



IF YOU WISH TO ADDRESS THE CITY COUNCIL,
PLEASE COMPLETE FORM LOCATED ON DESK AT ENTRANCE AND PASS TO MAYOR.

AGENDA - SPECIAL CITY COUNCIL MEETING

August 9, 2016
2nd Floor, City Hall
6:30 p.m.

1. **CALL TO ORDER.**
2. **ROLL CALL.**
3. **ADOPTION OF AGENDA.**
4. **CITIZEN COMMENTS (3-Minute Limit).**
5. **CONSENT CALENDAR.**
 - A. **Jackson Civil War Muster.**

Recommendation: Approve a request from Jackson Civil War Society to conduct its 32nd Annual Jackson Civil War Muster event on Saturday, August 20, and Sunday, August 21, 2016, from 9:00 a.m. to 7:00 p.m. at Cascades Park.
6. **PUBLIC HEARING.**
 - A. **OPRA Public Hearing.**

Hold a second public hearing to establish the Obsolete Property Rehabilitation Act (OPRA) District within an area bounded by Louis Glick Highway to the north, W. Washington Avenue to the south, and Cooper Street to the east.
7. **OTHER BUSINESS.**
 - A. **Reaffirm OPRA Resolution.**

Recommendation: Reaffirm a resolution to establish the Obsolete Property Rehabilitation Act (OPRA) District boundaries of Louis Glick Highway to the north, Washington Avenue to the south, and Cooper Street to the east.

- B. **Ordinance No. 497 - Otsego PILOT (Second/Final Reading).**
Recommendation: Final adoption of Ordinance No. 497, providing a service charge in lieu of taxes for a housing project for low income persons and families to be finance with an authority-aided mortgage loan or an advance or grant from the authority pursuant to the provisions of the State Housing Development Authority Act of 1966.

- C. **Parking Improvement Projects Reimbursement Resolution.**
Recommendation: Approve the Reimbursement Resolution for the Parking Improvement Projects.

- D. **H4HH Demolition Bid Award Package J.**
(This item will be added on Monday)

- E. **H4HH Demolition Bid Award Package K.**
(This item will be added on Monday)

8. **CITY COUNCILMEMBERS' COMMENTS.**

9. **MANAGER'S COMMENTS.**

10. **ADJOURNMENT.**

MEMO TO: Mayor and City Council Members
FROM: Patrick H. Burtch, City Manager
DATE: August 9, 2016
SUBJECT: Special Event Application for Jackson Civil War Muster.

Recommendation:

Approve a request from Jackson Civil War Society to conduct its 32nd Annual Jackson Civil War Muster event on Saturday, August 20 and Sunday, August 21, 2016, from 9 a.m. to 7 p.m., at Cascades Park.

Attached is a memo from Nathan Mack, regarding the Special Event Application for the event Jackson Civil War Muster.

I recommend approval of the special event application for the event Jackson Civil War Muster. Your consideration and concurrence is appreciated.

PHB

DEPARTMENTAL REPORT

MEMO TO: Patrick Burtch, City Manager

FROM: Nathan Mack, Executive Director, DDA

DATE: August 9, 2016

RECOMMENDATION: Approve a request from Jackson Civil War Society to conduct its 32nd Annual Jackson Civil War Muster event on Saturday, August 20, and Sunday, August 21, 2016, from 9 a.m. to 7 p.m., at Cascades Park.

SUMMARY: The Jackson Civil War Muster is the largest, longest running civil war history event in the Midwest with family oriented, and educational entertainment.

DEPARTMENTAL APPROVAL SUMMARY

Approvals noted below by each department indicate they have been made aware of the request and the capacity of their department has been met. Conditions of their approval and special considerations are noted.

Department	Approval	Denial	Economic Impact
Police	x		\$0
Fire	x		\$0
Engineering	x		\$0
Public Works	x		\$200
Recreation	x		\$0
DDA	x		\$0
			<hr/>
			\$200

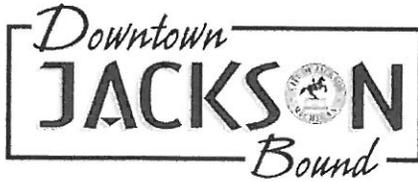
CONDITIONS & CONSIDERATIONS

- DPW will provide barricades for the event.

INSURANCE STATUS

Contingent upon receipt of proper insurance coverage.

ATTACHMENTS: Special Event Application: Jackson Civil War Muster.



CITY OF JACKSON SPECIAL EVENT APPLICATION

Downtown Development Authority
161 W. Michigan Avenue ~ Jackson, MI 49201 ~ (517) 768-6410

Date Received By DDA Office: 7/11/16 Time: By: [Signature]

Please complete this application in accordance with the City of Jackson Special Events Policy, and return it to the Office of the Downtown Development Authority at least 60 calendar days before the first day of the event.

Event Name: Jackson Civil War Muster

Sponsoring Organization's Legal Name: Jackson Civil War Society

Organization Address: P.O. Box 271 Jackson MI 49204

Tax I.D. Number: 32-0207058

Event Organizer: Kim Conant Title: President

Phone (work): (517) 262-6391

Phone (during event): (517) 262-6391

Agent's Address: P.O. Box 271 Jackson, MI 49204

Agent's E-Mail

Address: KimC62@gmail.com

Organization Address: P.O. Box 271 Jackson MI 49204

Please give a brief description of the proposed special event:

The Jackson Civil War Muster is the largest, longest running Civil War Reenactment History Event in the Midwest. 25,000-30,000 visitors will attend the event to experience family oriented, educational entertainment. We will have a battle each day, people can stroll the streets of our living/working village of Jacksonburgh & attend our military Ball.

Event Day(s) and Date(s): Sat. Aug 20 - Sun Aug 21

Set-Up Date & Time: Aug 18 - 9:00am Tear-Down Date & Time:

Aug 21 7:00pm

Event Location: Cassard Park Jackson, MI

ANNUAL EVENT: Is this event expected to occur next year? (circle one) YES **NO**
How many years has this event occurred? 32

MAP: If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing:

- (a) The assembly and dispersal locations and the route plan;
- (b) Any streets or parking lots that you are requesting to be blocked off;
- (c) The location of vendors, if any;
- (d) An emergency vehicle access lane; and
- (e) The location of restrooms and trash receptacles.

A final map, if different, must be provided seven (7) days before the event.

STREET CLOSURES: Start Date/Time: Aug 18 8:00 AM

Through Date/Time: Aug 21 7 PM

RESERVED PARKING: Are you requesting reserved parking? (circle one) **YES** NO
If yes, list the number of street spaces, City lots or locations where parking is requested:

VENDORS: Food Concessions? YES **NO** Other Vendors: YES **NO**
on County Prop. *on County Prop.*

EVENT SPONSORS: Do you have an event sponsor? If yes, please name:

Tripps Auto + Collision Center
Shop

DO YOU PLAN TO HAVE ALCOHOL SOLD/SERVED AT THIS EVENT? **YES** NO
If yes, please attach liquor license and liquor liability insurance.

If yes, what time? _____ until _____

ENTERTAINMENT: Are there any entertainment features related to this event? YES **NO**
If yes, provide an attachment listing all bands/performers, type of entertainment, and performance schedule. All noise generated by entertainment must be in compliance with the City Noise Ordinance. .
on County Prop.

ATTENDANCE: What is the expected (estimated) attendance for this event? 27,000 - 30,000

AMUSEMENT: Do you plan to have any amusement or carnival rides? **YES** NO
If yes, you are required to obtain a permit through the City Clerk's Office.

RESTROOMS: Are you planning to provide portable rest rooms at the event? YES **NO**

If yes, how many? 18 reg + 8 handi cap

As an event organizer, you must consider the availability of restroom facilities during this event. Consideration should be made regarding the type of event, the length of time it will be held, the number of people, etc. You must determine the rest room facilities in the immediate area of the event venue and then identify the potential need for portable facilities. Remember to identify accessible facilities for ADA requirements as well.

ELECTRICAL POWER: Will the Event require electrical power? YES **NO**
If yes, please explain the electrical requirements.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Department, Neighborhood and Economic Operations Department, Parks and Recreation, water, street closures, electrical, etc.) Please note that additional requests may incur additional charges.

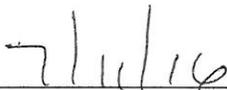
Street Closures @ Denton + Brown + Randolph + Brown. 5-7 no parking sawhoses @ parking lot on Randolph near Basket Ball Court

INSURANCE: All sponsors of special events must carry liability insurance as set forth in the Special Events policy. A copy of either a Hold Harmless Agreement or a certificate of insurance AND endorsement naming the City of Jackson and the DDA as additional insureds for a liability policy must be provided at least two (2) weeks prior to scheduled Council approval.

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:

1. I am the person with authority to act on behalf of the sponsoring organization.
2. I have submitted all required documents in support of the Special Events application, including insurance documents where applicable.
3. A \$25 Special Event Application fee must be submitted along with this Special event Application.
4. Only the activities listed on the application will be permitted at the event. If additional activities are added, I will immediately contact the City of Jackson. I understand that the approval of my application may be withdrawn or additional requirements made.
5. All food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City of Jackson with a Certificate of Insurance which names the City of Jackson and the Downtown Development Authority as additional named insured parties on the policy.

6. Fire Department permit and approval is required for events including display fireworks. XCU Fireworks Liability insurance is required for all fireworks displays.
7. The approval of this special event may include additional requirements, limitations, or fees, based on the City's review of this application.
8. If I or my organization fail(s) to clean up and repair damages to the Event Area, my organization maybe billed for City services, and that failure to clean up and repair damage will be considered for future applications.
9. As the duly authorized agent of the sponsoring organization, I am applying for approval of this Special Event, affirm the above understandings, and agree that my sponsoring organization will comply with the terms of the written confirmation of approval, and all other City requirements, ordinances and other laws, which apply to this Special Event.
10. By signing this Special Event Application, I declare I am 21 years of age or older.
11. If required to provide liability insurance, I will add the City of Jackson and the Downtown Development Authority as additional insureds on the sponsoring organization's liability policy.
12. On behalf of the sponsoring organization, I agree that the sponsoring organization will defend, indemnify, and hold harmless the City of Jackson, its officers, employees and agents from and against any claim, demand, suit, loss, cost or expense, or any damage, which may be asserted, claimed or recovered against or from the City of Jackson its officer, employees and agents, by reason of any damage to property, bodily injury, or death, sustained by any person whomsoever, and which damage, injury or death arises out of or is incident to or in any way connected with or related to the special event.



Date



Signature of Sponsoring Organization's Agent

**RETURN THIS APPLICATION at least sixty (60) days before the first day of the event to: DOWNTOWN DEVELOPMENT AUTHORITY
161 W. MICHIGAN AVENUE, 5th Floor
JACKSON, MI 49201**

MEMO TO: Mayor and City Councilmembers
FROM: Patrick H. Burtch, City Manager *PHB*
DATE: August 9, 2016
SUBJECT: Re-affirm the Creation of an Obsolete Property Rehabilitation Act (OPRA) District

Recommendation:

Hold the second public hearing to establish the Obsolete Property Rehabilitation Act (OPRA) District within the area bounded by Louis Glick to the north, Washington Avenue to the south, and Cooper Street to the east.

Attached is a memo from Jennifer Morris, Director of Neighborhood and Economic Operations, regarding the establishment of an Obsolete Property Rehabilitation Act (OPRA) District within the area principally bounded by Louis Glick to the north, Washington Avenue to the south, and Cooper Street to the east. Establishment of the District is the first step in providing a means for supporting the redevelopment of obsolete properties in the above noted portion of the City. While holding the second public hearing and approval of the associated Resolution does not authorize the 100% tax exemption on the improvements with a rehabilitation facility, exclusive of the land and personal property, for up to 12 years, it does provide a means of incentivizing the redevelopment of otherwise obsolete properties.

I recommend holding the second public hearing and re-affirming the adoption of the Resolution establishing the district boundaries. Your consideration and concurrence is appreciated.

PHB

DEPARTMENTAL REPORT

MEMO TO: Patrick Burtch, City Manager

FROM: Jennifer Morris, Director of Neighborhood and Economic Operations 

DATE: August 9, 2016

RECOMMENDATION: Hold the second public hearing to establish the Obsolete Property Rehabilitation Act (OPRA) District within the area bounded by Louis Glick to the north, West Washington Avenue to the South, and Cooper Street to the east and consider re-affirming the previously adopted Resolution

SUMMARY

As a means of promoting the redevelopment of obsolete properties (commercial and residential) within the downtown area bounded by Louis Glick to the north, Washington to the south and South Cooper Street to the east. While City Council previously adopted the Resolution to establish the District as per Public Act 146 of 2000, it was determined that allowing additional opportunity for public comment would be of benefit.

BUDGETARY CONSIDERATIONS

The establishment of the OPRA District affords a property owner who can demonstrate compliance with the criteria for obsolete property designation an option for a 100% tax exemption on the improvements within a rehabilitation facility, exclusive of land and personal property, for up to 12 years. Each property would be considered on a case by case basis with the implications being varied based upon the proposed site improvements. However, after the abatement period each property would be assessed based upon the new taxable value.

BACKGROUND and DISCUSSION

Several downtown property owners have expressed an interest in redeveloping their obsolete properties but the financial implications often make it an unfeasible proposition. Therefore, the creation of the OPRA District creates a mechanism for a property owner to direct disposable income/loans/grants towards property improvements instead of towards payment of the various jurisdictional taxes.

POSITIONS

Following the second public hearing, for which all parties were noticed via the local newspaper, the Council may consider re-affirming the adoption of the Resolution creating the Obsolete Property Rehabilitation Act District for the area noted in Attachment A.

ATTACHMENT

RESOLUTION

BY THE CITY COUNCIL:

WHEREAS, the State of Michigan has established an obsolete property rehabilitation district act (Public Act 146 of 2000) which allows for the exemption of certain taxes for properties satisfying the definition of obsolete property (commercial property or commercial housing property this is blighted and/or functionally obsolete); and

WHEREAS, the City of Jackson is a qualified local governmental unit as defined by Public Act 146 of 2000; and

WHEREAS, the City of Jackson has identified several properties within the City which can be defined as an obsolete property in accordance with Public Act 146 of 2000;

NOW, THEREFORE, BE IT RESOLVED that the City of Jackson wishes to establish an Obsolete Property Rehabilitation Act District for the land area identified in Exhibit A based upon the following criteria:

- A. Obsolete property in an area characterized by obsolete commercial property or commercial housing property.
- B. Commercial property that is obsolete property that was owned by a qualified governmental unit on the effective date of this act, and subsequently conveyed to a private owner.

BE IT FURTHER RESOLVED that the City of Jackson wishes to hold a public hearing on July 12, 2016 to consider the establishment of the Obsolete Property Rehabilitation Act District in accordance with Public Act 146 of 2000 as a means of establishing a process for a 100% tax exemption on the improvements within a rehabilitation facility, exclusive of the land and personal property, for up to 12 years.

BE IT FURTHER RESOLVED that the City of Jackson finds and determines that the proposed Obsolete Property Rehabilitation Act District meets the requirements set forth in Section 3(1) of Public Act 146 of 2000.

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Randy J. Wrozek, Jr., City Clerk in and for the City of Jackson, County and State of Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Jackson City Council on the 12th day of July, 2016 and re-affirmed on the 9th of August, 2016.

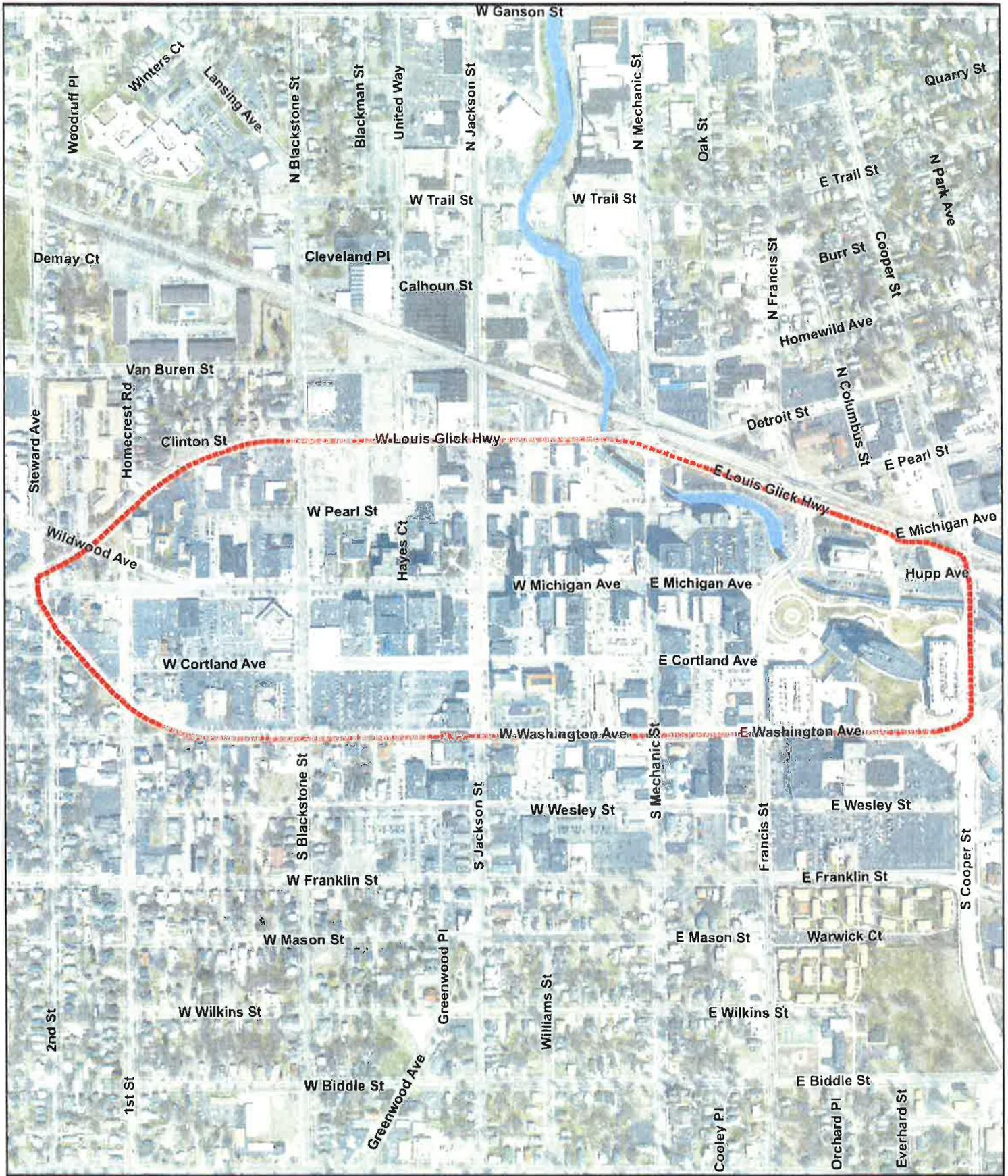
IN WITNESS WHEREOF, I have hereto affixed
my signature and the seal of the City of Jackson,
Michigan, on this 9th day of August, 2016.

_____ City Clerk

EXHIBIT A

Land situated in the City of Jackson, County of Jackson and State of Michigan legally described as the following:

Commencing at the intersection of the centerlines of First St and Washington St, which point is 33 feet north and 33 feet west of the northwest corner of Lot 3, Block 3, Livermore Wood & Eaton's Addition, thence North to the intersection of the centerlines of First St and Washington Ave which is the Point of Beginning of this description, thence easterly along the centerline of Washington Ave to the centerline of S Cooper St, thence northerly along the centerline of S Cooper St to the centerline of E Michigan Ave, thence westerly along the centerline of E Michigan Ave to the centerline of Glick Hwy (commonly known as Louis Glick Hwy), thence continuing westerly along the centerline of Glick Hwy to the centerline of Steward Ave, thence southerly along the centerline of Steward Ave to its intersection with the centerline of Washington Ave, thence continuing southeasterly along the centerline of Washington Ave to the point of beginning.



JACKSON
 Founded 1829

**CITY OF JACKSON
 PROPOSED OPRA DISTRICT**



Notice of Public Hearing

Jackson's City Council will hold a public hearing to consider the creation of an Obsolete Property Rehabilitation Act (OPRA) District. The District affords the opportunity for property owners with commercial property or commercial housing property that is blighted and/or functionally obsolete to seek a tax exemption on the improvements within a rehabilitation facility, exclusive of the land and personal property, for up to 12 years.

The proposed district boundaries are Louis Glick Highway to the north, Washington Avenue to the south, and South Cooper Street to the east, formally described as follows:

Commencing at the intersection of the centerlines of First St and Washington St, which point is 33 feet north and 33 feet west

of the northwest corner of Lot 3, Block 3, Livermore Wood & Eaton's Addition, thence North to the intersection of the centerlines of First St and Washington Ave which is the Point of Beginning of this description, thence easterly along the centerline of Washington Ave to the centerline of S Cooper St, thence northerly along the centerline of S Cooper St to the centerline of E Michigan Ave, thence westerly along the centerline of E Michigan Ave to the centerline of Glick Hwy (commonly known as Louis Glick Hwy), thence continuing westerly along the centerline of Glick Hwy to the centerline of Steward Ave, thence southerly along the centerline of Steward Ave to its intersection with the centerline of Washington Ave, thence continuing southeasterly along the centerline of Washington Ave to the point of beginning.

You are invited to attend the public hearing to be held on:
Tuesday, August 9, 2016 at 6:30 pm or shortly thereafter

The meeting will be held in the
City Hall Council Chambers, 2nd floor
161 W. Michigan Avenue

RESOLUTION

BY THE CITY COUNCIL:

WHEREAS, the State of Michigan has established an obsolete property rehabilitation district act (Public Act 146 of 2000) which allows for the exemption of certain taxes for properties satisfying the definition of obsolete property (commercial property or commercial housing property this is blighted and/or functionally obsolete); and

WHEREAS, the City of Jackson is a qualified local governmental unit as defined by Public Act 146 of 2000; and

WHEREAS, the City of Jackson has identified several properties within the City which can be defined as an obsolete property in accordance with Public Act 146 of 2000;

NOW, THEREFORE, BE IT RESOLVED that the City of Jackson wishes to establish an Obsolete Property Rehabilitation Act District for the land area identified in Exhibit A based upon the following criteria:

- A. Obsolete property in an area characterized by obsolete commercial property or commercial housing property.
- B. Commercial property that is obsolete property that was owned by a qualified governmental unit on the effective date of this act, and subsequently conveyed to a private owner.

BE IT FURTHER RESOLVED that the City of Jackson wishes to hold a public hearing on July 12, 2016 to consider the establishment of the Obsolete Property Rehabilitation Act District in accordance with Public Act 146 of 2000 as a means of establishing a process for a 100% tax exemption on the improvements within a rehabilitation facility, exclusive of the land and personal property, for up to 12 years.

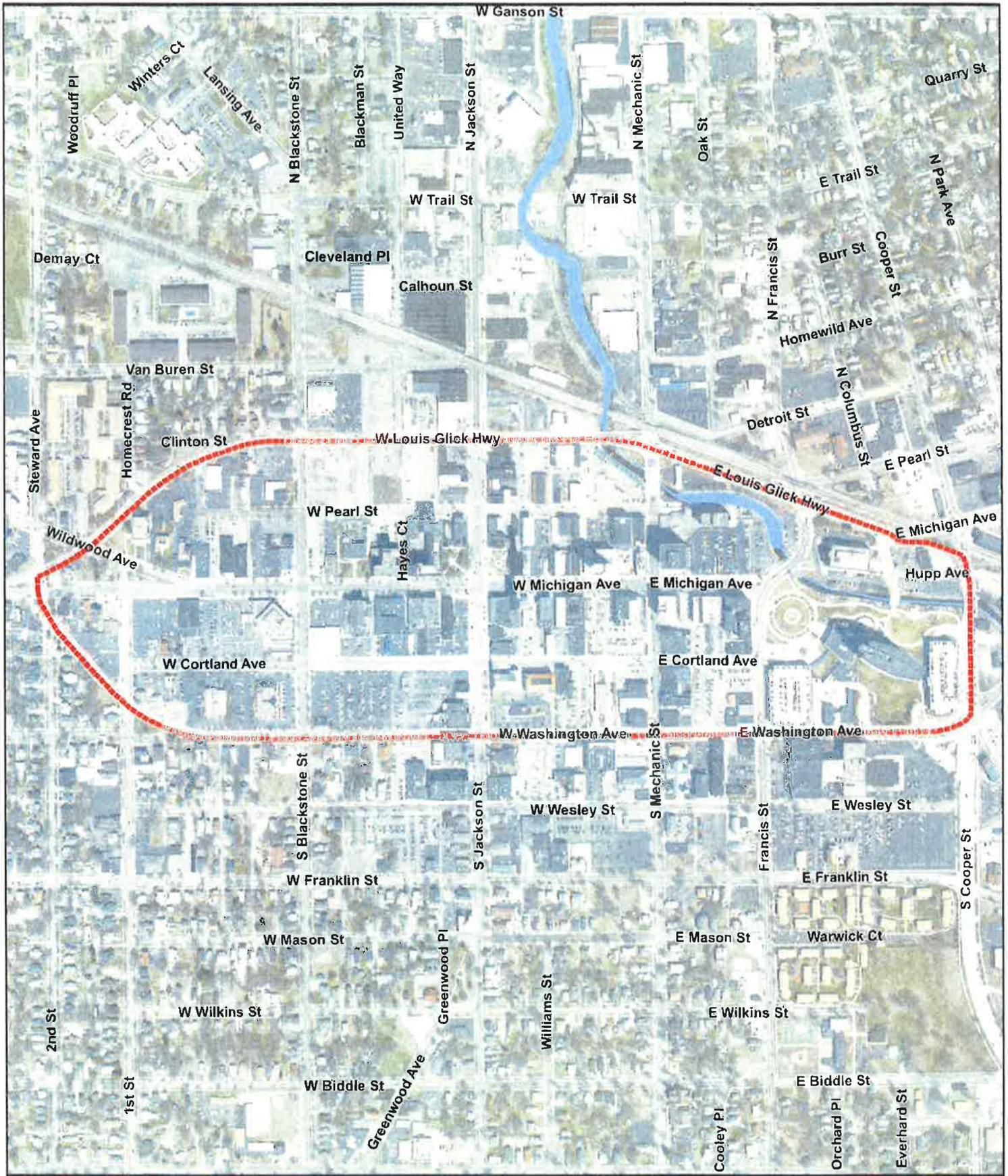
BE IT FURTHER RESOLVED that the City of Jackson finds and determines that the proposed Obsolete Property Rehabilitation Act District meets the requirements set forth in Section 3(1) of Public Act 146 of 2000.

State of Michigan)
County of Jackson) ss
City of Jackson)

I, Randy J. Wrozek, Jr., City Clerk in and for the City of Jackson, County and State of Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Jackson City Council on the 12th day of July, 2016 and re-affirmed on the 9th of August, 2016.

IN WITNESS WHEREOF, I have hereto affixed
my signature and the seal of the City of Jackson,
Michigan, on this 9th day of August, 2016.

_____ City Clerk



JACKSON
 Founded 1829

**CITY OF JACKSON
 PROPOSED OPRA DISTRICT**



MEMO TO: Mayor and City Councilmembers
FROM: Andrew J. Wrozek, Jr., City Treasurer/Clerk *ajw*
DATE: August 9, 2016
SUBJECT: Second Reading and Adoption of Ordinance No. 497

Recommendation:

Adopt a PILOT Ordinance No. 497 for the future owners of Otsego Apartments.

Attached is Ordinance No. 497. Ordinance No. 497 was considered for approval and moved for 2nd reading by the Council at the July 12th, 2016, City Council meeting. The previous PILOT, Ordinance No. 492, was repealed.

I recommend approval of Ordinance No. 497. Your consideration and concurrence is appreciated.

ORDINANCE NO. 497

AN ORDINANCE TO PROVIDE FOR A SERVICE CHARGE IN LIEU OF TAXES FOR A HOUSING PROJECT FOR LOW INCOME PERSONS AND FAMILIES TO BE FINANCED WITH AN AUTHORITY-AIDED MORTGAGE LOAN OR AN ADVANCE OR GRANT FROM THE AUTHORITY PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (1966 PA 346, AS AMENDED; MCL 125.1401, *ET SEQ*) (THE "ACT").

WHEREAS, the City of Jackson has received an offer from the Otsego Elderly Limited Dividend Housing Association, LLC, a limited liability company organized under the laws of the State of Michigan and in accordance with Chapter 7 of the State Housing Development Authority Act of 1966, as amended, to acquire and rehabilitate a housing development for elderly persons of low income, which offer is subject to the offeror's receipt of a mortgage loan from the Michigan State Housing Development Authority and/or a HUD insured mortgage loan; and

WHEREAS, the offer provides that it may be accepted by the enactment of a tax exemption ordinance providing for the payment of a service charge in lieu of property taxes for the class of housing development.

NOW, THEREFORE, THE CITY OF JACKSON ORDAINS:

SECTION 1. This Ordinance shall be known and cited as the "City of Jackson Tax Exemption Ordinance - Otsego Apartments 2016."

SECTION 2. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City of Jackson is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City of Jackson will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility

of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City of Jackson acknowledges that the Sponsor (as defined below) has offered, subject to receipt of a Mortgage Loan from the Michigan State Housing Development Authority, to acquire and rehabilitate, own and operate a housing project identified as Otsego Apartments on certain property located at Francis Street and Michigan Avenue with the attached legal description in the City of Jackson to serve low income persons and families, and that the Sponsor has offered to pay the City of Jackson on account of this housing project an annual service charge for public services in lieu of all *ad valorem* property taxes.

SECTION 3. Definitions.

As used in this Ordinance:

- A. Act means the State Housing Development Authority Act, Public Act 346 of 1966, as amended. (MCL 125.1401, et seq; MSA 16.114(1), et seq.).
- B. Authority means the Michigan State Housing Development Authority.
- C. Contract Rents means the total Contract Rents (as defined by the U.S. Department of Housing and Urban Development in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended) received in connection with the operation of a housing project during an agreed annual period, exclusive of Utilities.
- D. Disabled means any person or family whose head, spouse, or sole member is a Person with disabilities as defined in 24 C.F.R. §5.403.
- E. Elderly means any a person who is sixty-two (62) years of age or older, or a family with the head of the household being sixty-two (62) years of age or older, or a Disabled as defined in Subparagraph D above to the extent that such person(s) is eligible under federal law and regulations to live in a residential development, such as Otsego Apartments, which is assisted under Section 8 and was originally designed primarily for occupancy by elderly persons and families.
- F. Mortgage Loan means a loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.
- G. Sponsor means Otsego Elderly Limited Dividend Housing Association, LLC, and any entity that receives or assumes a Mortgage Loan.
- H. Utilities means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project.

SECTION 4. Class of Housing Projects.

It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income Persons and Families that are financed with a Mortgage Loan by the Authority. It is further determined that Otsego Apartments is of this class.

SECTION 5. Establishment of Annual Service Charge.

The housing project identified as Otsego Apartments and the property on which it is located shall be exempt from all *ad valorem* property taxes from and after the commencement of construction or rehabilitation. The City of Jackson acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing project for exemption from all *ad valorem* property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to rehabilitate and operate the housing project, the City of Jackson agrees to accept payment of an annual service charge for public services in lieu of all *ad valorem* property taxes. Subject to receipt of a mortgage, the annual service charge shall be four (4%) percent of the gross contractual rents charged. There is no reduction for utilities.

SECTION 6. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the City of Jackson and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 7. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

SECTION 8. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City of Jackson and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before June 1 of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, *et seq*).

SECTION 9. Duration.

This Ordinance shall remain in effect and shall not terminate so long as a Mortgage Loan remains outstanding and unpaid, or the Authority or HUD has any interest in the property, but not more than thirty-seven (37) years; provided, that:

- A. Sponsor files with the City Assessor a certified notification of exemption, as required by Section 15a(1) of the Act; and
- B. Pursuant to Section 15a(6) of the Act, the annual service charge to be paid in lieu of taxes for that part of the Housing Development which is occupied by other than elderly persons of low income, shall be equal to the full amount of taxes that would be paid on that portion of the Housing Development if the Housing Development were not exempt; and
- C. Acquisition of the Housing Development commences within one (1) year of the effective date of this ordinance.

SECTION 10. Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

SECTION 11. Inconsistent Ordinances.

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

SECTION 12. Effective Date.

This ordinance shall become effective thirty (30) days from the date of its adoption. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of their conflict.

Exhibit A

Land in the City of Jackson, Jackson County, Michigan and described as follows, to-wit:

That Part of Lots 7, 8 and 9, Block 1 South, Range 2 East, Village of Jacksonburgh (now City of Jackson), as recorded in Liber 4 of Plats, page 2, Jackson County Records, which is described as follows:

Commencing at the Northeast corner of Section 3, Town 3 South, Range 1 West, thence South $89^{\circ} 34' 44''$ West 178.91 feet along the North line of Section 3 and the center line of Michigan Avenue; thence South $0^{\circ} 25' 32''$ East 49.50 feet to the Northwest corner of Lot 7, Block 1 South, Range 2 East, Original Plat of Jacksonburgh (now City of Jackson) said point being the intersection of the South line of Michigan Avenue and the East line of a 16.50 foot public alley, and also the place of beginning of this description; thence North $89^{\circ} 34' 44''$ East 97.10 feet along the South line of Michigan Avenue, thence South $46^{\circ} 08' 03''$ East 27.12 feet along the brick of a 5 story building, now standing, to the West line of Francis Street, as now established, thence South $1^{\circ} 17' 33''$ East 179.98 feet along the West line of Francis Street to a point North $1^{\circ} 17' 33''$ West 67.47 feet (67.4 feet per deed) from the North line of Courtland Street and to the North line of a brick building, now standing, thence South $88^{\circ} 31' 14''$ West 36.79 feet along the North line of said brick building, thence South $0^{\circ} 25' 32''$ East 12.65 feet along the West line of said brick building, thence South $89^{\circ} 55' 14''$ West 23.45 feet along said brick building, thence North $0^{\circ} 25' 32''$ West 0.85 feet along said brick building, thence South $89^{\circ} 03' 44''$ West 34.35 feet along the North line of said brick building, thence South $0^{\circ} 25' 32''$ East 4.50 feet along the West line of said brick building, thence South $89^{\circ} 43' 44''$ West 24.65 feet along said brick building and said line extended to the East line of said 16.50 foot public alley and West line of Lot 9 at a point North $0^{\circ} 25' 32''$ West 50.25 (50.1 foot per deed) North of the North line of Courtland Street, and thence North $0^{\circ} 25' 32''$ West 215.98 feet along the East line of said 16.50 foot alley and the West line of Lots 7 and 9 to the place of beginning of this description.

Bearings are based on the North line of Section 3, Town 3 South, Range 1 West, as being South $89^{\circ} 34' 44''$ West from a Polaris Observation taken January 30, 1968.

Subject to an easement as set forth in instrument recorded September 20, 1966 in Liber 754, on page 62, Jackson County

Records, being re-described to coincide with new metes and bounds description above:

An easement for the purpose of ingress to and egress from the above described property. Commencing at the Northeast corner of Section 3, Town 3 South, Range 1 West, thence South $89^{\circ} 34' 44''$ West 178.91 feet along the North line of Section 3 and the center line of Michigan Avenue, thence South $0^{\circ} 25' 32''$ East 49.50 feet to the Northwest corner of Lot 7, Block 1 South, Range 2 East, Original Plat of the Village of Jacksonburgh, (now City of Jackson) said point being the intersection of the South line of Michigan Avenue and the East line of a 16.50 foot public alley, thence continuing South $0^{\circ} 25' 32''$ East 202.33 feet along the East line of said 16.50 foot public alley and West line of Lots 7 and 9, Block 1 South, Range 2 East, to a point North $0^{\circ} 25' 32''$ West 63.90 feet from the North line of Courtland Street, said point being the place of beginning of this easement description; thence North $89^{\circ} 30' 24''$ East 82.46 feet to the West line of a brick building, now standing, thence South $0^{\circ} 25' 32''$ East 10.0 feet along the West line of said brick building, to the North line of said brick building, thence South $89^{\circ} 55' 14''$ West 23.45 feet along the North line of said brick building thence North $0^{\circ} 25' 32''$ West 0.85 feet along the West line of said brick building, thence South $89^{\circ} 03' 44''$ West 34.35 feet along the North line of said brick building, thence South $0^{\circ} 25' 32''$ East 4.50 feet along the West line of said brick building, thence South $89^{\circ} 43' 44''$ West 24.65 feet along the North line of said brick building and said line extended to a point on the East line of said 16.50 foot public alley and the West line of Lot 9, North $0^{\circ} 25' 32''$ West 50.25 feet from the North line of Courtland Street, and thence North $0^{\circ} 25' 32''$ West 13.65 feet along the East line of said 16.50 foot public alley and West line of Lot 9 to the place of beginning of this easement description.

And reserving unto the parties of the first part an easement over and across the Northernmost part of the above described property for the purpose of providing for the continued existence, use, and support of a fire escape on and from the building immediately adjacent on the North of said property.

Bearings are based on the North line of Section 3, Town 3 South, Range 1 West, as being South $89^{\circ} 34' 44''$ West from a Polaris Observation taken on January 30, 1968.

MEMO TO: Mayor and City Councilmembers
FROM: Patrick H. Burtch, City Manager
DATE: August 9, 2016
SUBJECT: Approval of the Reimbursement Resolution for Parking Improvement Projects

Recommendation:

Approval of the Reimbursement Resolution for the Parking Improvement Projects.

Attached is a memo from Philip Hones, Finance Director, regarding the adoption of a Reimbursement Resolution for Parking Lot Rehabilitation Projects that were approved by the City Council on July 12, 2016 as well as anticipated parking related to potential downtown development.

I recommend approval of this Resolution. Your consideration and concurrence is appreciated.

PHB

DEPARTMENTAL REPORT

MEMO TO: Patrick Burtch, City Manager

FROM: Philip Hones, Finance Director

DATE: August 9, 2016

RECOMMENDATION: Approval of the Reimbursement Resolution for Parking Improvement Projects

SUMMARY

Attached is a Reimbursement Resolution for Parking Improvements Projects that has been prepared by the City's Bond Counsel, Patrick McGow. Adoption of this Reimbursement Resolution will give the City flexibility to "bond" recently approved parking lot rehabilitation projects as well as parking lots related to potential redevelopment following completion of the construction of these projects. The maximum amount of debt that can be bonded, per the proposed Resolution, is \$ 1.2 million, which is higher than the anticipated project costs of \$ 860,000. This higher amount will allow for the situation in which some of these parking lot projects exceed their budgeted estimates or other projects are added later.

BUDGETARY CONSIDERATIONS

The Parking Lot Rehabilitation Projects approved July 12th as well as the other anticipated project costs are not currently included in the FY 2016-17 Adopted Budget. A budget amendment will be necessary to include these projects if the work related to these projects proceeds as planned.

HISTORY, BACKGROUND and DISCUSSION

On July 12 the City Council approved the award for the 2016 Downtown Streets and Parking Lot Rehabilitation Project. This award included approximately \$ 435,000 for parking lot improvements to Lots 6, 8, 9, and the sidewalk at Lot 6 (listing is attached). In addition, there is the potential that the City will be constructing a public parking lot to facilitate the development proposed by the Jackson Downtown Partners on the corner of N. Jackson and Airline Drive. This latter parking lot could cost an estimated \$ 425,000, increasing the total potential parking lot rehabilitation costs to approximately \$ 860,000. As indicated above, the Resolution will allow for bonds to be issued for up to \$ 1.2 million so as to allow for any change orders or additional lots to be included in the project in the future.

Should this Resolution be adopted the City will have up to three years to bond the parking lot rehabilitation costs following the initial payment on each of the projects. The City Council will then have to adopt certain resolutions related to the bonding of these projects.

City of Jackson Engineering

Category Summary

Project Number:	2016_DT REPAVE	Project Engineer:	TRW
Estimate Number:	8: AS-BID BY BAILEY EXCAVATING_062816	Date Created:	6/29/2016
Project Type:	Miscellaneous	Date Edited:	6/29/2016
Location:	City of Jackson	Fed/State #:	
Description:	15600 SYDS OF HMA COLD MILLING AND HMA PAVING WITH IMPROVEMENTS AT INTERSECTIONS INCLUDING CONCRETE CURB AND GUTTER, SIDEWALK, AND SIDEWALK RAMPS ON JACKSON STREET, MECHANIC STREET, FRANCIS STREET BETWEEN WASHINGTON AND LOUIS GLICK HIGHWAY AND AT CITY PAR	Fed Item:	
		Control Section:	

Category	Description	Total
0001	451L-926 (JACKSON)	\$571,635.28
0002	451M-2028 (MECHANIC)	\$386,919.49
0003	451M-739 (FRANCIS)	\$248,652.40
0004	451L-923 (MICH RAMPS)	\$5,964.92
0006	585-____ (LOT 6)	\$140,977.42
0008	585-____ (LOT 8)	\$49,879.20
0009	585-____ (LOT 9)	\$213,346.25
0106	585-____ (LOT 6 SIDEWALK)	\$31,276.00
Estimate Total:		\$1,648,650.96

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      0.00 *
      140,977.42 +
      49,879.20 +
      213,246.25 +
      31,276.00 +
004
      435,378.87 *
  
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REIMBURSEMENT RESOLUTION
FOR PARKING IMPROVEMENT PROJECTS

CITY OF JACKSON
County of Jackson, State of Michigan

Minutes of a regular meeting of the City Council of the City of Jackson, County of Jackson, State of Michigan, held on August 9, 2016, at 6:30 p.m., prevailing Eastern Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member: _____
and supported by Member: _____:

WHEREAS, the City of Jackson, County of Jackson, State of Michigan (the "City"), intends to issue general obligation limited tax bonds in the principal amount of not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) (the "Bonds"), for the purpose of paying the cost of acquiring and constructing parking lot improvements in the City (the "Project"); and

WHEREAS, the City intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) The City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from funds of the City subsequent to sixty (60) days prior to today.
- (b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$1,200,000.
- (c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that

evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members: _____

NAYS: Members: _____

RESOLUTION DECLARED ADOPTED.

City Clerk

I hereby certify that the attached is a true and complete copy of a resolution adopted by the City Council of the City of Jackson, County of Jackson, State of Michigan, at a regular meeting held on August 9, 2016, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.

City Clerk

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