construction project which adds a southbound through lane, a southbound turn lane and makes pavement improvements between Airport Road and Joe Mann Boulevard; and

WHEREAS, funding for the Eastman Avenue construction project is in the 2019-20 fiscal budget and is insufficient for construction cost; now therefore

RESOLVED, that in accord with Section 11.6 of the Charter of the City of Midland, a public hearing shall be conducted at 7:00 p.m., Monday, March 16, 2020, in the Council Chambers of City Hall on the proposal to amend the 2019-20 Major Street Fund budget to increase expenditures by \$450,000 for the 2020 Eastman Avenue project and direct the City Clerk to give notice as provided in Section 5.11 of the Charter of the City of Midland.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk



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BY COUNCILMAN

WHEREAS, scope changes to the Cambridge Street Water main project will be an open trench excavating resulting in the removal and replacement of the paved roadway surface; and

WHEREAS, funding is not included in the 2019-20 budget for the street portion of Cambridge Street; now therefore

RESOLVED, that in accord with Section 11.6 of the Charter of the City of Midland, a public hearing shall be conducted at 7:00 p.m., Monday, March 16, 2020, in the Council Chambers of City Hall on the proposal to amend the 2019-20 Major Street Fund budget to add expenditures in the amount of \$220,000 for the Cambridge Street reconstruction project and direct the City Clerk to give notice as provided in Section 5.11 of the Charter of the City of Midland.

YEAS:

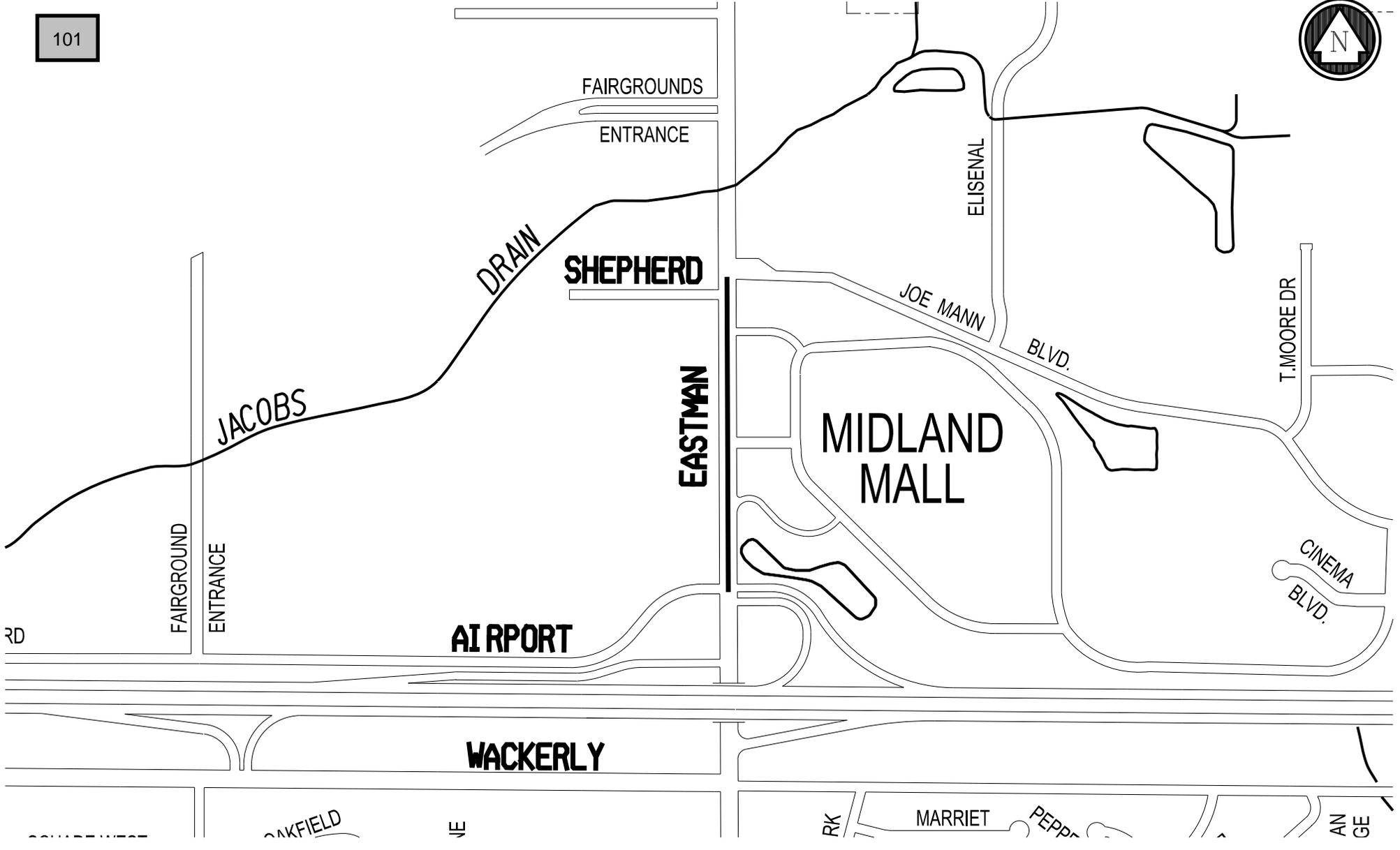
NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk

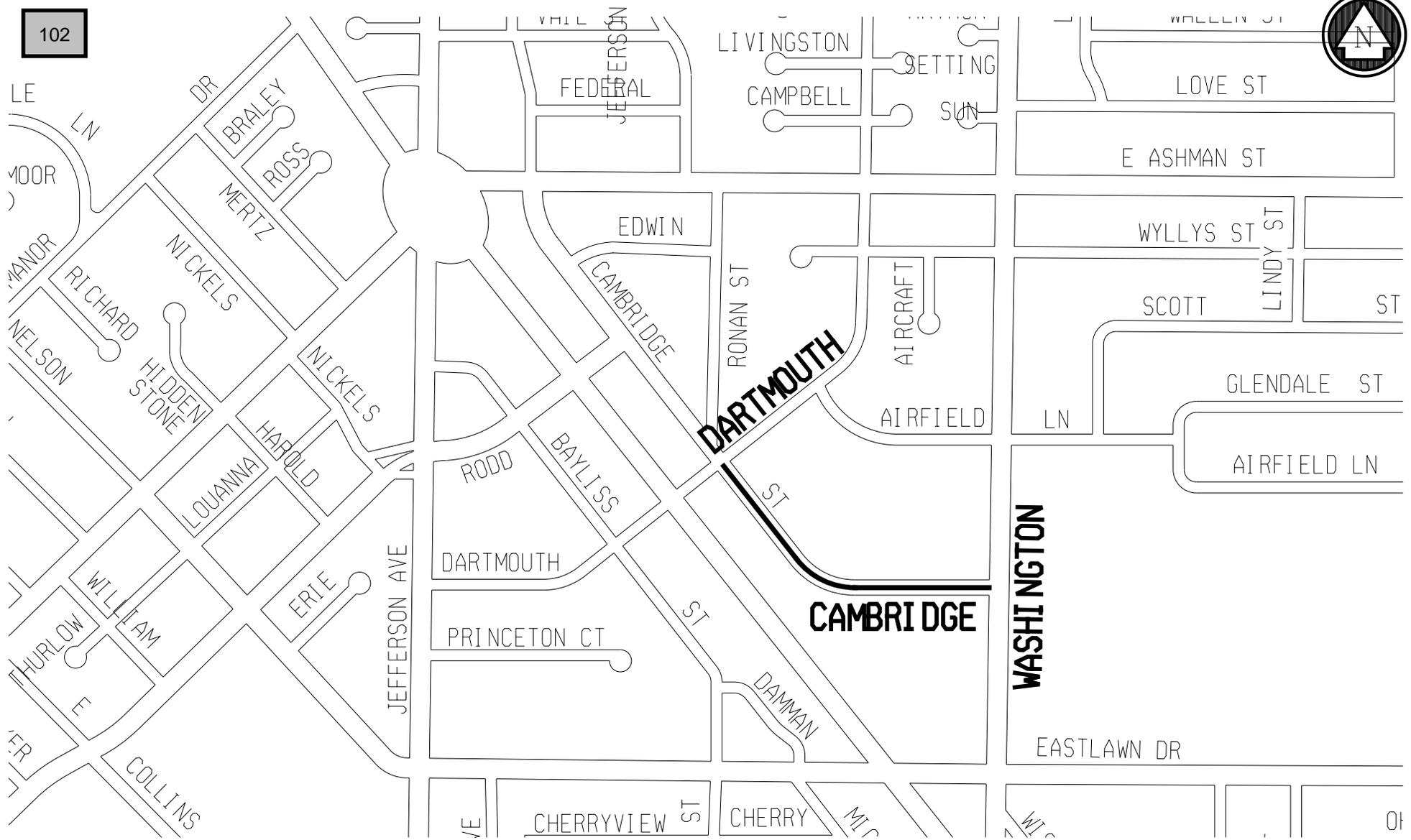
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EASTMAN AVENUE RECONSTRUCTION

AIRPORT TO SHEPHERD

102



CAMBRIDGE ST. RECONSTRUCTION

WASHINGTON TO DARTMOUTH

Item Attachment Documents:

10. * Setting a public hearing for the Midland Daily News Building Redevelopment Project Brownfield Project. KEENAN

SUMMARY REPORT TO MANAGER
For City Council Meeting of February 24, 2020

SUBJECT: The Midland Daily News Building Redevelopment Project
Brownfield Project

INITIATED BY: David A. Keenan, Assistant City Manager

RESOLUTION

SUMMARY: This resolution sets March 16, 2020, as the date to hold a public hearing for the purpose of considering the approval of the Midland Daily News Building Redevelopment Project Brownfield Plan.

ITEMS ATTACHED:

1. Letter of Transmittal
2. Brownfield Redevelopment Financing Authority minutes – 1/31/2020
3. Downtown Development Authority minutes – 2/5/2020
4. Midland Daily News Property Redevelopment Project Brownfield Plan
5. Resolution

CITY COUNCIL ACTION:

1. 3/5 affirmative vote required to approve resolution



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640 ♦ 989.837.3300 * 989.837.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP, CFM
City Manager
City of Midland
Midland, Michigan

Dear Mr. Kaye:

The Brownfield Redevelopment Financing Act, or Act 381 of 1996, is intended to provide local units of government a tool to incentivize developers to redevelop, revitalize, or reuse properties that are economically disadvantaged by blight, contamination, obsolescence, and other factors. It allows a local unit to offer financial incentives to developers to revitalize existing properties, essentially leveling the playing field with developing in green space.

A request has been received from Sahasa Realty Corp. to consider approval of a Brownfield Redevelopment Plan (see attached Brownfield Plan / Midland Daily News Building Redevelopment Project – the “Plan”). The Plan involves demolishing the existing 18,492 square foot building and constructing eleven two-story Brownstone townhome rental properties facing Ann Street, and a four-story 14,500 square foot apartment building with 14 units facing McDonald Street. Associated parking will be located within and adjacent to proposed structures. The cost of the investment is \$7.2 million, and the specific parcels associated with the project are 124 and 128 McDonald Street, and 100 Ashman Street.

Preliminary testing has found contamination on the property at levels that should qualify it as a Brownfield site. Sahasa Realty Corp. is seeking approval of Tax Increment Financing (TIF) support to reimburse them for costs deemed to be eligible in accordance with the Plan. The Plan provides for up to \$1,901,290 in reimbursable costs, plus 5% interest on unreimbursed costs. The estimated payback period is 24 years.

A few important considerations of this plan include:

- The Plan has yet to be submitted to the State for its approval. Local support is first required. The State will perform due diligence on the Plan, and should the Plan receive State approval, only those costs deemed reimbursable by the State will be reimbursable by the local units.
- Only actual eligible expenses will be reimbursed.
- The maximum amount of eligible expenses allowed by the plan is \$1,901,290 plus interest.

February 19, 2020
C. Bradley Kaye, AICP, CFM
Page 2

- The maximum reimbursement period is 30 years. The expected reimbursement period, assuming worst-case eligible expenses is 24 years.
- After completion of the reimbursement and capture period, the properties will become regular Downtown Development Authority (DDA) TIF property.

The Midland Brownfield Redevelopment Financing Authority (BRFA) met on Friday, January 31, 2020, to review the Plan. The Board approved, on a 5-0 vote, to recommend that City Council approved the Midland Daily News Building Redevelopment Project Brownfield Plan, as well as entering into a Reimbursement Agreement for eligible costs.

TIF districts operate on a first-come, first-serve basis. Because the DDA already has a TIF plan in place, it holds priority over a potential Brownfield TIF district. In order for this project to be financially feasible, the entire amount of TIF capture for these properties must be made available for the reimbursement of eligible costs. This requires that the DDA agree to forgo their share of TIF capture on these properties until all eligible costs are reimbursed. At its February 5, 2020 board meeting, the DDA Board approved entering into an interlocal agreement with the BRFA which would allow this to happen.

As part of this agenda package, the minutes from the January 31, 2020 BRFA Board meeting and the minutes from the February 5, 2020 DDA Board meeting are provided. Also provided is the Brownfield Plan and a resolution that sets March 16, 2020 as the date to hold a public hearing on the Plan, and directs staff to provide sufficient notice in accordance with Public Act 381 of 1996.

Sincerely,

David A. Keenan, CPA
Assistant City Manager

**MIDLAND BROWNFIELD REDEVELOPMENT FINANCING AUTHORITY
(Draft) Minutes – January 31, 2020**

A special meeting of the Midland Brownfield Redevelopment Financing Authority was held on Friday, January 31, 2020 at 9:00 AM in Council Chambers of Midland City Hall.

The meeting was called to order by Secretary David Keenan at 9:02 AM

Members present: John Bartos, Rebecca Cox, Bryan Kriz, Meleah Retzliff, and Jenee Velasquez

Members absent: None

Others present: David A. Keenan, Midland Assistant City Manager; Selina Tisdale, Midland Community Affairs Director; Grant Murschel, Midland Planning Director; Tony Stamas, Midland Business Alliance; Peter Shaheen, Sahasa Realty Corp.; Eric Tankersly and Alistair Warr, Shaheen Development; Kirstie Hardy, AKT Peerless

MINUTES

There were no prior meeting minutes to come before the Board for consideration.

Mr. Keenan provided the Board with a brief overview of the Brownfield Redevelopment Financing Authority and the mechanics behind tax increment financing (TIF).

SWEARING IN OF THE BOARD MEMBERS

Selina Tisdale, Deputy Clerk for the City of Midland performed a swearing in of all board members.

SELECTION OF BRFA CHAIRPERSON AND VICE-CHAIRPERSON

After soliciting interest in the positions of chair and vice-chair it was moved by Velasquez and seconded by Bartos to appoint Rebecca Cox to the position of BRFA Chairperson, the Motion was unanimously approved.

It was next moved by Velasquez and seconded by Bartos to appoint Bryan Kriz to the position of BRFA Vice-Chairperson. The motion was also unanimously approved.

THE MIDLAND DAILY NEWS BUILDING REDEVELOPMENT PROJECT

Kirstie Hardy of AKT Peerless and Alistair Warr of Shaheen Development presented the project to the Board. Highlights follow:

- The developer is Sahasa Realty Corp., a part of Shaheen Development who has a successful history of redevelopment projects in the region and in Midland.
- The subject property is the Midland Daily News Building and property located at 124 and 128 McDonald Street, and 100 Ashman Street.
- The building is obsolete and has been tested to show that contamination is present.
- Poor soil conditions, steep site topography, and the nearness of the flood plain will pose construction challenges.
- The proposed project will provide 11 mid-century modern brownstone townhome rentals and a four-story apartment building that includes 14 one bedroom and two bedroom units, and onsite parking.
- Total eligible costs will not exceed \$2,866,927 and will be reimbursed via Tax Increment Financing.
- The anticipated repayment period is 24 years, but will not exceed 30 years.

Selina Tisdale, Executive Director for the Downtown Development Authority presented comments relating to the proposed project and how it relates to plans and objectives that the DDA board has for the Downtown.

Grant Murschel, Midland Planning Director presented comments relating to the proposed project as it relates to the City’s Master Plan, the housing study, and the need for housing diversity in the Downtown.

After a period of questions and discussion by the Board, a motion was made by Retzloff and seconded by Kriz to approve a resolution recommending to the Midland City Council approval of the Midland Daily News Building Redevelopment Project Brownfield Plan and directing the BRFA Chairperson to sign the related Reimbursement Agreement. The motion passed unanimously.

With there being no further business to come before the Authority, the meeting adjourned at 10:05 AM.

Respectfully submitted,

David A. Keenan
Assistant City Manager
Midland BRFA Secretary



DOWNTOWN DEVELOPMENT AUTHORITY

Board of Directors

Wednesday, February 5, 2020, 3:00 p.m.

Council Chambers, City Hall – Midland, MI

UNAPPROVED MINUTES

Call to Order: 3:00 p.m.

Attending: Bryan Jao, Brad Kaye, Dave Kell, Jim Malek, Paul Barbeau, Cathy Bott, Jon Lauderbach

Absent: Bobbie Arnold, Bo Brines, Marty McGuire, Bo Miller, Bob Rathbun, James Wright

Chairmen Kell called the meeting to order at 3:00 p.m.

The Downtown Development Authority (DDA) Board meeting minutes of September 11 and October 9, 2019 were presented. Lauderbach moved approval, seconded by Jao. Minutes were unanimously approved.

Community Affairs Director Selina Tisdale introduced Assistant City Manager David Keenan who reviewed the Brownfield Redevelopment tool and how it affects the DDA. Kirstie Hardy, AKT Peerless, and Al Waar, Sahasa Realty Corporation introduced a plan to redevelop the former Midland Daily News located at 124, 128 McDonald Street and 100 Ashman Street site into residential properties. After discussion on the proposal, the following resolution was presented:

WHEREAS, the Midland Downtown Development Authority (DDA) has been presented with a redevelopment plan by Sahasa Realty Corp. for the properties located at 124, 128 McDonald Street and 100 Ashman Street; and
WHEREAS, the developer is pursuing approval of a Brownfield Plan that provides for tax increment financing as a means to reimburse the developer for eligible costs; and
WHEREAS, these taxes are part of the DDA's current tax capture and the DDA must agree to forgo additional future tax capture on improvements to these parcels for a period of up to, but not to exceed, 30 years; now therefore
RESOLVED that the DDA hereby approves, in concept, the brownfield development agreement as presented and authorizes DDA Chair David Kell to sign the agreement document in its final form in consultation with the city attorney and assistant city manager.

The resolution was moved by Barbeau and seconded by Jao. The motion received unanimous support from those in attendance.

Tisdale introduced David Burr of Rich and Associates who reviewed the findings of the 2019 Downtown Parking Study. Britney Gwisdala, 5801 Swede Avenue, spoke regarding handicapped parking spaces on Main Street in downtown Midland. The study will be made available on the downtown website cityofmidland.gov/parkingstudy. Comments will be received over the next month. The DDA board will revisit the study's recommendations and begin prioritizing proposed projects at the March 11, 2020 meeting.

Tisdale introduced Dustin Neumeyer, founding partner of Aberro Creative who reviewed the new downtown branding effort and plans for a redeveloped downtown website. The new brand will be launched in June 2020.

Board member Lauderbach left the meeting at 4:55 p.m.

Committee Report:

Kell reported that the Communications Committee: Hot Cocoa crawl had more than 400 event cards returned; 500 participants took part in the Jingle Bell Run; 2020 calendar of events is being finalized.

Kell reported that the Executive Committee is working to finalize the strategic plan and plans to bring that forward at the 11 meeting.

110

Midland Downtown Business Association President Daniel Buzzell reported that the Meet your Merchants event is planned for March 14, 3.14 which is Pie Day and the event will center on that theme. Ace Hardware is now selling cops and donuts.

There were no public comments.

There was no new business.

Meeting adjourned at 3:45 p.m.

CITY OF MIDLAND
BROWNFIELD REDEVELOPMENT FINANCE AUTHORITY

BROWNFIELD PLAN

Midland Daily News Building Redevelopment Project
124 and 128 McDonald Street & 100 Ashman Street
Midland, Michigan

PREPARED BY Sahasa Realty Corp.
1100 S Washington Ave
Suite 3
Saginaw, MI 48601
Contact Person: Peter Shaheen
Email: peter@shaheendevlopment.com
Phone: (989) 799-5700

AKT Peerless
214 Janes Avenue
Saginaw, Michigan 48607
Contact Person: Kirstie Hardy
Email: hardyk@aktpeerless.com
Phone: (248) 227-6579

PROJECT # 12461S2

REVISION DATE January 30, 2020

BRFA APPROVAL
CITY APPROVAL

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PROJECT SUMMARY

PROJECT NAME Midland Daily News (MDN) Building Redevelopment

DEVELOPER Sahasa Realty Corp.
1100 S Washington Ave
Suite 3
Saginaw, MI 48601
Contact: Peter Shaheen
(989) 799-5700

ELIGIBLE PROPERTY LOCATION Former Midland Daily News Building

| Address | Tax Identification Number |
|---------------------|---------------------------|
| 124 McDonald Street | 14-16-50-496 |
| 100 Ashman Street | 14-16-50-486 |
| 128 McDonald Street | 14-21-80-262 |

TYPE OF ELIGIBLE PROPERTY Facility and Adjacent & Contiguous

SUBJECT PROJECT DESCRIPTION The MDN Building Redevelopment Project (Project) consists of the redevelopment of the former Midland Daily News building. The Project will include the demolition of the existing structures, and new construction of eleven two-story walk-up Brownstone townhome rental properties facing Ann Street and a four-story apartment building with 14 units facing McDonald Street. Associated parking will be located within and adjacent to proposed structures. This Project will ultimately put the vacant property back to productive use and will improve the downtown area of Midland by increasing residential density, which will in turn help support the downtown business community.

In addition to the economic benefits of this development to the City of Midland, environmental activities are anticipated that would provide a safer and healthier downtown to the public and environment alike.

The Project is seeking approval of Tax Increment Financing (TIF). Redevelopment is expected to begin in fall of 2020.

| | |
|---|---|
| ELIGIBLE ACTIVITIES | Department Specific Activities, Demolition, Lead and Asbestos Survey and Abatement, Site Preparation, Infrastructure Improvements, and Preparation & Implementation of a Brownfield Plan and Act 381 Work Plan. |
| DEVELOPER'S REIMBURSABLE COSTS | \$ 1,901,290 (Est. Eligible Activities & Contingency) <u>\$ 965,637 (Interest)</u> \$ 2,866,927 |
| MAXIMUM DURATION OF CAPTURE | 30 years |
| ESTIMATED TOTAL CAPITAL INVESTMENT | \$7.207 million |
| INITIAL TAXABLE VALUE | \$246,723 (estimated; the taxable value of the Eligible Property for which the next equalization will be completed; i.e., tax year 2021) |

LIST OF ACRONYMS AND DEFINITIONS

| | |
|------------------------------|--|
| BEA | Baseline Environmental Assessment (Michigan process to provide new property owners and/or operators with exemptions from environmental liability) |
| BFP OR PLAN DEVELOPER | Brownfield Plan Sahasa Realty Corp. |
| EGLE | Michigan Department of Environment, Great Lakes & Energy |
| ELIGIBLE PROPERTY | Property for which eligible activities are identified under a Brownfield Plan, referred to herein as “the subject property”. |
| ESA | Environmental Site Assessment |
| LBRF | Local Brownfield Revolving Fund |
| BRFA | City of Midland Brownfield Redevelopment Finance Authority |
| PHASE I ESA | An environmental historical review and site inspection (no soil and/or groundwater sampling and analysis) |
| PHASE II ESA | Environmental subsurface investigation (includes soil, soil gas, and/or groundwater sampling and analysis) |
| RCC | Residential Cleanup Criteria |
| TIF | Tax Increment Financing (TIF describes the process of using TIR—i.e., TIF is the use of TIR to provide financial support to a project) |
| TIR | Tax Increment Revenue (new property tax revenue, usually due to redevelopment and improvement that is generated by a property after approval of a Brownfield Plan) |

BROWNFIELD PLAN

124 and 128 McDonald Street and 100 Ashman Street, Midland, MI

1.0 Introduction

The City of Midland (the “City”), established the Midland Brownfield Redevelopment Finance Authority (the “Authority”) on July 8, 1999, pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”). The primary purpose of Act 381 is to encourage the redevelopment of eligible property by providing economic incentives through tax increment financing for certain eligible activities.

The main purpose of a Brownfield Plan is to promote the redevelopment of and investment in certain “Brownfield” properties within the City. Inclusion of subject property within Brownfield plans will facilitate financing of environmental response and other eligible activities at eligible properties and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “Brownfields.” By facilitating redevelopment of Brownfield properties, Brownfield plans are intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the Authority.

The identification or designation of a developer or proposed use for the Eligible Property that is the subject of this Brownfield Plan (the “subject property”) shall not be integral to the effectiveness or validity of this Brownfield Plan. This Brownfield Plan is intended to apply to the subject property identified in this Brownfield Plan and, if tax increment revenues are proposed to be captured from that subject property, to identify and authorize the eligible activities to be funded by such tax increment revenues. Any change in the proposed developer or proposed use of the subject property shall not necessitate an amendment to this Brownfield Plan, affect the application of this Brownfield Plan to the subject property, or impair the rights available to the Authority under this Brownfield Plan.

This Brownfield Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. The applicable sections of Act 381 are noted throughout the Brownfield Plan for reference purposes.

This Brownfield Plan contains information required by Section 13(2) of Act 381.

The MDN Site Redevelopment (Project) consists of the redevelopment of the subject property by demolishing the existing 18,492 square foot building and constructing eleven two-story walk-up brownstone townhome rental properties facing Ann Street, and a 14,500 square foot, four-story apartment building with 14 units facing McDonald Street. All of the units are anticipated to be rented at market rate as is necessary to support the financing of the project. Associated parking will be located to the rear of the buildings, and potentially underneath the proposed structures. This Project will ultimately put the underutilized property back to productive use and will benefit the downtown area of Midland by increasing residential density on what is currently a vacant site.

In addition to the economic benefits of this development to the Midland and the surrounding downtown, environmental activities are anticipated that would provide a safer and healthier downtown to the public and environment alike.

The Project is seeking approval of Tax Increment Financing (TIF). Redevelopment is expected to begin in fall of 2020.

2.0 General Provisions

The following sections detail information required by Act 381.

2.1 Description of Eligible Property (Section 13 (h))

The Eligible Property (“subject property”) is located at, in the southwest ¼ of the southwest ¼ of Section 16 in Midland (T.14N. /R.02E.) and the northwest ¼ of the northwest ¼ of Section 21 in Midland (T.14N./R.02E.), Midland County, Michigan. The subject property is situated north of the intersection of McDonald Street and Ann Street. The subject property consists of three parcels that contain approximately 0.94 acres. The subject property is located in downtown Midland (“City”), an area that is characterized by commercial and residential properties. The Tittabawassee River lies approximately 400 feet to the south. The subject property is abutted by surface roadways and adjacent development. It is served by municipal water, sanitary, storm sewer, and electrical and gas utilities.

The following table describes the parcels which comprise the subject property. See Attachment A, Figure 1 Project Location, and Figure 2 Eligible Property Boundary Map.

Eligible Property Information

| Address | Tax Identification Number | Basis of Brownfield Eligibility | Approximate Acreage |
|---------------------|---------------------------|---------------------------------|---------------------|
| 124 McDonald Street | 14-16-50-496 | Facility | 0.695 |
| 100 Ashman Street | 14-16-50-486 | Facility | 0.067 |
| 128 McDonald Street | 14-21-80-262 | Adjacent & Contiguous | 0.182 |

The legal descriptions of the parcels included in the Eligible Property are as follows:

124 McDonald Street : LOTS 7,8, SW 5 FT OF LOT 1, SW 5 FT OF SE 40 FT OF LOT 2, LOTS 5 & 6 EXC NE 21 FT & EXC BEG AT W COR OF LOT 5, NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, ALL IN BLK 12 ORIGINAL PLAT OF MIDLAND & 1/2 VAC ANN ST ADJ & NW 4FT OF MCDONALD ST ADJ, EXC BEG 10 FT NW OF INT OF CL OF VAC ANN ST & NW LNOF MCDONALD ST, SE 14 FT, NE 1.5 FT, NW TO BEG.

100 Ashman Street : BEG AT W COR OF LOT 5 BLK 12 ORIGINAL PLAT OF MIDLAND NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, & 1/2 VAC ANN ST ADJ.

128 McDonald Street: SWLY 1/2 OF VAC ANN ST BETWEEN ASHMAN ST & MCDONALD

The subject property is zoned Downtown Overlay (D-O), and the proposed project fits the zoning for the area. It currently contains the former Midland Daily news building, a two-story, flat roof building with a concrete frame, concrete block and stucco exterior, concrete slab on grade foundation and a basement.

Attachment A includes site maps of the Eligible Property, refer to: Figure 1, Scaled Property Location Map and Figure 2, Eligible Property Boundary Map (which includes lot dimensions).

The parcel and all tangible real and personal property located thereon will comprise the Eligible Property, which is referred to herein as the “subject property.”

2.2 Basis of Eligibility (Section 13 (2)(h), Section 2 (p))

The subject property is considered “Eligible Property” as defined by Act 381, Section 2 because: (a) the subject property was previously utilized as a commercial property; (b) it is located within the City of Midland, a qualified local governmental unit, or “Core Community” under Act 381; (c) the parcels with addresses 124 McDonald Street and 100 Ashman Street have been determined to be a “facility;” and (d) the third parcel which comprises the Eligible Property, 128 McDonald Street, is adjacent and contiguous to a “facility” parcel.

The following table summarizes the general development and use of the subject property, as identified by AKT Peerless based on the referenced data sources:

Subject Property Historical Use Summary

| Time Period | Improvements | Use | Owner / Occupant | Data Source(s) |
|-------------|--|--------------------|--|--|
| 1884-1893 | Stables Outbuildings Retail store Laundry | Commercial | Unknown | Fire insurance maps |
| 1899 | Residence Stables | Residential | Unknown | Fire insurance maps |
| 1909 | Stables Residence Blacksmith shop Flour mill | Residential | Unknown Midland Milling Company | Fire insurance maps |
| 1916 | Stable Carpenter shop | Commercial | Unknown | Fire insurance maps |
| 1926 | Blacksmith shop Retail store County Road Commission garage and warehouse | Commercial | Unknown Midland County | Fire insurance maps |
| 1927 | Subject building | Brewery | Unknown | Municipal records Interviews |
| 1931 | Subject building | Publishing company | Chrissey Publishing Company Detroit Creamery Company | Fire insurance maps Municipal records |
| 1935 | Subject building Warehouses | Publishing company | Rich Publishing House Midland Brewing Company | Fire insurance maps City directories Municipal records |

| Time Period | Improvements | Use | Owner / Occupant | Data Source(s) |
|------------------|---|-------------------------------|--|---|
| 1943 | Subject building Warehouses | Publishing company | Midland Daily News | Fire insurance maps City directories Municipal records |
| 1950 | Subject building Warehouses | Publishing company | Midland Daily News Consumer's Power Company | Fire insurance maps City directories Municipal records |
| 1956 | Subject building Warehouses Consumer's Power warehouse | Publishing company Storage | Midland Daily News Unknown Consumer's Power Company | Fire insurance maps City directories Municipal records |
| 1957- Present | Subject building | Publishing company | Midland Daily News | Fire insurance maps City directories Municipal records Interviews Site reconnaissance |

AKT Peerless completed a Phase I ESA of the subject property on November 2, 2017, on behalf of Sahasa Realty Corp. in conformance with the scope and limitations of American Society for Testing and Materials (ASTM) Standard Practice E 1527-13. At the time of AKT Peerless' site reconnaissance, the subject property was developed with the Midland Daily News, a newspaper production facility.

The following recognized environmental conditions (RECs) were identified:

REC 1 - The subject property operated as a newspaper printing facility since at least 1931 with unknown waste handling and disposal practices conducted before waste handling regulations were established. Operations have included the historical use of petroleum-based inks and printing machinery containing lubricants and oils. In AKT Peerless' opinion, historical printing operations using petroleum-based inks on the subject property represents a REC. Further, the possibility exists that petroleum-based oils and inks have impacted subsurface conditions of the subject property. Therefore, further investigation and/or assessment is warranted in order to evaluate the nature, extent, magnitude, and materiality of REC 1.

REC 2 - Historical use of the subject property included a blacksmith shop from 1909 to 1926, flour mill in 1909, truck garage in 1926, creamery in 1931, and as well as Consumer's Power shop and warehouse from 1950 to 1956 with unknown housekeeping, waste handling, and waste disposal practices. The historical use of hazardous materials on the subject property presents the possibility of a release of hazardous chemicals to the subsurface of the subject property. In AKT Peerless' opinion, historical light industrial operations on the subject property represents a REC. Therefore, further investigation and/or assessment is warranted in order to evaluate the nature, extent, magnitude, and materiality of REC 2.

REC 3 - The adjoining property to the northwest operated as a dry cleaner from the 1920s to the 1950s. The storage and use of hazardous solvents (i.e., perchloroethylene) and generation of associated hazardous wastes on the subject property represents the potential for a release of hazardous contaminants to the subsurface of the subject property. In AKT Peerless' opinion, historical use on the northwestern adjoining property as a dry cleaner represents a REC. Therefore, further investigation

and/or assessment is warranted in order to evaluate the nature, extent, magnitude, and materiality of REC 3.

To further evaluate the RECs identified in its November 2017 Phase I ESA, AKT Peerless conducted a subsurface investigation of the subject property. AKT Peerless: (1) drilled five soil borings and (2) collected 3 soil samples for laboratory analyses. AKT Peerless submitted three soil samples for laboratory analyses of select parameters.

The results of the laboratory analyses of the soil samples identified concentrations of benzo(a)pyrene, fluoranthene, naphthalene, and phenanthrene, within soil boring B-1 in excess of the MDEQ Groundwater Surface Water Interface Protection (GSIP) Criteria and/or Residential Direct Contact (DC). Mercury was identified in soil borings B-1 and B-3 in excess of GSIP Criteria. A concentration of carbon tetrachloride was detected within soil boring B-3 in excess of the MDEQ Residential Drinking Water Protection (DWP) Criteria and Residential Soil Volatilization to Indoor Air Inhalation (SVIAI) Criteria.

Based on laboratory analytical results, the parcels with addresses 124 McDonald Street and 100 Ashman Street meet the definition of a “facility,” as defined in Part 201.

2.3 Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))

The “eligible activities” that are intended to be carried out at the subject property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include Department Specific Activities (Predevelopment Activities [Phase I ESA, Phase II ESAs and BEA], due care activities and additional response activities), lead and asbestos survey and abatement, demolition, site preparation, infrastructure improvements and the preparation and implementation of the Brownfield Plan and Act 381 Work Plan (see Table 1).

A summary of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Incremental Revenues from the subject property are shown in the table below.

Estimated Cost of Reimbursable Eligible Activities

| Description of Eligible Activity | | Estimated Cost* |
|---|---|---------------------|
| 1. | Predevelopment Activities | \$ 40,390 |
| 2. | Due Care Compliance | \$ 53,000 |
| 3. | Response Activities | \$ 175,000 |
| 4. | Demolition | \$ 325,000 |
| 5. | Lead and Asbestos Activities | \$ 25,000 |
| 6. | Site Preparation | \$ 968,000 |
| 7. | Infrastructure Improvements | \$ 45,000 |
| Subtotal Environmental & Non-Environmental Eligible Activities | | \$ 1,631,390 |
| 8. | 15% Contingency on Eligible Activities** | \$ 243,900 |
| 9. | Brownfield Plan & Act 381 WP Preparation and Implementation | \$ 26,000 |
| Total Eligible Activities Cost with 15% Contingency | | \$ 1,901,290 |
| 10. | State Revolving Fund | \$ 184,584 |
| 11. | Interest (calculated at 5%, simple)*** | \$ 965,637 |
| Total Eligible Costs for Reimbursement | | \$ 3,051,512 |

*Estimated costs are subject to approval by MSF and EGLE. Any costs not approved by the MSF or EGLE will become ineligible.

**The contingency is applied to the Subtotal, excepting the BEA Activities, which have already been performed.

***Interest is calculated annually at 5% simple interest on unreimbursed eligible activities, in accordance with Midland BRFA policy.

A detailed breakout of the eligible activities and the estimated cost of each eligible activity intended to be paid for with Tax Increment Revenues from the subject property is shown in Attachment D, Table 1.

It is currently anticipated that redevelopment will begin in Fall 2020 and be completed by Spring 2024.

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the subject property will be captured by the Authority and used to reimburse the cost of the eligible activities completed on the subject property after approval of this Brownfield Plan and an associated Reimbursement Agreement.

The costs listed in the table above are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the subject property. However, in no event shall the total reimbursable amount to the Developer exceed \$1,901,290 plus 5% interest. The actual cost of those eligible activities encompassed by this Brownfield Plan that will qualify for reimbursement from tax increment revenues of the Authority from the subject property shall be governed by the terms of a Reimbursement Agreement with the Authority (the "Reimbursement Agreement"). No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and/or the Development Agreement.

In accordance with this Brownfield Plan, and the associated Reimbursement Agreement, the amount advanced by the Developer will be repaid by the Authority with interest at the rate set at 5% simple interest, solely from the tax increment revenues realized from the Eligible Property. Payments will be made to the full extent incremental property tax revenues are or become available for such purpose under the Act. Based on the projected cost of eligible activities, interest reimbursement in this Brownfield Plan is estimated at \$965,637. However, if the actual cost of eligible activities turns out to be lower than the above estimates, interest reimbursement may be lower, subject to the 5% simple interest calculation.

The amount of school tax revenues, which will be used to reimburse the costs of implementing eligible activities at this site, will be limited to the cost of eligible activities approved by the EGLE and the MSF, together with the interest rate provided above. In the event that the use of school tax revenues to reimburse specific eligible activities is not approved by EGLE or MSF, these specific activities will be deemed ineligible for reimbursement.

2.4 Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13 (2)(c)); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13 (2)(g), Section 2(ss))

This Brownfield Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Brownfield Plan in accordance with the Reimbursement Agreement. A table of estimated tax increment revenues to be captured is attached to this Brownfield Plan as Attachment D, Table 2. Tax increment revenue capture is expected to begin in 2022.

The subject property is located within the City of Midland’s Downtown Development District, managed by the Downtown Development Authority (DDA). The DDA has the authority to capture all tax increment revenues other than the state education tax and local or intermediate school district taxes. However, it is anticipated that an interlocal agreement will be executed between the DDA and the BFRA to allow 100% of the DDA’s incremental revenue to be captured by the BRFA and used for the TIF.

The total estimated cost of the eligible activities and other costs (including contingency, interest, and deposits to the State Brownfield Redevelopment Fund) to be reimbursed through the capture of tax increment revenue is projected to be \$3,051,512. The initial taxable value for this Brownfield Plan is estimated to be \$246,723 and will be based on land and real property tax only. The initial taxable value will be set in 2021, the next assessment year following the date this Brownfield Plan is approved by Midland City Council. Redevelopment of the subject property is expected to initially generate incremental taxable value in 2022 with the first significant increase in taxable value of approximately \$289,194.

It is estimated that the Authority will capture the 2022 through 2045 tax increment revenues to reimburse the cost of the eligible activities, reimburse interest, and make deposits to the State Brownfield Redevelopment Fund. An estimated schedule of tax increment revenue reimbursement is provided as Attachment D, Table 3.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the subject property and the actual millage rates levied by the various taxing jurisdictions during each year of the plan, as shown in Attachment D, Tables 2 and 3. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and equalized by the County and the millage rates set each year by the taxing jurisdictions.

2.5 Plan of Financing (Section 13 (2)(d)); Maximum Amount of Indebtedness (Section 13 (2)(e))

Eligible activities are to be financed by the Developer. The Authority will reimburse the Developer for the cost of approved eligible activities, but only from tax increment revenues generated from the subject property as available, and subject to the Reimbursement Agreement and Development Agreement.

All reimbursements authorized under this Brownfield Plan shall be governed by the Reimbursement Agreement. The Authority shall not incur any note or bonded indebtedness to finance the purposes of this Brownfield Plan. The inclusion of eligible activities and estimates of costs to be reimbursed in this Brownfield Plan is intended to: (1) authorize the Authority to fund such reimbursements; and (2) provide the DDA with relevant information necessary to form and execute an interlocal agreement to fund such reimbursements. The inclusion of eligible activities and estimates of costs to be reimbursed in this Brownfield Plan does not obligate the Authority to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Brownfield Plan, or which are permitted to be reimbursed under this Brownfield Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Brownfield Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Brownfield Plan, will be provided solely under the Reimbursement Agreement contemplated by this Brownfield Plan.

2.6 Duration of Brownfield Plan (Section 13 (2)(f))

Current tax capture projections indicate the tax increment capture will continue for 24 years. In no event shall the duration of the Brownfield Plan exceed 35 years following the date of the resolution approving the Brownfield Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Brownfield Plan.

2.7 Effective Date of Inclusion in Brownfield Plan

The subject property will become a part of this Brownfield Plan on the date this Brownfield Plan is approved by the City of Midland City Council. The date of tax capture shall commence during the year construction begins or the immediate following year—as increment revenue becomes available— but the beginning date of tax capture shall not exceed five years beyond the date of the governing body resolution approving the Brownfield Plan amendment.

2.8 Displacement/Relocation of Individuals on Eligible Property (Section 13 (2)(i-l))

There are no persons or businesses residing on the Eligible Property, and no occupied residences will be acquired or cleared; therefore, there will be no displacement or relocation of persons or businesses under this Brownfield Plan.

2.9 Local Brownfield Revolving Fund (“LBRF”) (Section 8, Section 13(2)(m))

The Authority does not anticipate capturing tax increment revenues for making deposits to a Local Brownfield Revolving Fund under this Plan.

2.10 Other Information

The tax capture breakdown of tax increment revenues anticipated to become available for use in this Brownfield Plan is summarized below.

There are 54.0357 non-homestead mills available for capture, with school millage equaling 24.0000 mills (44%) and local millage equaling 30.0357 mills (56%). None of the project will include homestead residential property, with those properties including the State Education Tax and local ISD taxes. The requested tax capture for environmental and non-environmental eligible activities breaks down as follows:

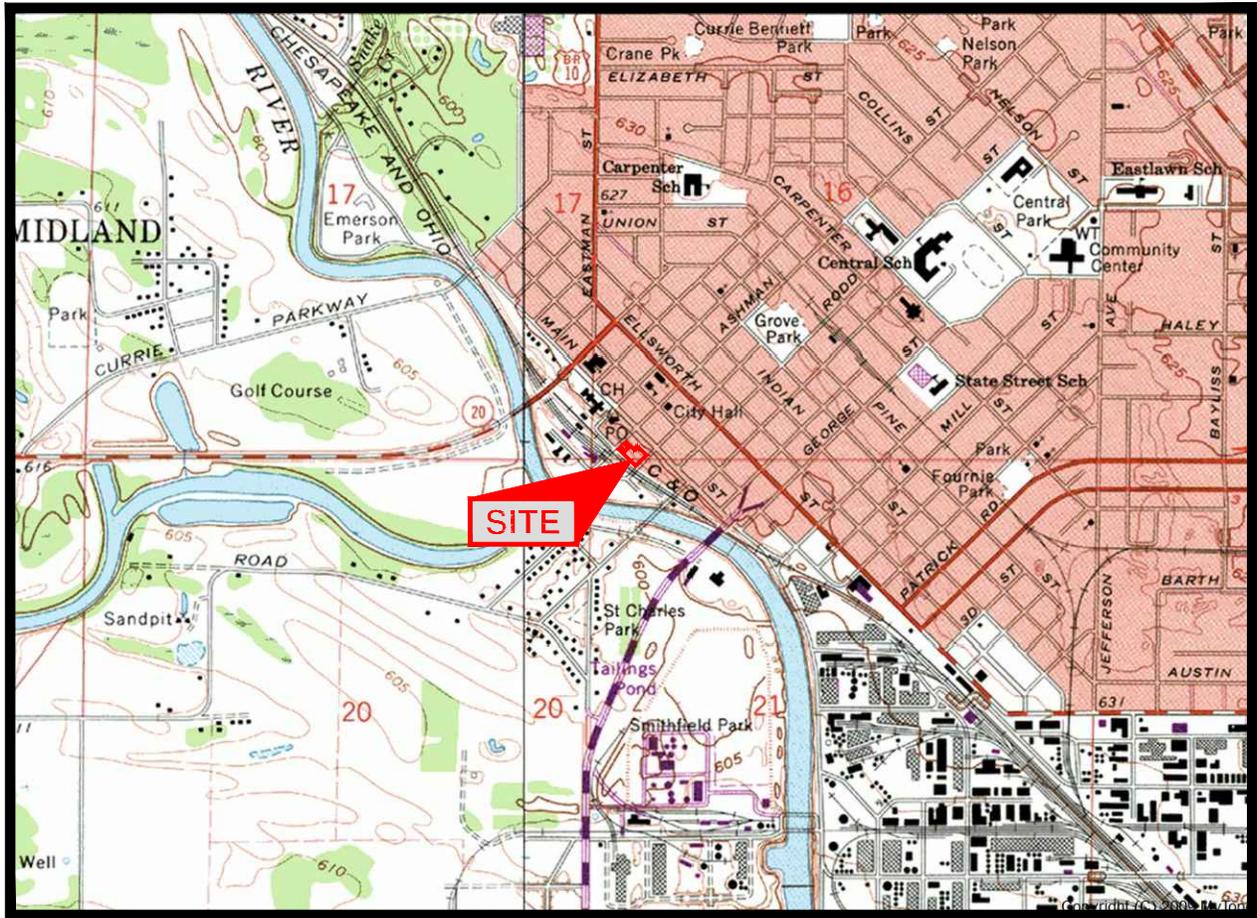
Tax Capture

| State to Local Tax Capture | Eligible Activities, 5% Interest, Contingency |
|-------------------------------------|--|
| MSF/EGLE School tax capture (44.4%) | \$1,177,805 |
| MSF/EGLE Local tax capture (55.6%) | \$1,689,122 |
| Local-Only tax capture | \$0 |
| Total | \$2,866,927 |

Attachments

Attachment A
Site Maps and Photographs

MIDLAND SOUTH QUADRANGLE
MICHIGAN - MIDLAND COUNTY
7.5 MINUTE SERIES (TOPOGRAPHIC)



T.14 N.-R.2 E.

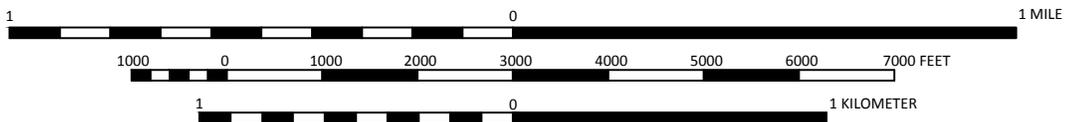


IMAGE TAKEN FROM 1967 U.S.G.S. TOPOGRAPHIC MAP
PHOTOREVISED 1973

MICHIGAN
QUADRANGLE LOCATION



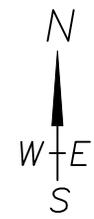
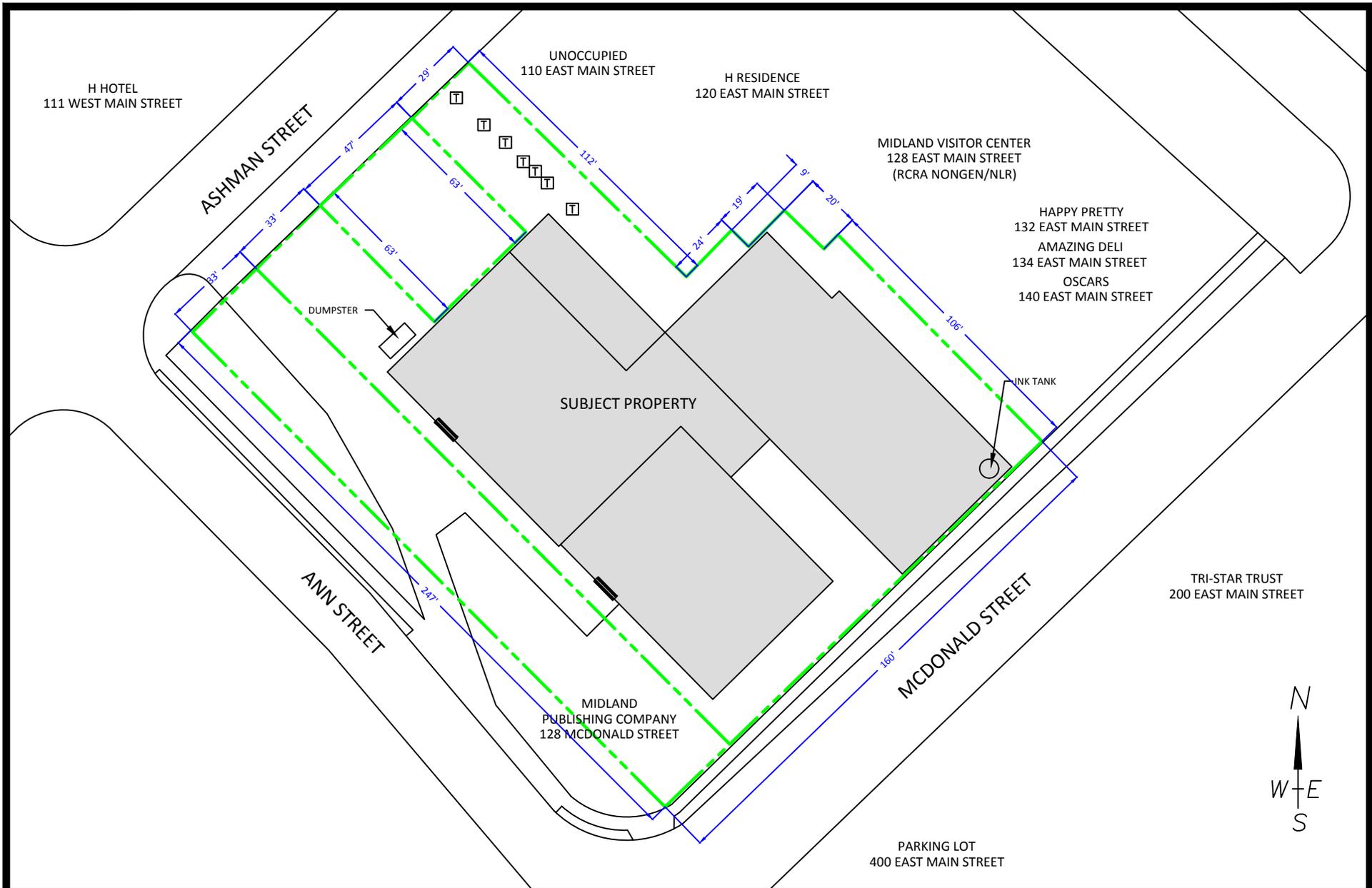
www.aktpeerless.com

TOPOGRAPHIC LOCATION MAP

124 AND 128 MCDONALD STREET
& 100 ASHMAN STREET
MIDLAND, MICHIGAN
PROJECT NUMBER: 12461s2-3-25

DRAWN BY: OGO
DATE: 07/08/2019

FIGURE 1



AKTPEERLESS

www.aktpeerless.com

BROWNFIELD ELIGIBLE PROPERTY MAP

124 AND 128 MCDONALD STREET
& 100 ASHMAN STREET
MIDLAND, MICHIGAN
PROJECT NUMBER: 12461s2-3-25

LEGEND

- - - = PROPERTY LINE
- = OVERHEAD DOOR
- = PAD MOUNTED TRANSFORMER

DRAWN BY: OGO
DATE: 07/08/2019

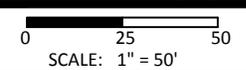


FIGURE 2



VIEW OF SUBJECT PROPERTY FACING NORTHWEST



SUBJECT PROPERTY FACING SOUTHEAST

Attachment B
Legal Descriptions

124 MCDONALD ST MIDLAND, MI 48640 (Property Address)

130 Number: 14-16-50-496



Item 1 of 2 1 Image / 1 Sketch

Property Owner: SAHASA REALTY CORP

Summary Information

- > Commercial/Industrial Building Summary
 - Yr Built: 1927
 - Total Sq.Ft.: 18,492
- # of Buildings: 1
- > Assessed Value: \$502,100 | Taxable Value: \$391,987
- > Property Tax information found
- > 4 Special Assessments found

Owner and Taxpayer Information

| | | | |
|--------------|--|-----------------|-----------------------|
| Owner | SAHASA REALTY CORP 1100 S WASHINGTON ST, STE 3 SAGINAW, MI 48601 | Taxpayer | SEE OWNER INFORMATION |
|--------------|--|-----------------|-----------------------|

General Information for Tax Year 2019

| | | | |
|----------------------------|---------------------------|---------------------------------|-------------------------------|
| Property Class | COMMERCIAL, IMPROVED DDA | Unit | 180 CITY OF MIDLAND - MIDLAND |
| School District | District 56010 | Assessed Value | \$502,100 |
| MAP # | <i>No Data to Display</i> | Taxable Value | \$391,987 |
| USER NUM IDX | 0 | State Equalized Value | \$502,100 |
| USER ALPHA 1 | <i>Not Available</i> | Date of Last Name Change | <i>Not Available</i> |
| USER ALPHA 3 | <i>Not Available</i> | Notes | <i>Not Available</i> |
| Historical District | No | Census Block Group | <i>No Data to Display</i> |
| USER ALPHA 2 | <i>Not Available</i> | Exemption | <i>No Data to Display</i> |

Principal Residence Exemption Information

Homestead Date *No Data to Display*

| Principal Residence Exemption | June 1st | Final |
|-------------------------------|----------|----------|
| 2020 | 0.0000 % | - |
| 2019 | 0.0000 % | 0.0000 % |

Previous Year Information

| Year | MBOR Assessed | Final SEV | Final Taxable |
|----------|---------------|-----------|---------------|
| 131 2018 | \$382,800 | \$382,800 | \$382,800 |
| 2017 | \$272,700 | \$272,700 | \$255,579 |
| 2016 | \$253,300 | \$253,300 | \$253,300 |
| 2015 | \$257,200 | \$257,200 | \$257,200 |
| 2014 | \$257,200 | \$257,200 | \$257,200 |
| 2013 | \$257,200 | \$257,200 | \$257,200 |
| 2012 | \$257,200 | \$257,200 | \$257,200 |
| 2011 | \$262,400 | \$262,400 | \$262,400 |
| 2010 | \$262,400 | \$262,400 | \$261,612 |
| 2009 | \$262,400 | \$262,400 | \$262,400 |
| 2008 | \$262,400 | \$262,400 | \$262,400 |
| 2007 | \$262,400 | \$262,400 | \$262,400 |
| 2006 | \$262,400 | \$262,400 | \$262,400 |
| 2005 | \$262,400 | \$262,400 | \$262,400 |
| 2004 | \$262,400 | \$262,400 | \$262,400 |
| 2003 | \$262,400 | \$262,400 | \$262,400 |
| 2002 | \$262,400 | \$262,400 | \$262,400 |
| 2001 | \$262,400 | \$262,400 | \$262,400 |
| 2000 | \$262,400 | \$262,400 | \$262,400 |
| 1999 | \$262,400 | \$262,400 | \$262,400 |

Land Information

| | | | |
|--------------------------------|----------------|---|---------------------------|
| Zoning Code | D | Total Acres | 0.695 |
| Land Value | \$363,200 | Land Improvements | \$0 |
| Renaissance Zone | No | Renaissance Zone Expiration Date | <i>No Data to Display</i> |
| ECF Neighborhood | 20001 COMM DDA | Mortgage Code | <i>No Data to Display</i> |
| Lot Dimensions/Comments | 30315 SF | Neighborhood Enterprise Zone | No |

| Lot(s) | Frontage | Depth |
|----------------------------------|-----------|---------------------------------|
| Lot 1 | 158.00 ft | 191.87 ft |
| Total Frontage: 158.00 ft | | Average Depth: 191.87 ft |

Legal Description

132 7,8, SW 5 FT OF LOT 1, SW 5 FT OF SE 40 FT OF LOT 2, LOTS 5 & 6 EXC NE 21 FT & EXC BEG AT W COR OF LOT 5, NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, ALL IN BLK 12 ORIGINAL PLAT OF MIDLAND & 1/2 VAC ANN ST ADJ & NW 4FT OF MCDONALD ST ADJ, EXC BEG 10 FT NW OF INT OF CL OF VAC ANN ST & NW LN OF MCDONALD ST, SE 14 FT, NE 1.5 FT, NW TO BEG.

Land Division Act Information

| | | | |
|-----------------------------------|---------------------------|--------------------------------------|----------------------|
| Date of Last Split/Combine | 05/25/2011 | Number of Splits Left | 0 |
| Date Form Filed | 05/23/2011 | Unallocated Div.s of Parent | 0 |
| Date Created | 05/25/2011 | Unallocated Div.s Transferred | 0 |
| Acreage of Parent | 0.00 | Rights Were Transferred | <i>Not Available</i> |
| Split Number | 0 | Courtesy Split | <i>Not Available</i> |
| Parent Parcel | <i>No Data to Display</i> | | |

Sale History

| Sale Date | Sale Price | Instrument | Grantor | Grantee | Liber/Page |
|------------|--------------|------------|----------------------------|--------------------|------------|
| 11/15/2017 | \$750,000.00 | CD | MIDLAND PUBLISHING COMPANY | SAHASA REALTY CORP | 1611/0023 |

Building Information - 18492 sq ft Industrial - Light Manufacturing (Commercial)

| | | | |
|------------------------------|----------------------------------|--------------------------------|----------------------|
| Floor Area | 18,492 sq ft | Estimated TCV | <i>Not Available</i> |
| Occupancy | Industrial - Light Manufacturing | Class | C |
| Stories Above Ground | 2 | Average Story Height | 10 ft |
| Basement Wall Height | 0 ft | Identical Units | <i>Not Available</i> |
| Year Built | 1927 | Year Remodeled | <i>Not Available</i> |
| Percent Complete | 100% | Heat | Complete H.V.A.C. |
| Physical Percent Good | 35% | Functional Percent Good | 100% |
| Economic Percent Good | 100% | Effective Age | 75 yrs |

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128 MCDONALD ST MIDLAND, MI 48640 (Property Address)

133

Number: 14-21-80-262



Item 1 of 2 2 Images / 0 Sketches

Property Owner: SAHASA REALTY CORP

Summary Information

- > Commercial/Industrial Building Summary
 - Yr Built: N/A
 - # of Buildings: 1
 - Total Sq.Ft.: N/A
- > Assessed Value: \$26,700 | Taxable Value: \$26,700
- > Property Tax information found

Owner and Taxpayer Information

| | | | |
|--------------|--|-----------------|-----------------------|
| Owner | SAHASA REALTY CORP 1100 S WASHINGTON ST, STE 3 SAGINAW, MI 48601 | Taxpayer | SEE OWNER INFORMATION |
|--------------|--|-----------------|-----------------------|

General Information for Tax Year 2019

| | | | |
|----------------------------|--------------------------|---------------------------------|-------------------------------|
| Property Class | COMMERCIAL, IMPROVED DDA | Unit | 180 CITY OF MIDLAND - MIDLAND |
| School District | District 56010 | Assessed Value | \$26,700 |
| MAP # | No Data to Display | Taxable Value | \$26,700 |
| USER NUM IDX | 0 | State Equalized Value | \$26,700 |
| USER ALPHA 1 | Not Available | Date of Last Name Change | Not Available |
| USER ALPHA 3 | Not Available | Notes | Not Available |
| Historical District | No | Census Block Group | No Data to Display |
| USER ALPHA 2 | Not Available | Exemption | No Data to Display |

Principal Residence Exemption Information

Homestead Date No Data to Display

| Principal Residence Exemption | June 1st | Final |
|-------------------------------|----------|----------|
| 2020 | 0.0000 % | - |
| 2019 | 0.0000 % | 0.0000 % |

Previous Year Information

| Year | MBOR Assessed | Final SEV | Final Taxable |
|----------|---------------|-----------|---------------|
| 134 2018 | \$28,200 | \$28,200 | \$28,200 |
| 2017 | \$28,300 | \$28,300 | \$6,889 |
| 2016 | \$3,600 | \$3,600 | \$2,071 |
| 2015 | \$3,600 | \$3,600 | \$2,065 |
| 2014 | \$3,600 | \$3,600 | \$2,033 |
| 2013 | \$3,400 | \$3,400 | \$2,001 |
| 2012 | \$3,300 | \$3,300 | \$1,955 |
| 2011 | \$3,300 | \$3,300 | \$1,904 |
| 2010 | \$3,300 | \$3,300 | \$1,873 |
| 2009 | \$3,100 | \$3,100 | \$1,879 |
| 2008 | \$2,800 | \$2,800 | \$1,800 |
| 2007 | \$2,500 | \$2,500 | \$1,800 |
| 2006 | \$2,500 | \$2,500 | \$1,800 |
| 2005 | \$2,400 | \$2,400 | \$1,800 |
| 2004 | \$2,400 | \$2,400 | \$1,800 |
| 2003 | \$2,200 | \$2,200 | \$1,800 |
| 2002 | \$2,200 | \$2,200 | \$1,800 |
| 2001 | \$2,100 | \$2,100 | \$1,800 |
| 2000 | \$2,000 | \$2,000 | \$1,800 |
| 1999 | \$1,900 | \$1,900 | \$1,800 |

Land Information

| | | | |
|--------------------------------|---------------------------|---|---------------------------|
| Zoning Code | CC | Total Acres | 0.182 |
| Land Value | \$47,600 | Land Improvements | \$0 |
| Renaissance Zone | No | Renaissance Zone Expiration Date | <i>No Data to Display</i> |
| ECF Neighborhood | 20001 COMM DDA | Mortgage Code | <i>No Data to Display</i> |
| Lot Dimensions/Comments | <i>No Data to Display</i> | Neighborhood Enterprise Zone | No |

| Lot(s) | Frontage | Depth |
|---------------------------------|----------|---------------------------------|
| Lot 1 | 33.00 ft | 240.00 ft |
| Total Frontage: 33.00 ft | | Average Depth: 240.00 ft |

Legal Description

135 1/2 OF VAC ANN ST BETWEEN ASHMAN ST & MCDONALD

Land Division Act Information

| | | | |
|-----------------------------------|---------------------------|--------------------------------------|----------------------|
| Date of Last Split/Combine | <i>No Data to Display</i> | Number of Splits Left | 0 |
| Date Form Filed | <i>No Data to Display</i> | Unallocated Div.s of Parent | 0 |
| Date Created | <i>No Data to Display</i> | Unallocated Div.s Transferred | 0 |
| Acreage of Parent | 0.00 | Rights Were Transferred | <i>Not Available</i> |
| Split Number | 0 | Courtesy Split | <i>Not Available</i> |
| Parent Parcel | <i>No Data to Display</i> | | |

Sale History

| Sale Date | Sale Price | Instrument | Grantor | Grantee | Liber/Page |
|------------|--------------|------------|-------------------------------|--------------------|------------|
| 11/15/2017 | \$750,000.00 | CD | MIDLAND PUBLISHING COMPANY | SAHASA REALTY CORP | 1611/0023 |
| 05/19/1995 | \$16,696.00 | WD | | | |

Building Information - 0 sq ft User-Defined (Commercial)

| | | | |
|------------------------------|----------------------|--------------------------------|-----------------------|
| Floor Area | 0 sq ft | Estimated TCV | <i>Not Available</i> |
| Occupancy | User-Defined | Class | A |
| Stories Above Ground | 0 | Average Story Height | 0 ft |
| Basement Wall Height | 0 ft | Identical Units | <i>Not Available</i> |
| Year Built | <i>Not Available</i> | Year Remodeled | <i>Not Available</i> |
| Percent Complete | 0% | Heat | No Heating or Cooling |
| Physical Percent Good | 77% | Functional Percent Good | 0% |
| Economic Percent Good | 0% | Effective Age | 13 yrs |

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100 ASHMAN ST MIDLAND, MI 48640 (Property Address)

136 Number: 14-16-50-486



Item 1 of 1 1 Image / 0 Sketches

Property Owner: SAHASA REALTY CORP

Summary Information

- > Commercial/Industrial Building Summary
 - Yr Built: N/A
 - Total Sq.Ft.: N/A
- # of Buildings: 1
- > Assessed Value: \$19,100 | Taxable Value: \$19,100
- > Property Tax information found
- > 3 Special Assessments found

Owner and Taxpayer Information

| | | | |
|--------------|--|-----------------|-----------------------|
| Owner | SAHASA REALTY CORP 1100 S WASHINGTON ST, STE 3 SAGINAW, MI 48601 | Taxpayer | SEE OWNER INFORMATION |
|--------------|--|-----------------|-----------------------|

General Information for Tax Year 2019

| | | | |
|----------------------------|---------------------------|---------------------------------|-------------------------------|
| Property Class | COMMERCIAL, IMPROVED DDA | Unit | 180 CITY OF MIDLAND - MIDLAND |
| School District | District 56010 | Assessed Value | \$19,100 |
| MAP # | <i>No Data to Display</i> | Taxable Value | \$19,100 |
| USER NUM IDX | 0 | State Equalized Value | \$19,100 |
| USER ALPHA 1 | <i>Not Available</i> | Date of Last Name Change | <i>Not Available</i> |
| USER ALPHA 3 | <i>Not Available</i> | Notes | <i>Not Available</i> |
| Historical District | No | Census Block Group | <i>No Data to Display</i> |
| USER ALPHA 2 | <i>Not Available</i> | Exemption | <i>No Data to Display</i> |

Principal Residence Exemption Information

Homestead Date *No Data to Display*

| Principal Residence Exemption | June 1st | Final |
|-------------------------------|----------|----------|
| 2020 | 0.0000 % | - |
| 2019 | 0.0000 % | 0.0000 % |

Previous Year Information

| Year | MBOR Assessed | Final SEV | Final Taxable |
|----------|---------------|-----------|---------------|
| 137 2018 | \$19,900 | \$19,900 | \$19,900 |
| 2017 | \$19,900 | \$19,900 | \$19,650 |
| 2016 | \$26,200 | \$26,200 | \$19,475 |
| 2015 | \$26,200 | \$26,200 | \$19,417 |
| 2014 | \$25,900 | \$25,900 | \$19,112 |
| 2013 | \$24,800 | \$24,800 | \$18,812 |
| 2012 | \$24,200 | \$24,200 | \$18,372 |
| 2011 | \$24,200 | \$24,200 | \$17,889 |
| 2010 | \$24,200 | \$24,200 | \$17,590 |
| 2009 | \$23,000 | \$23,000 | \$17,643 |
| 2008 | \$20,900 | \$20,900 | \$16,900 |
| 2007 | \$19,000 | \$19,000 | \$16,600 |
| 2006 | \$19,000 | \$19,000 | \$16,100 |
| 2005 | \$18,100 | \$18,100 | \$15,600 |
| 2004 | \$18,100 | \$18,100 | \$15,300 |
| 2003 | \$16,800 | \$16,800 | \$15,000 |
| 2002 | \$16,500 | \$16,500 | \$14,800 |
| 2001 | \$15,700 | \$15,700 | \$14,400 |
| 2000 | \$14,800 | \$14,800 | \$14,000 |
| 1999 | \$14,400 | \$14,400 | \$13,800 |

Land Information

| | | | |
|--------------------------------|---------------------------|---|---------------------------|
| Zoning Code | D | Total Acres | 0.067 |
| Land Value | \$35,000 | Land Improvements | \$0 |
| Renaissance Zone | No | Renaissance Zone Expiration Date | <i>No Data to Display</i> |
| ECF Neighborhood | 20001 COMM DDA | Mortgage Code | <i>No Data to Display</i> |
| Lot Dimensions/Comments | <i>No Data to Display</i> | Neighborhood Enterprise Zone | No |

| Lot(s) | Frontage | Depth |
|---------------------------------|----------|--------------------------------|
| Lot 1 | 46.60 ft | 62.65 ft |
| Total Frontage: 46.60 ft | | Average Depth: 62.65 ft |

Legal Description

138 AT W COR OF LOT 5 BLK 12 ORIGINAL PLAT OF MIDLAND NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, & 1/2 VAC ANN ST ADJ.

Land Division Act Information

| | | | |
|-----------------------------------|---------------------------|--------------------------------------|----------------------|
| Date of Last Split/Combine | <i>No Data to Display</i> | Number of Splits Left | 0 |
| Date Form Filed | <i>No Data to Display</i> | Unallocated Div.s of Parent | 0 |
| Date Created | <i>No Data to Display</i> | Unallocated Div.s Transferred | 0 |
| Acreage of Parent | 0.00 | Rights Were Transferred | <i>Not Available</i> |
| Split Number | 0 | Courtesy Split | <i>Not Available</i> |
| Parent Parcel | <i>No Data to Display</i> | | |

Sale History

| Sale Date | Sale Price | Instrument | Grantor | Grantee | Liber/Page |
|------------|--------------|------------|-------------------------------|--------------------|------------|
| 11/15/2017 | \$750,000.00 | CD | MIDLAND PUBLISHING COMPANY | SAHASA REALTY CORP | 1611/0023 |

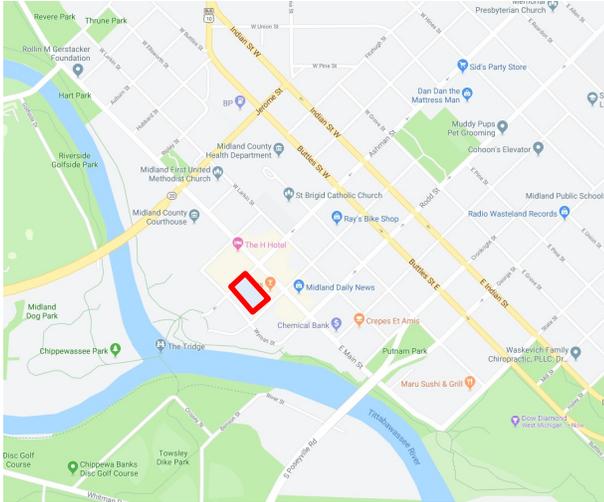
Building Information - 0 sq ft User-Defined (Commercial)

| | | | |
|------------------------------|----------------------|--------------------------------|-----------------------|
| Floor Area | 0 sq ft | Estimated TCV | <i>Not Available</i> |
| Occupancy | User-Defined | Class | A |
| Stories Above Ground | 0 | Average Story Height | 0 ft |
| Basement Wall Height | 0 ft | Identical Units | <i>Not Available</i> |
| Year Built | <i>Not Available</i> | Year Remodeled | <i>Not Available</i> |
| Percent Complete | 0% | Heat | No Heating or Cooling |
| Physical Percent Good | 77% | Functional Percent Good | 0% |
| Economic Percent Good | 0% | Effective Age | 13 yrs |

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Attachment C
Project Plans

DOWNTOWN MIDLAND REDEVELOPMENT



PROJECT SITE:

The project site is located on the block bounded by Ashman, Ann, McDonald and E. Main Streets in Downtown Midland. The site is the former home of the Midland Daily News.

PROJECT LOCATION: MIDLAND MI





Attachment D
TIF Tables

Table 1. Eligible Activities
 MDN Site Redevelopment
 124 and 128 McDonald St and 100 Ashman St
 Midland, MI
 AKT Peerless Project No. 12461S2
 As of January 29, 2020

| ELIGIBLE ACTIVITIES COST SUMMARY | | | | |
|--|--|--|--|---|
| | | | | Estimated Cost of Eligible Activity |
| Predevelopment Activities | | | | \$ 40,390 |
| Due Care Compliance Activities | | | | \$ 53,000 |
| Response Activities | | | | \$ 175,000 |
| TOTAL ENVIRONMENTAL ELIGIBLE ACTIVITIES | | | | \$ 268,390 |
| Demolition | | | | \$ 325,000 |
| Lead and Asbestos Activities | | | | \$ 25,000 |
| Site Preparation Activities | | | | \$ 968,000 |
| Eligible Infrastructure Improvement Activities | | | | \$ 45,000 |
| TOTAL NON-ENVIRONMENTAL ELIGIBLE ACTIVITIES | | | | \$ 1,363,000 |
| Total Environmental and Non-Environmental Eligible Activities | | | | \$ 1,631,390 |
| 15% Contingency on Eligible Activities | | | | \$ 243,900 |
| Brownfield Plan & Act 381 WP Preparation | | | | \$ 21,000 |
| Brownfield Plan & Act 381 WP Implementation | | | | \$ 5,000 |
| Total Eligible Activities Cost with 15% Contingency | | | | \$ 1,901,290 |
| Interest (calculated at 5%, simple) | | | | \$ 965,637 |
| Total Eligible Activities Cost, with Contingency & Interest | | | | \$ 2,866,927 |
| State Revolving Fund | | | | \$ 184,584 |
| Total Eligible Costs for Reimbursement | | | | \$ 3,051,512 |

Table 2. Tax Increment Revenue Estimates

MDN Building Redevelopment
 124 and 128 McDonald St and 100 Ashman St
 Midland, MI
 AKT Peerless Project No. 12461S2
 As of January 29, 2020

| Estimated TV Increase rate: 1.01 | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Plan Year | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| Calendar Year | | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| Post-Dev TV (Developer Estimated) | Initial Taxable Value | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 |
| | Estimated New TV | \$ 535,917 | \$ 1,339,794 | \$ 2,679,587 | \$ 2,706,383 | \$ 2,733,447 | \$ 2,760,781 | \$ 2,788,389 | \$ 2,816,273 | \$ 2,844,436 | \$ 2,872,880 | \$ 2,901,609 | \$ 2,930,625 |
| | Incremental Difference (New TV - Initial TV) | \$ 289,194 | \$ 1,093,071 | \$ 2,432,864 | \$ 2,459,660 | \$ 2,486,724 | \$ 2,514,058 | \$ 2,541,666 | \$ 2,569,550 | \$ 2,597,713 | \$ 2,626,157 | \$ 2,654,886 | \$ 2,683,902 |
| School Capture | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| State Education Tax (SET) | 6.0000 | Initial \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 |
| | | Incremental \$ 1,735 | \$ 6,558 | \$ 14,597 | \$ 14,758 | \$ 14,920 | \$ 15,084 | \$ 15,250 | \$ 15,417 | \$ 15,586 | \$ 15,757 | \$ 15,929 | \$ 16,103 |
| School Operating Tax | 16.1910 | Initial \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 |
| | | Incremental \$ 4,682 | \$ 17,698 | \$ 39,391 | \$ 39,824 | \$ 40,263 | \$ 40,705 | \$ 41,152 | \$ 41,604 | \$ 42,060 | \$ 42,520 | \$ 42,985 | \$ 43,455 |
| | School Total | 22.1910 | | | | | | | | | | | |
| Total School Tax Increment Revenue Capture | | \$ 6,418 | \$ 24,256 | \$ 53,988 | \$ 54,582 | \$ 55,183 | \$ 55,789 | \$ 56,402 | \$ 57,021 | \$ 57,646 | \$ 58,277 | \$ 58,915 | \$ 59,558 |
| Local Capture | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| City Operating | 12.6420 | Incremental \$ 3,656 | \$ 13,819 | \$ 30,756 | \$ 31,095 | \$ 31,437 | \$ 31,783 | \$ 32,132 | \$ 32,484 | \$ 32,840 | \$ 33,200 | \$ 33,563 | \$ 33,930 |
| Library Operating | 1.0000 | Incremental \$ 289 | \$ 1,093 | \$ 2,433 | \$ 2,460 | \$ 2,487 | \$ 2,514 | \$ 2,542 | \$ 2,570 | \$ 2,598 | \$ 2,626 | \$ 2,655 | \$ 2,684 |
| Public Safety Pension | 1.2399 | Incremental \$ 359 | \$ 1,355 | \$ 3,017 | \$ 3,050 | \$ 3,083 | \$ 3,117 | \$ 3,151 | \$ 3,186 | \$ 3,221 | \$ 3,256 | \$ 3,292 | \$ 3,328 |
| Delta Charter -Operating | 1.5563 | Incremental \$ 450 | \$ 1,701 | \$ 3,786 | \$ 3,828 | \$ 3,870 | \$ 3,913 | \$ 3,956 | \$ 3,999 | \$ 4,043 | \$ 4,087 | \$ 4,132 | \$ 4,177 |
| Midland Co ESA Enhancement | 0.7000 | Incremental \$ 202 | \$ 765 | \$ 1,703 | \$ 1,722 | \$ 1,741 | \$ 1,760 | \$ 1,779 | \$ 1,799 | \$ 1,818 | \$ 1,838 | \$ 1,858 | \$ 1,879 |
| Delta Voted- Operating | 0.4864 | Incremental \$ 141 | \$ 532 | \$ 1,183 | \$ 1,196 | \$ 1,210 | \$ 1,223 | \$ 1,236 | \$ 1,250 | \$ 1,264 | \$ 1,277 | \$ 1,291 | \$ 1,305 |
| Midland Co ESA Operating | 1.1756 | Incremental \$ 340 | \$ 1,285 | \$ 2,860 | \$ 2,892 | \$ 2,923 | \$ 2,956 | \$ 2,988 | \$ 3,021 | \$ 3,054 | \$ 3,087 | \$ 3,121 | \$ 3,155 |
| Midland Co ESA Enhancement | 1.5000 | Incremental \$ 434 | \$ 1,640 | \$ 3,649 | \$ 3,689 | \$ 3,730 | \$ 3,771 | \$ 3,812 | \$ 3,854 | \$ 3,897 | \$ 3,939 | \$ 3,982 | \$ 4,026 |
| Midland Co Operating | 4.8955 | Incremental \$ 1,416 | \$ 5,351 | \$ 11,910 | \$ 12,041 | \$ 12,174 | \$ 12,308 | \$ 12,443 | \$ 12,579 | \$ 12,717 | \$ 12,856 | \$ 12,997 | \$ 13,139 |
| Road (2012 & 2014) | 2.0000 | Incremental \$ 578 | \$ 2,186 | \$ 4,866 | \$ 4,919 | \$ 4,973 | \$ 5,028 | \$ 5,083 | \$ 5,139 | \$ 5,195 | \$ 5,252 | \$ 5,310 | \$ 5,368 |
| EMS | 0.5500 | Incremental \$ 159 | \$ 601 | \$ 1,338 | \$ 1,353 | \$ 1,368 | \$ 1,383 | \$ 1,398 | \$ 1,413 | \$ 1,429 | \$ 1,444 | \$ 1,460 | \$ 1,476 |
| Mosquito | 0.4000 | Incremental \$ 116 | \$ 437 | \$ 973 | \$ 984 | \$ 995 | \$ 1,006 | \$ 1,017 | \$ 1,028 | \$ 1,039 | \$ 1,050 | \$ 1,062 | \$ 1,074 |
| ETC Transportation | 0.2500 | Incremental \$ 72 | \$ 273 | \$ 608 | \$ 615 | \$ 622 | \$ 629 | \$ 635 | \$ 642 | \$ 649 | \$ 657 | \$ 664 | \$ 671 |
| Seniors | 0.8500 | Incremental \$ 246 | \$ 929 | \$ 2,068 | \$ 2,091 | \$ 2,114 | \$ 2,137 | \$ 2,160 | \$ 2,184 | \$ 2,208 | \$ 2,232 | \$ 2,257 | \$ 2,281 |
| Local HH MPS | 1.8090 | Incremental \$ 523 | \$ 1,977 | \$ 4,401 | \$ 4,450 | \$ 4,498 | \$ 4,548 | \$ 4,598 | \$ 4,648 | \$ 4,699 | \$ 4,751 | \$ 4,803 | \$ 4,855 |
| Pinecrest | 0.3700 | Incremental \$ 107 | \$ 404 | \$ 900 | \$ 910 | \$ 920 | \$ 930 | \$ 940 | \$ 951 | \$ 961 | \$ 972 | \$ 982 | \$ 993 |
| School Resource Officers | 0.4000 | Incremental \$ 116 | \$ 437 | \$ 973 | \$ 984 | \$ 995 | \$ 1,006 | \$ 1,017 | \$ 1,028 | \$ 1,039 | \$ 1,050 | \$ 1,062 | \$ 1,074 |
| | Local Total | 31.8247 | | | | | | | | | | | |
| Total Local Tax Increment Revenue Capture | | \$ 9,204 | \$ 34,787 | \$ 77,425 | \$ 78,278 | \$ 79,139 | \$ 80,009 | \$ 80,888 | \$ 81,775 | \$ 82,671 | \$ 83,577 | \$ 84,491 | \$ 85,414 |
| Non-Capturable Millages | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| City Debt | 0.2566 | New TV \$ 138 | \$ 344 | \$ 688 | \$ 694 | \$ 701 | \$ 708 | \$ 716 | \$ 723 | \$ 730 | \$ 737 | \$ 745 | \$ 752 |
| 2015 MPS Bond Debt | 2.9500 | New TV \$ 1,581 | \$ 3,952 | \$ 7,905 | \$ 7,984 | \$ 8,064 | \$ 8,144 | \$ 8,226 | \$ 8,308 | \$ 8,391 | \$ 8,475 | \$ 8,560 | \$ 8,645 |
| | Total Non-Capturable Taxes | 5.2066 | | | | | | | | | | | |

Table 2. Tax Increment Revenue Estimates

MDN Building Redevelopment
 124 and 128 McDonald St and 100 Ashman St
 Midland, MI
 AKT Peerless Project No. 12461S2
 As of January 29, 2020

| Estimated TV Increase rate: | | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
|---|---|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Plan Year | Calendar Year | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 |
| Post-Dev TV (Developer Estimated) | Initial Taxable Value | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 | \$ 246,723 |
| | Estimated New TV | \$ 2,959,931 | \$ 2,989,530 | \$ 3,019,426 | \$ 3,049,620 | \$ 3,080,116 | \$ 3,110,917 | \$ 3,142,026 | \$ 3,173,447 | \$ 3,205,181 | \$ 3,237,233 | \$ 3,269,605 | \$ 3,302,301 |
| | Incremental Difference (New TV - Initial TV) | \$ 2,713,208 | \$ 2,742,807 | \$ 2,772,703 | \$ 2,802,897 | \$ 2,833,393 | \$ 2,864,194 | \$ 2,895,303 | \$ 2,926,724 | \$ 2,958,458 | \$ 2,990,510 | \$ 3,022,882 | \$ 3,055,578 |
| School Capture | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| State Education Tax (SET) | 6.0000 | Initial \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 | \$ 1,480 |
| | | Incremental \$ 16,279 | \$ 16,457 | \$ 16,636 | \$ 16,817 | \$ 17,000 | \$ 17,185 | \$ 17,372 | \$ 17,560 | \$ 17,751 | \$ 17,943 | \$ 18,137 | \$ 18,333 |
| School Operating Tax | 16.1910 | Initial \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 | \$ 3,995 |
| | | Incremental \$ 43,930 | \$ 44,409 | \$ 44,893 | \$ 45,382 | \$ 45,875 | \$ 46,374 | \$ 46,878 | \$ 47,387 | \$ 47,900 | \$ 48,419 | \$ 48,943 | \$ 49,473 |
| School Total | 22.1910 | | | | | | | | | | | | |
| Total School Tax Increment Revenue Capture | | \$ 60,209 | \$ 60,866 | \$ 61,529 | \$ 62,199 | \$ 62,876 | \$ 63,559 | \$ 64,250 | \$ 64,947 | \$ 65,651 | \$ 66,362 | \$ 67,081 | \$ 67,806 |
| Local Capture | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| City Operating | 12.6420 | Incremental \$ 34,300 | \$ 34,675 | \$ 35,053 | \$ 35,434 | \$ 35,820 | \$ 36,209 | \$ 36,602 | \$ 37,000 | \$ 37,401 | \$ 37,806 | \$ 38,215 | \$ 38,629 |
| Library Operating | 1.0000 | Incremental \$ 2,713 | \$ 2,743 | \$ 2,773 | \$ 2,803 | \$ 2,833 | \$ 2,864 | \$ 2,895 | \$ 2,927 | \$ 2,958 | \$ 2,991 | \$ 3,023 | \$ 3,056 |
| Public Safety Pension | 1.2399 | Incremental \$ 3,364 | \$ 3,401 | \$ 3,438 | \$ 3,475 | \$ 3,513 | \$ 3,551 | \$ 3,590 | \$ 3,629 | \$ 3,668 | \$ 3,708 | \$ 3,748 | \$ 3,789 |
| Delta Charter -Operating | 1.5563 | Incremental \$ 4,223 | \$ 4,269 | \$ 4,315 | \$ 4,362 | \$ 4,410 | \$ 4,458 | \$ 4,506 | \$ 4,555 | \$ 4,604 | \$ 4,654 | \$ 4,705 | \$ 4,755 |
| Midland Co ESA Enhancement | 0.7000 | Incremental \$ 1,899 | \$ 1,920 | \$ 1,941 | \$ 1,962 | \$ 1,983 | \$ 2,005 | \$ 2,027 | \$ 2,049 | \$ 2,071 | \$ 2,093 | \$ 2,116 | \$ 2,139 |
| Delta Voted- Operating | 0.4864 | Incremental \$ 1,320 | \$ 1,334 | \$ 1,349 | \$ 1,363 | \$ 1,378 | \$ 1,393 | \$ 1,408 | \$ 1,424 | \$ 1,439 | \$ 1,455 | \$ 1,470 | \$ 1,486 |
| Midland Co ESA Operating | 1.1756 | Incremental \$ 3,190 | \$ 3,224 | \$ 3,260 | \$ 3,295 | \$ 3,331 | \$ 3,367 | \$ 3,404 | \$ 3,441 | \$ 3,478 | \$ 3,516 | \$ 3,554 | \$ 3,592 |
| Midland Co ESA Enhancement | 1.5000 | Incremental \$ 4,070 | \$ 4,114 | \$ 4,159 | \$ 4,204 | \$ 4,250 | \$ 4,296 | \$ 4,343 | \$ 4,390 | \$ 4,438 | \$ 4,486 | \$ 4,534 | \$ 4,583 |
| Midland Co Operating | 4.8955 | Incremental \$ 13,283 | \$ 13,427 | \$ 13,574 | \$ 13,722 | \$ 13,871 | \$ 14,022 | \$ 14,174 | \$ 14,328 | \$ 14,483 | \$ 14,640 | \$ 14,799 | \$ 14,959 |
| Road (2012 & 2014) | 2.0000 | Incremental \$ 5,426 | \$ 5,486 | \$ 5,545 | \$ 5,606 | \$ 5,667 | \$ 5,728 | \$ 5,791 | \$ 5,853 | \$ 5,917 | \$ 5,981 | \$ 6,046 | \$ 6,111 |
| EMS | 0.5500 | Incremental \$ 1,492 | \$ 1,509 | \$ 1,525 | \$ 1,542 | \$ 1,558 | \$ 1,575 | \$ 1,592 | \$ 1,610 | \$ 1,627 | \$ 1,645 | \$ 1,663 | \$ 1,681 |
| Mosquito | 0.4000 | Incremental \$ 1,085 | \$ 1,097 | \$ 1,109 | \$ 1,121 | \$ 1,133 | \$ 1,146 | \$ 1,158 | \$ 1,171 | \$ 1,183 | \$ 1,196 | \$ 1,209 | \$ 1,222 |
| ETC Transportation | 0.2500 | Incremental \$ 678 | \$ 686 | \$ 693 | \$ 701 | \$ 708 | \$ 716 | \$ 724 | \$ 732 | \$ 740 | \$ 748 | \$ 756 | \$ 764 |
| Seniors | 0.8500 | Incremental \$ 2,306 | \$ 2,331 | \$ 2,357 | \$ 2,382 | \$ 2,408 | \$ 2,435 | \$ 2,461 | \$ 2,488 | \$ 2,515 | \$ 2,542 | \$ 2,569 | \$ 2,597 |
| Local HH MPS | 1.8090 | Incremental \$ 4,908 | \$ 4,962 | \$ 5,016 | \$ 5,070 | \$ 5,126 | \$ 5,181 | \$ 5,238 | \$ 5,294 | \$ 5,352 | \$ 5,410 | \$ 5,468 | \$ 5,528 |
| Pinecrest | 0.3700 | Incremental \$ 1,004 | \$ 1,015 | \$ 1,026 | \$ 1,037 | \$ 1,048 | \$ 1,060 | \$ 1,071 | \$ 1,083 | \$ 1,095 | \$ 1,106 | \$ 1,118 | \$ 1,131 |
| School Resource Officers | 0.4000 | Incremental \$ 1,085 | \$ 1,097 | \$ 1,109 | \$ 1,121 | \$ 1,133 | \$ 1,146 | \$ 1,158 | \$ 1,171 | \$ 1,183 | \$ 1,196 | \$ 1,209 | \$ 1,222 |
| Local Total | 31.8247 | | | | | | | | | | | | |
| Total Local Tax Increment Revenue Capture | | \$ 86,347 | \$ 87,289 | \$ 88,240 | \$ 89,201 | \$ 90,172 | \$ 91,152 | \$ 92,142 | \$ 93,142 | \$ 94,152 | \$ 95,172 | \$ 96,202 | \$ 97,243 |
| Non-Capturable Millages | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | |
| City Debt | 0.2566 | New TV \$ 760 | \$ 767 | \$ 775 | \$ 783 | \$ 790 | \$ 798 | \$ 806 | \$ 814 | \$ 822 | \$ 831 | \$ 839 | \$ 847 |
| 2015 MPS Bond Debt | 2.9500 | New TV \$ 8,732 | \$ 8,819 | \$ 8,907 | \$ 8,996 | \$ 9,086 | \$ 9,177 | \$ 9,269 | \$ 9,362 | \$ 9,455 | \$ 9,550 | \$ 9,645 | \$ 9,742 |
| Total Non-Capturable Taxes | 5.2066 | | | | | | | | | | | | |

Table 3. Reimbursement Allocation Schedule

MDN Building Redevelopment
 124 and 128 McDonald St and 100 Ashman St
 Midland, MI
 AKT Peerless Project No. 12461S2
 As of January 29, 2020

| Developer Reimbursement (30 Years) | Proportionality | School & Local Taxes | Local-Only Taxes | Total |
|------------------------------------|-----------------|----------------------|------------------|---------------------|
| State | 41.1% | \$ 1,177,805 | | \$ 1,177,805 |
| Local | 58.9% | \$ 1,689,122 | \$ - | \$ 1,689,122 |
| TOTAL | | \$ 2,866,927 | \$ - | \$ 2,866,927 |
| EGLE | 16.9% | \$ 483,790 | | |
| MSF | 83.1% | \$ 2,383,137 | | |

| |
|-----------------------------------|
| Estimated Total Years of Plan: 24 |
|-----------------------------------|

| Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|--|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total State Incremental Revenue | \$ 6,418 | \$ 24,256 | \$ 53,988 | \$ 54,582 | \$ 55,183 | \$ 55,789 | \$ 56,402 | \$ 57,021 | \$ 57,646 | \$ 58,277 | \$ 58,915 | \$ 59,558 |
| State Brownfield Revolving Fund (3 mills of SET) | \$ 868 | \$ 3,279 | \$ 7,299 | \$ 7,379 | \$ 7,460 | \$ 7,542 | \$ 7,625 | \$ 7,709 | \$ 7,793 | \$ 7,878 | \$ 7,965 | \$ 8,052 |
| State TIR Available for Reimbursement | \$ 5,550 | \$ 20,977 | \$ 46,689 | \$ 47,203 | \$ 47,723 | \$ 48,247 | \$ 48,777 | \$ 49,312 | \$ 49,853 | \$ 50,399 | \$ 50,950 | \$ 51,507 |
| Total Local Incremental Revenue | \$ 9,204 | \$ 34,787 | \$ 77,425 | \$ 78,278 | \$ 79,139 | \$ 80,009 | \$ 80,888 | \$ 81,775 | \$ 82,671 | \$ 83,577 | \$ 84,491 | \$ 85,414 |
| Local TIR Available for Reimbursement | \$ 9,204 | \$ 34,787 | \$ 77,425 | \$ 78,278 | \$ 79,139 | \$ 80,009 | \$ 80,888 | \$ 81,775 | \$ 82,671 | \$ 83,577 | \$ 84,491 | \$ 85,414 |
| Total State & Local TIR Available | \$ 14,753 | \$ 55,764 | \$ 124,114 | \$ 125,481 | \$ 126,862 | \$ 128,256 | \$ 129,665 | \$ 131,087 | \$ 132,524 | \$ 133,975 | \$ 135,441 | \$ 136,921 |

| DEVELOPER | Beginning Balance | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| DEVELOPER Reimbursement Balance | \$ 2,866,927 | \$ 2,852,174 | \$ 2,796,410 | \$ 2,672,296 | \$ 2,546,815 | \$ 2,419,953 | \$ 2,291,696 | \$ 2,162,031 | \$ 2,030,944 | \$ 1,898,420 | \$ 1,764,445 | \$ 1,629,004 | \$ 1,492,083 |
| <u>STATE Reimbursement Balance</u> | \$ 1,177,805 | \$ 1,172,256 | \$ 1,151,278 | \$ 1,104,589 | \$ 1,057,386 | \$ 1,009,663 | \$ 961,416 | \$ 912,639 | \$ 863,327 | \$ 813,474 | \$ 763,075 | \$ 712,125 | \$ 660,619 |
| Eligible Activities Reimbursement | \$ 781,097 | \$ 5,550 | \$ 20,977 | \$ 46,689 | \$ 47,203 | \$ 47,723 | \$ 48,247 | \$ 48,777 | \$ 49,312 | \$ 49,853 | \$ 50,399 | \$ 50,950 | \$ 51,507 |
| Environmental Eligible Activities | \$ 131,809 | \$ 937 | \$ 3,540 | \$ 7,879 | \$ 7,965 | \$ 8,053 | \$ 8,142 | \$ 8,231 | \$ 8,321 | \$ 8,413 | \$ 8,505 | \$ 8,598 | \$ 8,692 |
| Non-Environmental Eligible Activities | \$ 649,288 | \$ 4,613 | \$ 17,437 | \$ 38,810 | \$ 39,238 | \$ 39,670 | \$ 40,106 | \$ 40,546 | \$ 40,991 | \$ 41,440 | \$ 41,894 | \$ 42,352 | \$ 42,815 |
| Interest Reimbursement | \$ 396,708 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Environmental Portion | \$ 66,944 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Non-Environmental Portion | \$ 329,764 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total STATE TIR Reimbursement | \$ 5,550 | \$ 20,977 | \$ 46,689 | \$ 47,203 | \$ 47,723 | \$ 48,247 | \$ 48,777 | \$ 49,312 | \$ 49,853 | \$ 50,399 | \$ 50,950 | \$ 51,507 | |
| <u>LOCAL Reimbursement Balance</u> | \$ 1,689,122 | \$ 1,679,918 | \$ 1,645,132 | \$ 1,567,707 | \$ 1,489,429 | \$ 1,410,289 | \$ 1,330,280 | \$ 1,249,393 | \$ 1,167,617 | \$ 1,084,946 | \$ 1,001,369 | \$ 916,878 | \$ 831,464 |
| Eligible Activities Reimbursement | \$ 1,120,193 | \$ 9,204 | \$ 34,787 | \$ 77,425 | \$ 78,278 | \$ 79,139 | \$ 80,009 | \$ 80,888 | \$ 81,775 | \$ 82,671 | \$ 83,577 | \$ 84,491 | \$ 85,414 |
| Environmental Eligible Activities | \$ 189,031 | \$ 1,553 | \$ 5,870 | \$ 13,065 | \$ 13,209 | \$ 13,355 | \$ 13,501 | \$ 13,650 | \$ 13,799 | \$ 13,951 | \$ 14,103 | \$ 14,258 | \$ 14,414 |
| Non-Environmental Eligible Activities | \$ 931,162 | \$ 7,650 | \$ 28,916 | \$ 64,360 | \$ 65,069 | \$ 65,785 | \$ 66,508 | \$ 67,238 | \$ 67,976 | \$ 68,721 | \$ 69,473 | \$ 70,233 | \$ 71,001 |
| Interest Reimbursement | \$ 568,929 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Environmental Portion | \$ 96,006 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Non-Environmental Portion | \$ 472,923 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total LOCAL TIR Reimbursement | \$ 9,204 | \$ 34,787 | \$ 77,425 | \$ 78,278 | \$ 79,139 | \$ 80,009 | \$ 80,888 | \$ 81,775 | \$ 82,671 | \$ 83,577 | \$ 84,491 | \$ 85,414 | |
| Total Annual Developer Reimbursement | \$ 14,753 | \$ 55,764 | \$ 124,114 | \$ 125,481 | \$ 126,862 | \$ 128,256 | \$ 129,665 | \$ 131,087 | \$ 132,524 | \$ 133,975 | \$ 135,441 | \$ 136,921 | |

Table 3. Reimbursement Allocation Schedule

MDN Building Redevelopment
 124 and 128 McDonald St and 100 Ashman St
 Midland, MI
 AKT Peerless Project No. 12461S2
 As of January 29, 2020

| | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | End Plan |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------|
| Total State Incremental Revenue | \$ 60,209 | \$ 60,866 | \$ 61,529 | \$ 62,199 | \$ 62,876 | \$ 63,559 | \$ 64,250 | \$ 64,947 | \$ 65,651 | \$ 66,362 | \$ 67,081 | \$ 67,806 | |
| State Brownfield Revolving Fund (3 mills of SE) | \$ 8,140 | \$ 8,228 | \$ 8,318 | \$ 8,409 | \$ 8,500 | \$ 8,593 | \$ 8,686 | \$ 8,780 | \$ 8,875 | \$ 8,972 | \$ 9,069 | \$ 9,167 | |
| State TIR Available for Reimbursement | \$ 52,069 | \$ 52,637 | \$ 53,211 | \$ 53,790 | \$ 54,376 | \$ 54,967 | \$ 55,564 | \$ 56,167 | \$ 56,776 | \$ 57,391 | \$ 58,012 | \$ 58,640 | |
| Total Local Incremental Revenue | \$ 86,347 | \$ 87,289 | \$ 88,240 | \$ 89,201 | \$ 90,172 | \$ 91,152 | \$ 92,142 | \$ 93,142 | \$ 94,152 | \$ 95,172 | \$ 96,202 | \$ 97,243 | |
| Local TIR Available for Reimbursement | \$ 86,347 | \$ 87,289 | \$ 88,240 | \$ 89,201 | \$ 90,172 | \$ 91,152 | \$ 92,142 | \$ 93,142 | \$ 94,152 | \$ 95,172 | \$ 96,202 | \$ 97,243 | |
| Total State & Local TIR Available | \$ 138,416 | \$ 139,926 | \$ 141,451 | \$ 142,992 | \$ 144,548 | \$ 146,119 | \$ 147,706 | \$ 149,309 | \$ 150,928 | \$ 152,563 | \$ 154,214 | \$ 155,882 | |

DEVELOPER

| | | | | | | | | | | | | |
|---|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| DEVELOPER Reimbursement Balance | \$ 1,353,667 | \$ 1,213,740 | \$ 1,072,289 | \$ 929,297 | \$ 784,750 | \$ 638,631 | \$ 490,925 | \$ 341,616 | \$ 190,688 | \$ 113,671 | \$ 55,659 | \$ (0) |
| STATE Reimbursement Balance | \$ 608,550 | \$ 555,912 | \$ 502,701 | \$ 448,911 | \$ 394,535 | \$ 339,569 | \$ 284,005 | \$ 227,838 | \$ 171,062 | \$ 113,671 | \$ 55,659 | \$ (0) |
| Eligible Activities Reimbursement | \$ 52,069 | \$ 52,637 | \$ 53,211 | \$ 53,790 | \$ 52,203 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Environmental Eligible Activities | \$ 8,787 | \$ 8,882 | \$ 8,979 | \$ 9,077 | \$ 8,809 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Non-Environmental Eligible Activities | \$ 43,283 | \$ 43,755 | \$ 44,232 | \$ 44,713 | \$ 43,394 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest Reimbursement | \$ - | \$ - | \$ - | \$ - | \$ 2,173 | \$ 54,967 | \$ 55,564 | \$ 56,167 | \$ 56,776 | \$ 57,391 | \$ 58,012 | \$ 55,659 |
| Environmental Portion | \$ - | \$ - | \$ - | \$ - | \$ 367 | \$ 9,276 | \$ 9,376 | \$ 9,478 | \$ 9,581 | \$ 9,685 | \$ 9,789 | \$ 9,392 |
| Non-Environmental Portion | \$ - | \$ - | \$ - | \$ - | \$ 1,806 | \$ 45,691 | \$ 46,187 | \$ 46,689 | \$ 47,195 | \$ 47,706 | \$ 48,223 | \$ 46,267 |
| Total STATE TIR Reimbursement | \$ 52,069 | \$ 52,637 | \$ 53,211 | \$ 53,790 | \$ 54,376 | \$ 54,967 | \$ 55,564 | \$ 56,167 | \$ 56,776 | \$ 57,391 | \$ 58,012 | \$ 55,659 |
| LOCAL Reimbursement Balance | \$ 745,117 | \$ 657,828 | \$ 569,588 | \$ 480,386 | \$ 390,214 | \$ 299,062 | \$ 206,920 | \$ 113,778 | \$ 19,626 | \$ - | \$ - | \$ - |
| Eligible Activities Reimbursement | \$ 86,347 | \$ 87,289 | \$ 88,240 | \$ 658 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Environmental Eligible Activities | \$ 14,571 | \$ 14,730 | \$ 14,890 | \$ 111 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Non-Environmental Eligible Activities | \$ 71,776 | \$ 72,559 | \$ 73,350 | \$ 547 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest Reimbursement | \$ - | \$ - | \$ - | \$ 88,543 | \$ 90,172 | \$ 91,152 | \$ 92,142 | \$ 93,142 | \$ 94,152 | \$ 19,626 | \$ - | \$ - |
| Environmental Portion | \$ - | \$ - | \$ - | \$ 14,942 | \$ 15,216 | \$ 15,382 | \$ 15,549 | \$ 15,718 | \$ 15,888 | \$ 3,312 | \$ - | \$ - |
| Non-Environmental Portion | \$ - | \$ - | \$ - | \$ 73,602 | \$ 74,956 | \$ 75,770 | \$ 76,593 | \$ 77,425 | \$ 78,264 | \$ 16,314 | \$ - | \$ - |
| Total LOCAL TIR Reimbursement | \$ 86,347 | \$ 87,289 | \$ 88,240 | \$ 89,201 | \$ 90,172 | \$ 91,152 | \$ 92,142 | \$ 93,142 | \$ 94,152 | \$ 19,626 | \$ - | \$ - |
| Total Annual Developer Reimbursement | \$ 138,416 | \$ 139,926 | \$ 141,451 | \$ 142,992 | \$ 144,548 | \$ 146,119 | \$ 147,706 | \$ 149,309 | \$ 150,928 | \$ 77,017 | \$ 58,012 | \$ 55,659 |



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BY COUNCILMAN

WHEREAS, Public Act 381 of 1996 (the “Act”) provides that local units of government may create a brownfield redevelopment authority to facilitate the revitalization, redevelopment, and reuse of certain property that is environmentally distressed through blight, contamination, or functional obsolescence; and

WHEREAS, the City of Midland has received a request to approve a Brownfield Redevelopment Plan for the property commonly known as the Midland Daily News Building, a functionally obsolete building that has been preliminarily tested and found to have contamination levels sufficient to qualify it as a contaminated facility; and

WHEREAS, the Brownfield Redevelopment Financing Authority Board met on January 31, 2020 for the purpose of reviewing the request from Sahasa Realty Corp. for approval of the Midland Daily News Building Redevelopment Project Brownfield Plan (the “Plan”), and voted unanimously to recommend that City Council approve said Plan; and

WHEREAS, the Plan is contingent upon tax increment financing (TIF) on the properties to include capture of all millages as allowed by the Act, which also requires that the BRFA and Downtown Development Authority (DDA) enter into an interlocal agreement whereby the DDA agrees to forgo its typical capture on said properties to the BRFA until such time all eligible expenses are fully reimbursed; and

WHEREAS, the DDA met on February 5, 2020 and approved the entering into an interlocal agreement between the DDA and the BRFA, by a unanimous vote; and

WHEREAS, pursuant to the Act, City Council is required to hold a public hearing on the approval of a proposed Brownfield Redevelopment Plan and to publish notice of said public hearing to be published in a newspaper of general circulation in the City of Midland, all in accord with Section 4(2) of the Act; now therefore

RESOLVED, that:

1. The City Council hereby determines that it is in the best interests of the public to promote the redevelopment of environmentally distressed and functionally obsolete areas of the City of Midland, and in order to do so, to facilitate the implementation of brownfield plans relating to the designation and treatment of such areas within the City.

2. The City Council hereby declares its intention to implement a Brownfield Redevelopment Plan within the City of Midland, pursuant to and in accord with the provisions of the Act.
3. A public hearing shall be held before the City Council on Monday, March 16, 2020, at 7:00 p.m., in the Midland City Hall Council Chambers on the proposed approval of the Midland Daily News Building Redevelopment Project Brownfield Plan.
4. In accord with the provisions of Act 381, the City Clerk shall give notice of the public hearing to each of the taxing jurisdictions that levy taxes on property included in the project subject to capture under Act 381.
5. The City Clerk shall give notice to the public of the public hearing by causing notice to be published in the form attached hereto as Exhibit A, in the Midland Daily News, a newspaper of general circulation in the City of Midland and by posting a notice of public hearing, in the form attached hereto as Exhibit B, pursuant to the practice of the City Clerk.

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yeas vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk



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EXHIBIT A

**NOTICE OF PUBLIC HEARING
ON THE ADOPTION OF A BROWNFIELD PLAN
FOR THE CITY OF MIDLAND
PURSUANT TO AND IN ACCORDANCE WITH ACT 381 OF THE
PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED**

PLEASE TAKE NOTICE that a Public Hearing shall be held before the City Council of the City of Midland on March 16, 2020, at 7:00 p.m., in the Council Chambers, City Hall, 333 West Ellsworth Street, Midland Michigan, on the adoption of the Midland Daily News Building Redevelopment Project Brownfield Plan for the City of Midland, within which the Authority shall exercise its powers, all pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended. The description of the proposed brownfield plan is:

Property Description

Property Address: 124 McDonald Street
128 McDonald Street
100 Ashman Street

Tax parcel No.: 14-16-50-496
14-21-80-262
14-16-50-486

Legal Description: 124 McDonald Street

LOTS 7,8, SW 5 FT OF LOT 1, SW 5 FT OF SE 40 FT OF LOT 2, LOTS 5 & 6 EXC NE 21 FT & EXC BEG AT W COR OF LOT 5, NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, ALL IN BLK 12 ORIGINAL PLAT OF MIDLAND & 1/2 VAC ANN ST ADJ & NW 4FT OF MCDONALD ST ADJ, EXC BEG 10 FT NW OF INT OF CL OF VAC ANN ST & NW LN OF MCDONALD ST, SE 14 FT, NE 1.5 FT, NW TO BEG.

128 McDonald Street

SWLY 1/2 OF VAC ANN ST BETWEEN ASHMAN ST & MCDONALD

100 Ashman Street

BEG AT W COR OF LOT 5 BLK 12 ORIGINAL PLAT OF MIDLAND NE 46.6 FT, SE 62.65 FT, SW TO SW LN OF BLK 12 NW TO BEG, & 1/2 VAC ANN ST ADJ.

This description of the property along with any maps and a description of the Brownfield Plan are available for public inspection at the City Clerk's Office, City Hall, 333 West Ellsworth, Midland, Michigan.

Please note that all aspects of the Brownfield Plan are open for discussion at the public hearing.



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EXHIBIT B

NOTICE OF PUBLIC HEARING ON THE ADOPTION OF A PROPOSED BROWNFIELD REDEVELOPMENT PLAN FOR THE CITY OF MIDLAND

**PURSUANT TO AND IN ACCORDANCE WITH ACT 381 OF THE
PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED**

PLEASE TAKE NOTICE that a Public Hearing shall be held before the City Council of the City of Midland, Michigan, on March 16, 2020, at 7:00 p.m., in the Council Chambers of City Hall, 333 West Ellsworth Street, Midland, Michigan, on the proposed Midland Daily News Building Redevelopment Project Brownfield Plan for the City of Midland pursuant to and in accord with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

Item Attachment Documents:

11. * Zoning Petition No 629 - Action to set a public hearing to amend the City of Midland Zoning Map by rezoning property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A. MURSCHEL

SUMMARY REPORT TO CITY MANAGER
for City Council Meeting of February 24, 2020

SUBJECT: Zoning Amendment Petition No. 629 (Rezoning Request)

INITIATED BY: Bierlein Investments, LLC

RESOLUTION

SUMMARY: Action to set a public hearing to amend the City of Midland Zoning Map by rezoning property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A.

ITEMS ATTACHED:

- 1. Letter of Transmittal
- 2. Resolution
- 3. Staff Report
- 4. Planning Commission Minutes
- 5. Location Map

CITY COUNCIL ACTION:

- 1. Public hearing is required. Date: March 23, 2020
- 2. Advertising Date: March 7, 2020
- 3. Public hearing notification to area residents mail date: March 6, 2020
- 4. 3/5 vote required to approve resolution.

Grant Murschel
Director of Planning & Community Development

GRM/rmg



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

February 19, 2020

C. Bradley Kaye, AICP CFM
City Manager
City of Midland
Midland Michigan

Dear Mr. Kaye:

At its meeting on Tuesday, February 11, 2020, the Planning Commission considered Zoning Petition No. 629, the request of Bierlein Investments, LLC to rezone property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A.

After deliberation on the petition, the Planning Commission took the following action:

Motion by Pnacek and second by Rodgers to recommend to City Council the approval of Zoning Petition No. 629 initiated by Bierlein Investments, LLC to rezone property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A.

Vote on the motion:

YEAS: Bain, Hanna, Heying, Koehlinger, Mayville, Rodgers, Pnacek, Broderick and Sajbel
NAYS: None
ABSENT: None

The motion was approved 9 to 0.

There were no written public comments received ahead of the meeting, and no comments were made during the public hearing on this request.

A resolution to set the public hearing for March 23, 2020 is enclosed for City Council consideration.

Sincerely,

Grant Murschel
Director of Planning & Community Development

GRM/rmg



City Hall ♦ 333 West Ellsworth Street ♦ Midland, Michigan 48640-5132 ♦ 989.837.3300 ♦ 989.835.2717 Fax ♦ www.cityofmidlandmi.gov

BY COUNCILMAN

WHEREAS, a public hearing was held by the Planning Commission on Tuesday, February 11, 2020 for property located at 2100 Bay City Road for the purpose of considering the advisability of amending the Zoning Map of Ordinance No. 1585, the Zoning Ordinance of the City of Midland, from RC Regional Commercial to IA Industrial A; now therefore

RESOLVED, that notice is hereby given that a public hearing will be held by the City Council on Monday, March 23, 2020 at 7:00 p.m. in the Council Chambers, City Hall, for the purpose of considering the advisability of amending the Zoning Map of Ordinance No. 1585, the Zoning Ordinance of the City of Midland, as set forth in the following proposed Ordinance, which is hereby introduced and given first reading; and

RESOLVED FURTHER, that the City Clerk is hereby directed to notify property owners within three hundred (300) feet of the area proposed to be rezoned by transmitting notice on or before March 6, 2020 and to publish said notice on March 7, 2020.

ORDINANCE NO. _____

AN ORDINANCE TO AMEND ORDINANCE NO. 1585, BEING AN ORDINANCE TO REGULATE AND RESTRICT THE LOCATION OF TRADES AND INDUSTRIES AND THE LOCATION OF BUILDINGS DESIGNED FOR SPECIFIC USES, TO REGULATE AND LIMIT THE HEIGHT AND BULK OF BUILDINGS HEREAFTER ERRECTED OR ALTERED, TO REGULATE AND DETERMINE THE AREA OF YARDS, COURTS, AND OTHER OPEN SPACES SURROUNDING BUILDINGS, TO REGULATE AND LIMIT THE DENSITY OF POPULATION, AND FOR SAID PURPOSES, TO DIVIDE THE CITY INTO DISTRICTS AND PRESCRIBE PENALTIES FOR THE VIOLATION OF ITS PROVISIONS BY AMENDING THE ZONING MAP TO PROVIDE AN IA INDUSTRIAL A ZONING DISTRICT, WHERE A RC REGIONAL COMMERCIAL ZONING DISTRICT PRESENTLY EXISTS.

The City of Midland Ordains:

Section 1. That the Zoning Map of Ordinance No. 1585, being the Zoning Ordinance of the City of Midland, is hereby amended as follows:

A PARCEL OF LAND SITUATED IN THE CITY OF MIDLAND, MORE PARTICULARLY DESCRIBED AS COM 198 FT E OF NW COR OF NE 1/4 OF SW 1/4 SEC 23,E 99 FT, S 445.5 FT, W 99 FT, N 445.5 FT TO POB

Be, and the same is hereby changed to IA Industrial A zoning.

Section 2. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 3. This Ordinance shall take effect upon publication.

Vote on the motion:

YEAS:

NAYS:

ABSENT:

I, Erica Armstrong, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, February 24, 2020.

Erica Armstrong, City Clerk



**STAFF REPORT TO THE PLANNING COMMISSION
FEBRUARY 10, 2020**

Subject: Zoning Petition #629 (Rezoning Request)

Applicant: Bierlein Investments, LLC

Location: 2100 Bay City Road

Area: 3.151 acres

Existing zoning: RC Regional Commercial

Proposed zoning: IA Industrial A

Adjacent Zoning: North: IA Industrial A, RC Regional Commercial
 South: IA Industrial A, RC Regional Commercial
 East: RC Regional Commercial
 West: IA Industrial A

Adjacent Development: North: Industrial Warehouse
 South: Contractor's Yard
 East: Vacant Lot
 West: Contractor's Yard

REPORT

Zoning Petition No. 629, initiated by Bierlein Investments, LLC proposes to rezone the property known as 2100 Bay City Road from RC Regional Commercial to IA Industrial A. There are no conditions offered by the applicant; therefore, the full content and permitted uses within the IA Industrial A zoning district must be considered.

Aerial location maps, current zoning, and Future Land Use designation maps are enclosed.

BACKGROUND

The property is located at the eastern edge of the predominantly industrial area of the city, with predominantly residential lands to the southeast of the subject parcel. The subject parcel as well as the land to the immediate east and south are planned for commercial purposes. Property to the southeast is planned for high density residential use.

According to Article 21 of the City Zoning Ordinance, the intent of the Industrial A and Industrial B Districts is to permit the use of land, buildings, and structures for the manufacturing, processing, fabricating, compounding, treatment, packaging and/or assembly of materials or goods, warehousing or bulk storage of goods, and related accessory uses. Related accessory uses may include, by way of example, research, design, and prototype development related to the industrial operations; the storage of goods in connection with or resulting from industrial operations; the sale of goods resulting from such operations; and, any work of administration or accounting in connection with the industrial operations. The regulations in this Article provide for two industrial districts with the intent that the least intensive industrial operations having limited external off-site impacts should be located in the Industrial A District.

ASSESSMENT

In accordance with Section 30.03(D) of the Zoning Ordinance, the Planning Commission and City Council shall at minimum, consider the following before taking action on any proposed zoning map amendment:

1. Is the proposed amendment consistent with the City's Master Plan?

Yes. The Future Land Use map of the City's Master Plan identifies this property as Light Industrial along with property to the immediate east and west.

2. Will the proposed amendment be in accordance with the intent and purpose of the Zoning Ordinance?

"Section 1.02 B Intent : It is the purpose of this Zoning Ordinance to promote the public health, safety, comfort, convenience, and general welfare of the inhabitants of Midland by encouraging the use of lands and natural resources in accordance with their character, adaptability and suitability for particular purposes; to enhance social and economic stability; to prevent excessive concentration of population; to reduce hazards due to flooding; to conserve and stabilize the value of property; to provide adequate open space for light and air; to prevent fire and facilitate the fighting of fires; to allow for a variety of residential housing types and commercial and industrial land uses; to minimize congestion on the public streets and highways; to facilitate adequate and economical provision of transportation, sewerage and drainage, water supply and distribution, and educational and recreational facilities; to establish standards for physical development in accordance with the objectives and policies contained in the Master Plan (Comprehensive Development Plan); and to provide for the administration and enforcement of such standards."

Yes. In staff's opinion, the proposed rezoning would promote the intent of the Zoning Code through reclassification of the parcel as stated because the proposed rezoning reflects the desires of the Master Plan for this property and complies with regulations of the zoning ordinance.

3. Have conditions changed since the Zoning Ordinance was adopted that justifies the amendment?

Yes, this portion of the Bay City Road corridor has been moving away from commercial-oriented businesses and towards a mix of light industrial uses. This has been the vision of the Master Plan for some time. The subject parcel as has a recent history of the commercial business that operated there closed its doors. The property was then purchased by an abutting owner.

4. Will the amendment merely grant special privileges?

No, the area is planned for light industrial use. As such, the proposed zoning amendment is in line with the Master Plan and allows for consistent zoning of properties to the west.

5. Will the amendment result in unlawful exclusionary zoning?

No, the amendment would result in standard industrial zoning located frequently throughout the area and within the city limits.

6. Will the amendment set an inappropriate precedent?

No, the zoning petition is supported by the City's updated Master Plan and its Future Land Use map.

7. Is the proposed zoning consistent with the zoning classification of surrounding land?

Yes, the properties to the west and southwest are zoned as IA Industrial A, those to the east are zoned RC Regional Commercial. While not directly adjacent, it is worth noting the historically residential neighborhood to the southeast that begins at Kent Court.

8. Is the proposed zoning consistent with the future land use designation of the surrounding land in the City Master Plan?

Yes, the Master Plan supports the subject parcel to be zoned and used as light industrial along with lands to the south and west.

9. Could all requirements in the proposed zoning classification be complied with on the subject parcel?

Yes, the subject parcel could meet all requirements of the IA Industrial A zoning district.

10. Is the proposed zoning consistent with the trends in land development in the general vicinity of the property in question?

For the most part, the trend in this area is reflective of the proximity of the area to the legacy industrial properties to the southwest and the extension of more industrial uses as properties become available. With that in mind, it is worth noting the adjacency of the proposed industrial use in relative proximity to existing residential uses.

ADDITIONAL STAFF COMMENTS

No (0) written public comments have been received with regard to the petition at the time this report was drafted.

STAFF RECOMMENDATION

Upon review of the requested zoning change, staff recommends approval of the rezoning petition for the following reasons:

- The request is consistent with the City's Master Plan and its Future Land Use map.

PLANNING COMMISSION ACTION

Staff currently anticipates that the Planning Commission will hold a public hearing on this request during its regular meeting on February 11, 2020 and will formulate a recommendation to City Council thereafter. If recommended to City Council the same evening, we anticipate that on February 24, 2020 the City Council will set a public hearing on this matter. Given statutory notification and publication requirements, the City Council will schedule a public hearing for March 23, 2020 at which time a decision will be made on the proposed zoning change. Please note that these dates are preliminary and may be adjusted due to Planning Commission action and City Council agenda scheduling.

Respectfully Submitted,



Grant Murschel
Director of Planning & Community Development

grm/NMW

**MINUTES OF THE REGULAR MEETING OF THE
MIDLAND CITY PLANNING COMMISSION,
TO TAKE PLACE ON TUESDAY, FEBRUARY 11, 2020 7:00 P.M.,
COUNCIL CHAMBERS, CITY HALL, MIDLAND, MICHIGAN**

1. The meeting was called to order at 7:00 p.m. by Chairman Mayville.
2. The Pledge of Allegiance was recited in unison by the members of the Commission and the other individuals present.
3. Roll Call

PRESENT: Bain, Hanna, Koehlinger, Mayville, Pnacek, Sajbel, Broderick, Heying and Rodgers

ABSENT:

OTHERS PRESENT: Grant Murschel, Director of Planning & Community Development; Nicole Wilson, Community Development Planner; and five (5) others

4. **Approval of Minutes**

Rodgers made a motion to approve the minutes of the regular meeting of January 14, 2020, seconded by Hanna. Motion carries 9-0.

5. **Public Hearings**

- a. Zoning Petition No. 629 - initiated by Bierlein Investments, LLC to rezone property located at 2100 Bay City Road from RC Regional Commercial to IA Industrial A.

Wilson gave the staff presentation for Zoning Petition No. 629.

Ken LeCureux, Executive Vice President – Bierlein Investments, LLC spoke about possible growth on the current property. Mr. LeCureux stated that the plans are not completely set, but they are excited to have the property ready for future use and development.

Comments in support – None.

Comments in opposition – None.

Mayville closed the public hearing.

Heying made a motion to waive the rules of procedure and render a decision this evening, seconded by Rodgers. Motion carries 9-0.

Pnacek and Hanna both expressed support for the petition given its alignment with the City's Future Land Use Map.

Pnacek made a motion to recommend approval of Zoning Petition No. 629, seconded by Rodgers.

Yeas: Bain, Hanna, Koehlinger, Mayville, Pnacek, Sajbel, Broderick, Heying and Rodgers
Nays: None

Motion carries 9-0.

6. **Old Business** – None.

7. **Public Comments** (unrelated to items on the agenda) – None.

8. **New Business** –

a. Site Plan Review Process

Murschel gave the staff presentation regarding the potential changes to the Site Plan Review process modifications.

Mayville commented that revision of the standard process to consider proposals in a single meeting with the option to delay final approval if further information is necessary to render a decision.

Sajbel inquired about how zoning variances would fit within this process. Murschel responded that this evening’s presentation is only for the process of site plan review.

Pnacek asked about the appeal process and how that might change with this proposal. Murschel commented that the appeal process at this time is proposed to be to City Council and further on to Zoning Board of Appeals, if necessary. He also commented that the range increase to 10,000 square feet doesn’t seem to make an impact, that a higher square footage would make more sense.

Bain asked about Redevelopment Ready Communities and how the best practices identify the appeal process. Murschel responded that typically appeals would go to the Zoning Board of Appeals.

Heying commented that he is not in favor of eliminating the public hearing, but that the fast track process is a valuable offering.

Bain commented that the stakeholders of the planning process could be discouraged at moving the bar repeatedly, that making the changes once would be advisable.

Mayville commented that the value of the public hearing is the dialogue that can take place to provide understanding to the public around the safe guards the zoning ordinance provides as relayed by staff.

Pnacek commented that relaying the objective nature of the Site Plan Review criteria would help to temper expectations. Murschel commented that the public comments submitted should additionally be compared as to the objective requirements rather than subjective rationale that is occasionally offered.

Bain asked for more clarification from City Council on the more subjective areas of the ordinance. Murschel offered that perhaps a training and a clarifying review of the Zoning Ordinance would be valuable. Bain also commented that educating the public around where their comments and input will be most impactful within the Master Plan.

Koehlinger commented that while the effort is worthwhile, it seems to be highly underutilized.

Murschel commented that staff will bring back a recommendation following this discussion. It will maintain public hearings, increase square footage in line with what other communities are measuring, introducing an option for fast track approvals, modify the rules of procedure to have standard procedure as one meeting, instead of two, and clarify the appeal process. Objectives, goals, anticipated timing benefit, and outcomes will also be included.

Rodgers asked what the threshold should be that would alleviate staff burden when combined with the fast track options and a graphic representation of the square footages.

b. Master Planning Process

Murschel gave a brief overview of the staff memorandum around the upcoming master planning process.

Mayville commented that focusing on school areas is a good idea.

Bain commented that neighborhood serving retail should be considered with regard to zoning. Bain further commented on the dynamic in our affordable housing areas and the

Broderick commented that RB-2 and ADU's should be evaluated within the housing topic area. Broderick further commented that zoning should be evaluated as relates to supporting small businesses.

Mayville commented that in the long term, taxable values in different areas of the City should be considered. Further comment by Murschel about taxable value per acre by year.

Rodgers commented that fire coverage should be covered within the process. Murschel commented that evaluation of all city services should be considered. Murschel further commented that while a wealth of park resources add value, there is a significant cost to maintaining them.

Murschel further commented as to a structure of ambassadors to assist with the planning process and the branding of the master plan as "City Modern".

Mayville commented that he likes the branding, agreed by Sajbel and Pnacek. Mayville further commented at comparing the distribution of each zoning district in use, zoning and future land use as compared to other like sized cities.

Broderick commented that cultural inclusion would be a valid topic given the rhetoric of residents moving to a more culturally diverse area.

9. **Communications** – None.

10. **Report of the Chairperson** - None.

11. **Report of the Planning Director**

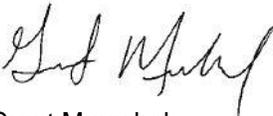
Murschel indicated that the Capital Improvements Plan was approved as well as Site Plan No. 396 and 397. He also announced Wilson's resignation and pending employment at the Midland Business Alliance.

12. **Items for Next Agenda – February 25, 2020 - CANCELLED**

13. **Adjournment**

It was moved by Heying and seconded by Hanna to adjourn at 9:00 p.m. Motion passed unanimously.

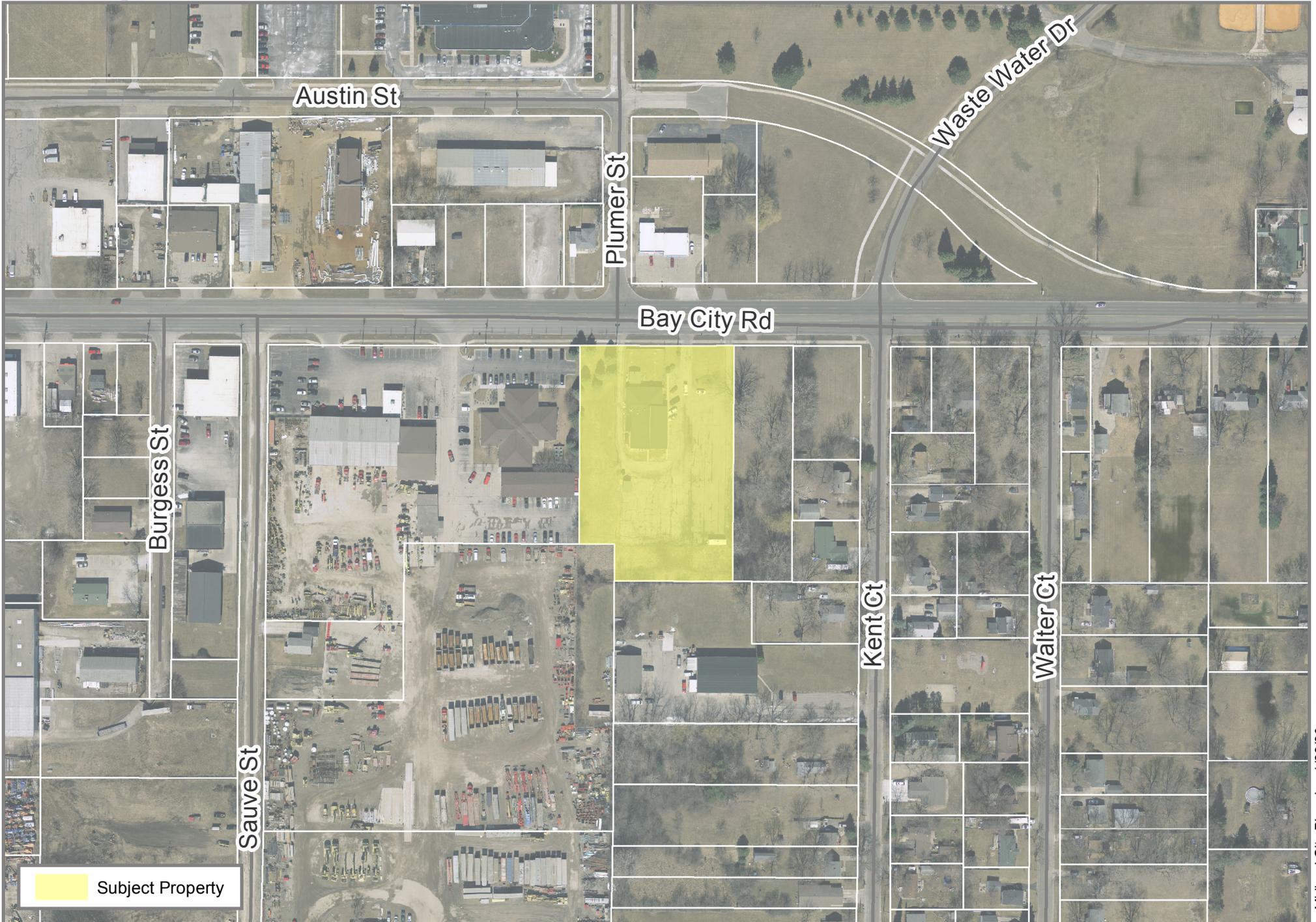
Respectfully submitted,



Grant Murschel
Director of Planning & Community Development

ZP #629 | 2100 Bay City Road

> F 163 Regional Commercial to IA Industrial A



ZP #629 | 2100 Bay City Road

> Regional Commercial to IA Industrial A

164



Plumer St

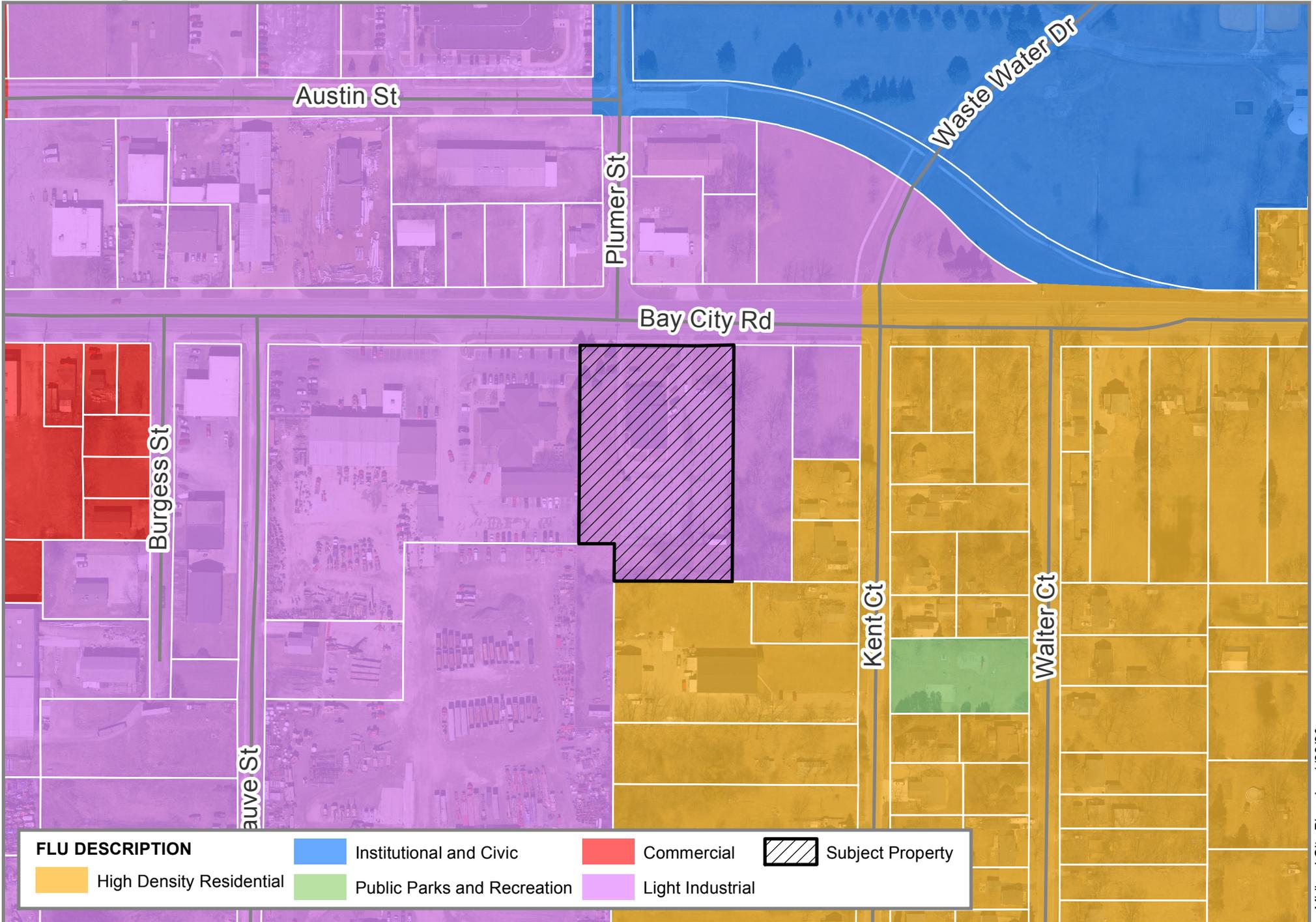
Bay City Rd

Kent Ct

 Subject Property

ZP #629 | 2100 Bay City Road

> F 165 Regional Commercial to IA Industrial A



ZP #629 | 2100 Bay City Road

> R 166 Regional Commercial to IA Industrial A

