



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

AGENDA - CITY COUNCIL MEETING

March 26, 2013

6:30 p.m.

1. **CALL TO ORDER.**
2. **PLEDGE OF ALLEGIANCE** - Invocation by Kimberly Jaquish, 2nd Ward City Councilmember.
3. **ROLL CALL.**
4. **ADOPTION OF AGENDA.**
5. **PRESENTATIONS/PROCLAMATIONS.**
 - A. Presentation of speeches by four first place winners of the Human Relations Commission 23rd Annual Teresa T. Delph Essay/Oratorical Contest.
 - 2nd - 4th Grades - Aditi Kashi, Dibble Elementary School
 - 5th - 6th Grades - Nathan Rosenberg, Dibble Elementary School
 - 7th - 9th Grades - DaQuez D. Stewart, Jackson High School
 - 10th - 12th Grades - Raquel Soat, Napoleon High School
6. **CITIZEN COMMENTS - AGENDA ITEMS (3-Minute Limit).**
7. **CONSENT CALENDAR.**
 - A. **Minutes of the Regular Meeting on March 12, 2013:**

Approve the minutes of the regular City Council meeting of March 12, 2013.
 - B. **Orthopaedic Rehab Specialists 8K/5K Run/Walk:**

Approve the request from Orthopaedic Rehab Specialists, PC, to conduct their annual Orthopaedic Rehab Specialists 8K/5K Run/Walk throughout downtown on Saturday, April 13, 2013, from 6:00 a.m. - 11:00 a.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).

- C. March for Babies:**
Approve the request from March of Dimes to conduct their annual March for Babies Walk Event at Ella Sharp Park and neighboring streets on Sunday, April 28, 2013, from 10:00 a.m. – 5:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Contingent upon receipt of proper insurance).
- D. Girl/Boy Quest 5K Run/Walk:**
Approve the request from the Fitness Council of Jackson to conduct their annual Girl/Boy Quest 5K Run/Walk at Parkside Middle School and throughout neighboring streets on Saturday, May 18, 2013, from 7:00 a.m. – 10:30 a.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- E. Juneteenth:**
Approve the request from Jackson Community College Multicultural Relations to conduct their annual Juneteenth celebration at CMS Energy Amphitheatre on Saturday, June 15, 2013, from 4:00 p.m. – 10:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- F. Traffic Control Order Nos. 2146 and 2147:**
Approve Traffic Control Order Nos. 2146 and 2147 for traffic control on Second Street and Second Court at their approaches to Union Street.
- G. 2013-2014 Draft Action Plan for CDBG and HOME Funds:**
Receive the 2013-2014 Draft Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funds.
- H. Establishment of Public Hearing of Necessity – Fourth Street:**
Establishment of April 9, 2013, at the City Council meeting, as the time and place to hold a public hearing of necessity for street construction on Fourth Street from Audubon Avenue to Griswold Street.
- I. Establishment of Public Hearing of Necessity – Webster Street:**
Establishment of April 9, 2013, at the City Council meeting, as the time and place to hold a public hearing of necessity for street construction on Webster Street from Oakdale Avenue to Elmwood Street.

8. **PUBLIC HEARINGS.**

A. **Public Hearing regarding Zoning Administration and Enforcement:**

Public hearing to receive comment on the proposed amendments to Chapter 28 (Zoning), City Code, which revises Article VII (Zoning Administration and Enforcement), and amends Section 28-5 (definitions) to accommodate the proposed revisions.

1. Approve an ordinance amending Chapter 28, City Code, to replace Article VII, which deals with the administration and enforcement of the Zoning Ordinance, and adding select definitions to Section 28-5. (City Planning Commission and staff recommends approval.)

9. **OTHER BUSINESS.**

A. **LOCC Recommendation – Mayor and City Council:**

Receive and place on file the supplemental salary recommendation of the Local Officers Compensation Commission (LOCC) dated March 19, 2013.

10. **NEW BUSINESS.**

A. **Southern Michigan Criminal Justice Training Consortium Agreement:**

Authorize the Mayor and City Clerk to execute the Southern Michigan Criminal Justice Training Consortium Agreement.

B. **HOME Grant Budget Amendment Resolution:**

Approve the resolution to amend the HOME grant budgets for fiscal years 2010/2011 (Year 36), 2011/2012 (Year 37), and 2012/2013 (Year 38) to allocate program income received in excess of amounts previously budgeted in the amount of \$1,686.00 to the Rehabilitation Assistance Program to provide assistance to program-eligible homeowners.

C. **Resolution Recognizing MIS Business Leadership Council as a Nonprofit Organization:**

Approve a resolution recognizing the MIS Leadership Council as a nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses.

D. **Award of 2013 As Needed Surveying Consultant Services:**

Approve the award of the 2013 As Needed Surveying Consulting Services Contract to Wade Trim, Taylor, in the amount of \$46,140.00, and authorization for the Mayor and City Clerk to execute the appropriate document(s).

E. Discharge of a Development Agreement and Mortgage for a Jobs Creation Loan:

Approve a request to discharge a Development Agreement and Mortgage with Lindar, LLC, for a Jobs Creation Loan, and for authorization for the Mayor and City Clerk to execute the appropriate documents, and for staff and the City Attorney to make minor modifications for effectuation of the documents, if necessary.

11. CITIZEN COMMENTS - NON-AGENDA ITEMS (3-Minute Limit).

12. CITY COUNCILMEMBERS' COMMENTS.

13. MANAGER'S COMMENTS.

14. ADJOURNMENT.

JACKSON CITY COUNCIL MEETING

MINUTES

MARCH 12, 2013

CALL TO ORDER.

The Jackson City Council met in regular session in City Hall and was called to order at 6:32 p.m. by Mayor Martin J. Griffin.

PLEDGE OF ALLEGIANCE.

The Council joined in the pledge of allegiance. The invocation was given by Councilmember Woods.

ROLL CALL.

Present: Mayor Martin J. Griffin and Councilmembers Michelle L. Woods, Kimberly Jaquish, Daniel P. Greer, Laura Dwyer Schlecte, Andrew R. Frounfelker and Derek J. Dobies—7. Absent: 0.

Also present: City Manager Patrick Burtch, City Attorney Julius A. Giglio, City Clerk Lynn Fessel, Police Chief Matt Heins, City Treasurer Andrew Wrozek, City Engineer Jon Dowling, Planning Director Barry Hicks and Carmen Ryan, City Clerk's Office.

AGENDA.

Motion was made by Councilmember Dobies and seconded by Councilmember Greer to amend the agenda by adding Item R under New Business – Earth Hour Resolution. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

Motion was made by Councilmember Woods and seconded by Councilmember Dobies to adopt the agenda, as amended above. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies--7. Nays: 0. Absent: 0.

CITIZEN COMMENTS.

Gerald Montgomery asked the Council to postpone consideration of the repeal of the medical marijuana moratorium ordinance until the study group has completed their work and the State decides which way this is going.

Catherine Sutter, with American Textile Recycling Services, presented letters of support for the company and discussed that the proposed ordinance will be restrictive and was prepared without local industry input. She asked Council to postpone consideration of this ordinance and to consider the information provided. She believes common ground can be reached, which will benefit the community and local businesses and still meet City standards.

Jane Myers spoke in support of recycling and the revised garbage ordinance.

Jacob Khon discussed the difficulty the temporary no parking signage on Webster Street has caused and asked the Council to look at revising this signage.

Sandra Crane discussed the difficulty of walking on snow-covered sidewalks that have not been shoveled and inquired if youth groups or church groups or inmates might be utilized to help with clearing these sidewalks.

John Polaczyk, 8th District County Commissioner, reported that he has received phone calls on both sides of the revised garbage ordinance. He suggested that the Council send this matter to committee and get some informational bids before adopting the ordinance. Anyone wishing to send remarks to Commissioner Polaczyk may send them to the County Commission website and he will forward them to the City.

Joseph Jonas stated the garbage matter should be decided by a vote of the people – he wants to be able to choose his own service.

Steve Noble, Board President of Recycling Jackson, said that people in our community want to recycle. He asked Council not to buy into the free enterprise argument, but to do what is best for the community and the environment.

Craig Radala spoke in opposition to the revised garbage ordinance and stated that he believes in free enterprise. He takes his garbage to the incinerator and does his own recycling.

George Mohring told the Mayor and Council that he believes they deserve a pay raise. He would like more time to process the information included in meeting packets. He believes there is not enough public consideration or public notification on many items that come before the Council. He wishes the City would support medical marihuana patients living in the community.

Freeman Martin, who has been a small refuse hauler for 44 years, thinks everyone should have the right to choose a hauler. He doesn't believe it is right to eliminate choice.

Jimmy Allen, who operates a hauling business, stated he will lose his income if the City goes to a single hauler.

Ted Brzezinski spoke in support of the demolition of houses, stating he thinks it's good for the community and hopes it continues.

John Wilson spoke in opposition to the pay raises and new positions on tonight's agenda. He asked the City to enforce the current laws regarding refuse instead of adopting the revised garbage ordinance.

Erik Skidmore spoke in opposition to the revised garbage ordinance and asked Council to postpone its adoption.

Caron Wootten remarked that raises for the elected officials should start with the next term and officials should take into consideration the incomes of City residents when considering employee wages. She believes the City is moving too fast when it comes to the revised garbage ordinance and likes the freedom to choose a hauler.

Cheryl Zagorski, Regional Property Manager with KMG Prestige, discussed inspection fees for the Peterson Apartments. HUD believes that the fee of \$5,250, which is \$175 for the 30 units, is unreasonable and excessive and has not been budgeted for. She asked that Council look at prorating these fees in a fair and reasonable way.

Lane Montgomery remarked that lowering the price for garbage pick-up is good, but eliminating competition is not.

Amy Brisky stated that the two companies recommended for the private lot mowing contract are not the lowest bidders. Affordable Lawn Care is the lowest bidder and she asked Council to consider this.

Peg Clevenger believes the revised garbage ordinance will increase recycling and recycling saves landfill space. She listed several jurisdictions that have a single refuse hauler and remarked that our model is extinct.

Travis Fojtasek believes the City is the heart and soul of the County and lower cost for trash service and curbside recycling may attract more people to the City. He read a letter from the Leslie City Manager and encouraged the Council to adopt the revised garbage ordinance.

PRESENTATIONS/PROCLAMATIONS.

A. HUMAN RELATIONS COMMISSION CHAIRMAN REPORT:

Jon Hart, Chairman of the Jackson Human Relations Commission, will give a brief report updating the City Council on Human Relations Commission activities.

Chairman Hart discussed the HRC's Vision and Mission Statement. He discussed the Commission's initiatives, which include reducing violence through neighborhood planning, formalizing activities on the 22nd day of each month (day of peace) and collaborating with other groups/agencies to improve understanding. The HRC will be working on a community picnic and the Harold White Breakfast and donations are appreciated. Items pending include the Human Rights Ordinance and the renaming of a street for Dr. Martin Luther King, Jr. He reminded everyone that they can come to the HRC for mediation needs and attend meetings on the 3rd Wednesday at 6:30 p.m. in the Council Chambers. He closed by announcing that the Jackson Blazer is celebrating its 50th anniversary on March 16, with keynote speaker Tony Dungy at the Gene Davis Banquet Center.

B. GARBAGE REMOVAL PRESENTATION:

The City Manager will give a presentation regarding amendments to the proposed revised Garbage Ordinance.

City Manager Burtch gave a brief explanation of the Single Hauler Refuse Ordinance and using a power point presentation answered the most frequently asked questions, which included the following. What is the current sanitation problem and how is this going to improve it? Why would this not cost more money because it creates a monopoly? Why do receptacles have to be brought to the curb? What is the plan for individuals incapable of taking receptacles to the curb?

What happens to the existing haulers? What about my freedom to choose my own hauler? What does the service include? What if I don't want to recycle? What if I don't have enough garbage weekly to justify the cost? How will I be able to afford this? Who will be billed? What if the bill isn't paid? Will there be a way to opt-out? What if the single hauler is or goes union and they strike? How does allowing multiple haulers affect the community? Isn't this just a way to get me to subsidize those people who are not taking care of their own trash now?

CONSENT CALENDAR.

Councilmember Jaquish requested Items O and P be removed for separate consideration. Councilmember Schlecte requested Item N be removed for separate consideration. Motion was made by Councilmember Dobies and seconded by Councilmember Greer to approve the following Consent Calendar, with Items N, O and P removed for separate consideration. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

Consent Calendar

- A. MINUTES OF THE REGULAR MEETING OF FEBRUARY 19, 2013:**
Approve the minutes of the regular City Council meeting of February 19, 2013.
- B. CHILD ABUSE PREVENTION MONTH KICK-OFF:**
Approve the request from Council for the Prevention of Child Abuse and Neglect to conduct their annual Child Abuse Prevention Month Kick-off at Austin Blair Memorial Park on Monday, April 1, 2013, at 12:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- C. JACKSON STORYFEST:**
Approve the request from Jackson Storyfest to conduct their annual Jackson Storyfest at 15 various sites in downtown Jackson on May 3, 2013, from 9:00 a.m. – 1:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- D. POLICE MEMORIAL:**
Approve the request from Jackson Police Department to conduct their annual Police Memorial at Bucky Harris Park on Wednesday, May 8, 2013, from 8:00 a.m. – 1:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- E. PAWS IN THE PARK:**
Approve the request from Cascades Humane Society to conduct their annual Paws in the Park at Sparks Park on Saturday, June 1, 2013, from 8:00 a.m. – 1:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage is approved).
- F. JACKSON COUNTY ROSE PARADE AND PARTY IN THE PARK:**
Approve the request from Jackson County Rose Festival, Inc., to conduct their annual Jackson County Rose Parade on city streets and Party in the Park, located in Ella Sharp Park. Both events take place on Sunday, June 2, 2013, from 8:00 a.m. – 7:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Contingent upon receipt of proper insurance coverage).

- G. JUNE PUBLIC PADDLE:**
Approve the request from GREAT (Grand River Environmental Action Team) to conduct their June Public Paddle from Vandercook Lake County Park to Ella Sharp Park on June 9, 2013, from 12:30 p.m. – 4:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- H. GREAT GRAND RIVER CLEAN-UP:**
Approve the request from GREAT (Grand River Environmental Action Team) to conduct their annual Grand River Clean-up at the Consumers Energy Amphitheatre on Saturday, September 14, 2013, from 7:00 a.m. – 3:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage approved).
- I. SUMMER READING KICKOFF:**
Approve the request from Jackson District Library to conduct their annual Summer Reading Kickoff at Jackson District Library, Carnegie, and in the street of W. Michigan Avenue between Blackstone and Hayes on Saturday, June 15, 2013, from 9:00 a.m. – 5:00 p.m. (Recommended approval has been received from Police, Fire, Engineering, Public Works, and Recreation Departments, and the Downtown Development Authority. Insurance coverage has been approved).
- J. LOCAL OFFICERS COMPENSATION COMMISSION:**
Approve the Mayor's recommendation to reappoint Michael G. Wilson to the Local Officers Compensation Commission for a seven-year term, beginning immediately, and ending February 28, 2020.
- K. BUILDING AUTHORITY REAPPOINTMENT:**
Approve the Mayor's recommendation to reappoint Philip Hones to the City of Jackson Building Authority for a three-year term, beginning July 1, 2013, and ending June 30, 2016.
- L. LOCAL DEVELOPMENT FINANCE AUTHORITY/
BROWNFIELD REDEVELOPMENT AUTHORITY:**
Approve the Mayor's recommendation to reappoint Councilmembers Andrew Frounfelker and Daniel P. Greer to the Local Development Finance Authority/Brownfield Redevelopment Authority for a four-year term each, beginning June 4, 2013, and ending June 3, 2017.
- M. JACKSON TRANSPORTATION AUTHORITY APPOINTMENT:**
Approve the Mayor's recommendation to appoint David S. TenBrink to the Jackson Transportation Authority for a three-year term, beginning March 2, 2013, and ending March 1, 2016.
- N. *Removed for separate consideration.***
- O. *Removed for separate consideration.***
- P. *Removed for separate consideration.***
- Q. TRAFFIC CONTROL ORDER NOS. 2142 AND 2143:**
Approve Traffic Control Order Nos. 2142 and 2143 for traffic control on Woodruff Place at its approaches to Ganson Street and Trail Street.
- R. CDBG AND HOME FINANCIAL SUMMARIES THROUGH FEBRUARY 28, 2013:**
Receipt of the Community Development Block Grant (CDBG) and HOME Financial Summaries through February 28, 2013.
- S. CITY ENGINEER'S REPORT & ESTABLISHMENT OF A PUBLIC HEARING –
WEBSTER STREET FROM OAKDALE AVENUE TO ELMWOOD STREET:**
Receipt of the City Engineer's Report for street construction on Webster Street from Oakdale Avenue to Elmwood Street, and establishment of March 26, 2013, at the City Council meeting, as the time and place to hold a public hearing of necessity.

- T. CITY ENGINEER'S REPORT & ESTABLISHMENT OF A PUBLIC HEARING – FOURTH STREET FROM AUDUBON AVENUE TO GRISWOLD STREET:**
Receipt of the City Engineer's Report for street reconstruction on Fourth Street from Audubon Avenue to Griswold Street, and establishment of March 26, 2013, at the City Council meeting, as the time and place to hold a public hearing of necessity.

CONSENT CALENDAR ITEM N.

MAY 2013 CITY COUNCIL MEETING DATES:

Approve the Mayor's recommendation to schedule May 7, May 21, and May 28, 2013, at 6:30 p.m. as regular City Council meeting dates, and cancel May 14, 2013.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the schedule as presented. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Frounfelker and Dobies—6. Nays: Councilmember Schlechte—1. Absent: 0.

CONSENT CALENDAR ITEM O.

LOCC RECOMMENDATION – MAYOR AND COUNCIL:

Receive and place on file a recommendation from the Local Officers Compensation Commission (LOCC) regarding the annual salary of the Mayor and City Councilmembers.

Motion was made by Councilmember Jaquish and seconded by Councilmember Woods to send this recommendation back to the LOCC and ask them to revise their recommendation. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Schlechte and Dobies—5. Nays: Councilmembers Greer and Frounfelker—2. Absent: 0.

CONSENT CALENDAR ITEM P.

LOCC RECOMMENDATION – CITY TREASURER:

Receive and place on file a recommendation from the Local Officers Compensation Commission (LOCC) regarding the annual salary of the City Treasurer.

Motion was made by Councilmember Jaquish and seconded by Councilmember Woods to send this recommendation back to the LOCC and ask them to revise their recommendation. The motion FAILED adoption by the following vote. Yeas: Mayor Griffin and Councilmembers Woods and Jaquish—3. Nays: Councilmembers Greer, Schlechte, Frounfelker and Dobies—4. Absent: 0.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to receive and place on file the LOCC's recommendation regarding the annual salary of the City Treasurer. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Greer, Schlechte, Frounfelker and Dobies—5. Nays: Councilmembers Woods and Jaquish—2. Absent: 0.

The Council took a brief recess at 7:53 p.m. and reconvened at 7:58 p.m.

OTHER BUSINESS.

A. REVISED GARBAGE ORDINANCE (FINAL READING & ADOPTION):

Final adoption of Ordinance No. 2013.01 amending Chapter 12, City Code, to regulate the collection of refuse and recyclable materials by providing for collection of refuse and

recyclable materials by a designated refuse hauler to service residential generation sites in the City for the purpose of protecting the health, safety and welfare of the citizens of the City of Jackson.

Motion was made by Councilmember Schlecte and seconded by Councilmember Dobies to amend Ordinance No. 2013.01, as follows. The first word of the first sentence of Sec. 12.7.1.(b) shall be “*When*” and not “*If*”. The following shall be added at the end of the fourth sentence of Sec. 12.7.1.(b): “*and notify property owner of the delinquency.*” The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to adopt Ordinance No. 2013.01, as amended above. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Greer, Schlecte, Frounfelker and Dobies—5. Nays: Councilmembers Woods and Jaquish—2. Absent: 0.

B. CHAPTER 28, ADDING SEC. 28-111 – TEMPORARY USES & STRUCTURES (FINAL READING & ADOPTION):

Final adoption of Ordinance No. 2013.02 amending Chapter 28 (Zoning), City Code, to add Section 28-111, which contains standards for temporary and seasonal uses; adding select definitions to Section 28-5, and amending Section 28-125(e).

Motion was made by Councilmember Greer and seconded by Councilmember Woods to adopt Ordinance No. 2013.02. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

C. CHAPTER 16 – TEMPORARY USES AND STRUCTURES (FINAL READING & ADOPTION):

Final adoption of Ordinance No. 2013.03 amending Chapter 16, City Code, to revise various sections of the Chapter affected by the addition of Section 28-111 to Chapter 28.

Motion was made by Councilmember Greer and seconded by Councilmember Woods to adopt Ordinance No. 2013.03. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

D. OAK WILT ORDINANCE (FINAL READING & ADOPTION):

Final adoption of Ordinance No. 2013.04 creating Article IV, Chapter 26, Sections 26-90 through 26-94 to establish procedures for pruning or cutting of red oak trees within the City.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to adopt Ordinance No. 2013.04. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

E. TEMPORARY USE FEES ORDINANCE (FINAL READING & ADOPTION):

Final adoption of Ordinance No. 2013.05 amending Chapter 16, City Code, to permit fees for Temporary Use licenses to be adopted by resolution of the City Council to allow greater flexibility in adjusting the amount of said fees due to changes in the cost of administration.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to adopt Ordinance No. 2013.05. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte and Dobies—5. Nays: Councilmembers Jaquish and Frounfelker—2. Absent: 0.

NEW BUSINESS.

A. TEMPORARY USE FEE RESOLUTION:

Approve a resolution to establish fees for certain licenses.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte and Dobies—5. Nays: Councilmembers Jaquish and Frounfelker—2. Absent: 0.

B. RESOLUTION APPROVING A CONTRACT WITH MDOT – WEST AVENUE – HIGH STREET TO MICHIGAN AVENUE:

Approve a resolution to enter into a contract with the Michigan Department of Transportation (MDOT) for West Avenue pavement improvements from High Street to Michigan Avenue, and authorization for the Mayor and City Clerk to execute the appropriate contract documents.

Motion was made by Councilmember Dobies and seconded by Councilmember Woods to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

C. RESOLUTION APPROVING A CONTRACT WITH MDOT – TRAIL STREET RAILROAD CROSSING:

Approve a resolution to enter into a contract with the Michigan Department of Transportation (MDOT) for the non-motorized pathway work of the Trail Street railroad crossing, and authorization for the Mayor and City Clerk to execute the appropriate contract documents.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

D. PRIVATE LOT MOWING CONTRACT:

Approve the private lot mowing contracts to Greener Solutions Lawn and Landscape, LLC, as the primary contractor with a bid amount of \$31,875.00, and to Alpha Omega Construction Company as the secondary contractor for May and June mowing work with a bid amount of \$44,275.00, and authorization for the Mayor and City Clerk to execute the appropriate documents.

Motion was made by Councilmember Greer and seconded by Councilmember Jaquish to approve the private lot mowing contracts to Greener Solutions Lawn and Landscape, LLC (primary) and Alpha Omega Construction Company (secondary). It is in the best interest of the City to not choose the lowest bidder based on quality and performance issues. The motion was

adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

E. ANNUAL DELEGATION OF SCHOOL INSPECTION AUTHORITY:

Authorize the Mayor to execute the Request for Annual Delegation of School Inspection Authority to a Local Unit of Government Enforcing Agency and other related documents, if any.

Motion was made by Councilmember Greer and seconded by Councilmember Woods to authorize the Mayor to execute the document(s). The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

F. TRANSFER OF PROPERTY AND DEMOLITION AGREEMENTS:

Approve eleven (11) Agreements regarding Transfer of Property and Demolition of Dangerous and Unsafe Structures, authorization for the Mayor to execute the Agreements, and accept quit claim deeds for conveyance of properties upon review and approval by the City Attorney's Office.

Motion was made by Councilmember Schlecte and seconded by Councilmember Woods to approve the Agreements, authorize the Mayor to execute the Agreements and accept the quit claim deeds for conveyance of properties. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

G. REHABILITATION CONTRACT – 619 W. GANSON ST.:

Approve the award of the rehabilitation contract for 619 W. Ganson Street to Concept Construction in the amount of \$35,179.00.

Motion was made by Councilmember Jaquish and seconded by Councilmember Schlecte to approve the award of the contract to Concept Construction. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

H. PERSONNEL POLICY AMENDMENT – ECONOMIC DEVELOPMENT DIRECTOR:

Approve an amendment to the Personnel Policy Article VI – Unclassified Service and add the Class Title of Economic Development Director, Class Grade 15, and authorization for the City Manager to negotiate and set performance based incentives for this classification.

Motion was made by Councilmember Dobies and seconded by Councilmember Greer to approve the Personnel Policy amendment. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

I. PERSONNEL POLICY AMENDMENT – ASSISTANT TO THE CITY MANAGER:

Approve an amendment to the Personnel Policy Article VI – Unclassified Service and add the Class Title of Assistant to the City Manager, Class Grade 13.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to approve the Personnel Policy amendment. The motion was adopted by the following vote. Yeas:

Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

**J. PERSONNEL POLICY AMENDMENT – SENIOR CIVIL ENGINEER:
Amend the Personnel Policy Article VI-2A. – Unclassified Service to add the Class Title of Senior Civil Engineer, Class Grade 14.**

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to approve the Personnel Policy amendment. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

**K. PERSONNEL POLICY AMENDMENT – RECORDS AND ELECTIONS COORDINATOR.
Amend the Personnel Policy Article VI-2A. – Unclassified Service and add the Class Title of Records and Elections Coordinator, Class Grade 9.**

Motion was made by Councilmember Greer and seconded by Councilmember Woods to approve the Personnel Policy amendment. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

**L. PARKS, RECREATION AND CEMETERIES DEPARTMENT ORGANIZATIONAL CHART:
Approve the Jackson Parks, Recreation, and Cemeteries Department organizational chart for 2013-2014 Fiscal Year.**

Motion was made by Councilmember Dobies and seconded by Councilmember Woods to approve the organizational chart. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

**M. CITY TREASURER/CLERK'S OFFICE ORGANIZATIONAL CHART:
Approve the City Treasurer/Clerk's Office organizational chart for 2013-2014 Fiscal Year.**

Motion was made by Councilmember Dobies and seconded by Councilmember Greer to approve the organizational chart. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

**N. CITY TREASURER/CLERK POSITION:
Approve the Mayor and Vice Mayor's recommendation to appoint the City Treasurer as City Clerk for a one year period commencing April 1, 2013.**

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to approve the Mayor and Vice Mayor's recommendation. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Greer, Schlecte, Frounfelker and Dobies—6. Nays: Councilmember Jaquish—1. Absent: 0.

O. 150 KW PHOTOVOLTAIC SOLAR ENERGY SYSTEM:

Approve the issuance of a revised Request For Qualifications and Proposals (RFQP) for the design, installation, operation and lease of a 150 kW Photovoltaic Solar Energy System through the Consumers Energy EARP program.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to approve the issuance of a revised RFQP. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

P. MASTER PLAN RFP:

Approve the Request for Proposal (RFP) for the Professional Services to assist the City with rewriting the Master Plan, and authorization for the City Planning Commission and staff to proceed with the selection process (City Planning Commission and staff recommends approval).

Motion was made by Councilmember Dobies and seconded by Councilmember Woods to approve the RFP. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

Q. REPEAL OF MEDICAL MARIHUANA MORATORIUM ORDINANCE (FIRST READING):

First reading of an ordinance repealing Ordinance 2012.40, which created a temporary moratorium on the establishment of operations and the issuance of permits or licenses for operations that relate to either the cultivation, dispensing, or use of medical marihuana in the City of Jackson.

Motion was made by Councilmember Greer and seconded by Councilmember Dobies to approve the ordinance and place it on a future agenda for adoption. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

R. EARTH HOUR RESOLUTION.

Motion was made by Councilmember Dobies and seconded by Councilmember Jaquish to adopt the Earth Hour resolution. The motion was adopted by the following vote. Yeas: Mayor Griffin and Councilmembers Woods, Jaquish, Greer, Schlecte, Frounfelker and Dobies—7. Nays: 0. Absent: 0.

CITY COUNCILMEMBERS' COMMENTS.

Councilmember Woods explained that she voted “no” on the revised garbage ordinance because she still has many questions about it.

Councilmember Jaquish thanked the Council for voting “yes” on the rehab contract for 619 W. Ganson. She explained that there is a toddler living in the home whose blood level has a lead content of 25 and 7 is considered high. Hopefully, the lead will be removed and the child will have a safe home to live in. She also inquired about snow removal on sidewalks in front of city-owned vacant lots.

Councilmember Greer thanked everyone who attended the meeting tonight and stated he appreciated their input on the revised garbage ordinance. He announced that he will conduct a

neighborhood meeting that is open to the public on March 19 at 6:30 p.m. in the Council Chambers. Discussion will be on the revised garbage ordinance. He used Jackson Connect to send out the announcement of this meeting and explained how to sign up for this service. He congratulated and thanked the City Treasurer for accepting the position of City Clerk.

Councilmember Schlecte reported that she taught a class in Kalamazoo and learned that their inspection staff is extremely strict and inspects rental properties regularly. She also noted that Kalamazoo was surprised that we didn't have a single hauler ordinance. She thanked staff for looking into performance and for not just recommending the low bid for the private lot mowing contract. She also thanked staff for saving money with job consolidation.

Councilmember Frounfelker stated that it is a privilege to sign letters to property owners who have no violations on their property. He also discussed business licensing and volunteered to head a work group to explore what licenses might be eliminated or revised. He commented that he would like the City to continue to explore the possibility of services clubs and non-profit organizations performing lot mowing. He again voiced his support for the revised garbage ordinance and wants to see what the bids are. If given the opportunity, he would have voted "no" on the pay increase for Council. He closed by announcing that he will conduct his 34th neighborhood meeting on April 4 at 7:00 p.m. in the Council Chambers. Everyone is invited.

Councilmember Dobies thanked everyone for their comments on the revised garbage ordinance. He remarked that he supported it tonight to see what the cost will be. He thanked John Polaczyk for his comments and congratulated everyone who was appointed or reappointed to a board this evening. He commended Andrew Sargent for the very successful Mother & Son- Rock & Bowl event.

Mayor Griffin thanked the Parks and Recreation staff for the many events they provide for the children of our community. He announced that there will be a Mother/Daughter Tea in the future, as well as a Father/Son ball game on July 14.

MANAGER'S COMMENTS.

City Manager Burtch commended City employees for their work and for their cooperation in department reorganizations. He explained that he met with the three larger haulers who will be involved in the bidding process, so that no one will be disadvantaged and stated that some haulers may be able to bid collectively. He concluded with a brief report on Blackboard Connect.

ADJOURNMENT.

No further business being presented, the Mayor adjourned the meeting at 8:53 p.m.

Lynn Fessel
City Clerk



Jackson Downtown Development Authority

March 20, 2013

MEMO TO: Honorable Mayor and City Council Members

FROM: Jonathan Greene, Executive Director

SUBJECT: Special Event Application: **Orthopaedic Rehab Specialists 8K/5K Run/Walk**

RECOMMENDATION: Approval of the request from Orthopaedic Rehab Specialists, PC to conduct their annual Orthopaedic Rehab Specialists 8K/5K Run/Walk throughout downtown on Saturday, April 13, 2013 from 6:00a.m. – 11:00a.m. Insurance approval has been granted by the City Attorney.

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		\$110
Fire	x		\$0
Engineering	x		\$0
Public Works	x		\$490
Recreation	x		\$0
DDA	x		\$0
			<hr/>
			\$600

Conditions and Considerations:

- Any markings on pavement/sidewalk will need to be done in temporary marker, i.e. chalk

Insurance Status: Approved

att: Special Event Application: **Orthopaedic Rehab Specialists 8K/5K Run/Walk**
8K Run Route Map
5K Run Route Map

JG/RR

CITY OF JACKSON
SPECIAL EVENT APPLICATION

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

Date Received By DDA Office: _____ Time: _____ By: _____

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 30 calendar days before the first day of the event.

Sponsoring Organization's Legal Name: Orthopaedic Rehab Specialists, PC
Organization Address: 206 Page Avenue
Organization Agent Karyn Clow Title: Dir. Bus. Dev + Marketing
Phone: (work) 517-783-6670 Phone: (home) - Phone: (during the event) 517-740-0988
Agent's Address 206 Page Ave.

Agent's E-Mail Address Karyn@orsmi.com
Event Name Orthopaedic Rehab Specialists 8k/5k Run/walk

Please give a brief description of the proposed special event: 2nd Annual walk/run event Downtown Jackson.
same route begins @ P&T Fitness/ends @ P&T

Event Day(s) & Date(s) 4-13-13
Event Time(s) 8am - 10:30am
Set-Up Date & Time 4-13-13 6:00am Tear-Down Date & Time 4-13-13 11:00am
Event Location P&T Fitness - S. Jackson Street.

ANNUAL EVENT: Is this event expected to occur next year? (circle one) YES NO
How many years has this event occurred? 22

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/Time 4-13-13 through Date/Time: 4-13-13

RESERVED PARKING: Are you requesting reserved parking? 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

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 _____

CITY OF JACKSON
SPECIAL EVENT APPLICATION, Page 2
Downtown Development Authority
161 W. Michigan ~ Jackson, MI 49201 ~ (517) 768-6410

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.

ATTENDANCE: What is the expected (estimated) attendance for this event? 400+

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.

REST ROOMS: Are you planning to provide portable rest rooms at the event? YES NO
If yes, how many? 4

As an event organizer, you must consider the availability of rest room 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.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)

Police / Street Closures



INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson and Downtown Development Authority as an additional insured party on the policy, for the specified event.

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

A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy.

A \$25 Special Event Application fee must be submitted along with this Special event Application.

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 as an additional named insured party on the policy.

The approval of this special event may include additional requirements, limitations, or fees, based on the City's review of this application.

Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.

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. By signing this Special Event Application, I declare I am 21 years of age or older.

4/13/13
Date

[Signature]
Signature of Sponsoring Organization's Agent

**RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
DOWNTOWN DEVELOPMENT AUTHORITY
161 W. MICHIGAN AVENUE JACKSON, MI 49201**

Ortho Rehab 5K

Starts In Jackson, Michigan

3.10 miles

Elevation: 997ft Max, 915ft Min, +125ft Ascend, -112ft Descend, Max Climb < 3%



Description
Ortho Rehab 5



Jackson Downtown Development Authority

March 20, 2013

MEMO TO: Honorable Mayor and City Council Members

FROM: Jonathan Greene, Executive Director

SUBJECT: Special Event Application: **March for Babies**

RECOMMENDATION: Approval of the request from March of Dimes to conduct their annual March for Babies Walk Event at Ella Sharp Park and neighboring streets on Sunday, April 28, 2013 from 10:00a.m. – 5:00 p.m. Insurance approval is pending.

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		\$235
Fire	x		\$0
Engineering	x		\$0
Public Works	x		\$420
Recreation	x		\$0
DDA	x		\$0
			<hr/>
			\$655

Conditions and Considerations:

- Any markings on pavement/sidewalk will need to be done in temporary marker, i.e. chalk
- Applicant is responsible for removal/cleanup of trash, garbage, and debris

Insurance Status: Pending

att: Special Event Application: **March for Babies**
Walk Route Map

JG/RR

CITY OF JACKSON
SPECIAL EVENT APPLICATION

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

Date Received By DDA Office: _____ Time: _____ By: _____

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 30 calendar days before the first day of the event.

Sponsoring Organization's Legal Name: MARCH OF DIMES

Organization Address: 2450 DEWITT COMMERCE DR. SUITE 11, HOLT MI 48842

Organization Agent SHERI ELDRED Title: _____

Phone: (work) ⁵¹⁷ 699 4863 ^{x2251} Phone: (home) _____ Phone: (during the event) ⁵¹⁷ 896-0564

Agent's Address 2450 DEWITT COMMERCE, ST #11, HOLT MI 48842

Agent's E-Mail Address SELDRED @ MARCH OF DIMES. COM

Event Name "MARCH FOR BABIES" WALK EVENT

Please give a brief description of the proposed special event: APPROXIMATE (4) MILE

WALK BEGINNING & ENDING AT ELLA SHARP POOL.

Event Day(s) & Date(s) SUNDAY APRIL 28, 2013

Event Time(s) 1 PM REGISTRATION, WALK 2 PM

Set-Up Date & Time 10:00 AM Tear-Down Date & Time 4-28-13 ~~4:30 PM~~

5pm per Sheri

Event Location ELLA SHARP PARK

ANNUAL EVENT: Is this event expected to occur next year? (circle one) YES NO

How many years has this event occurred? 12-15 YEARS

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/Time N/A through Date/Time: N/A

RESERVED PARKING: Are you requesting reserved parking? 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

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 _____

CITY OF JACKSON
SPECIAL EVENT APPLICATION, Page 2
Downtown Development Authority
161 W. Michigan ~ Jackson, MI 49201 ~ (517) 768-6410

ENTERTAINMENT: Are there any entertainment features related to this event? **YES** **NO** LOCAL DJ.
If yes, provide an attachment listing all bands/performers, type of entertainment, and performance schedule.

ATTENDANCE: What is the expected (estimated) attendance for this event? 300 - 400

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.

REST ROOMS: Are you planning to provide portable rest rooms at the event? **YES** **NO**
If yes, how many? 4

As an event organizer, you must consider the availability of rest room 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.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)

SEE ATTACHED letter & MAP

INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson and Downtown Development Authority as an additional insured party on the policy, for the specified event.

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:
A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy.
A \$25 Special Event Application fee must be submitted along with this Special event Application.
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 as an additional named insured party on the policy.
The approval of this special event may include additional requirements, limitations, or fees, based on the City's review of this application.
Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.
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. By signing this Special Event Application, I declare I am 21 years of age or older.

1/17/2013
Date

[Signature]
Signature of Sponsoring Organization's Agent

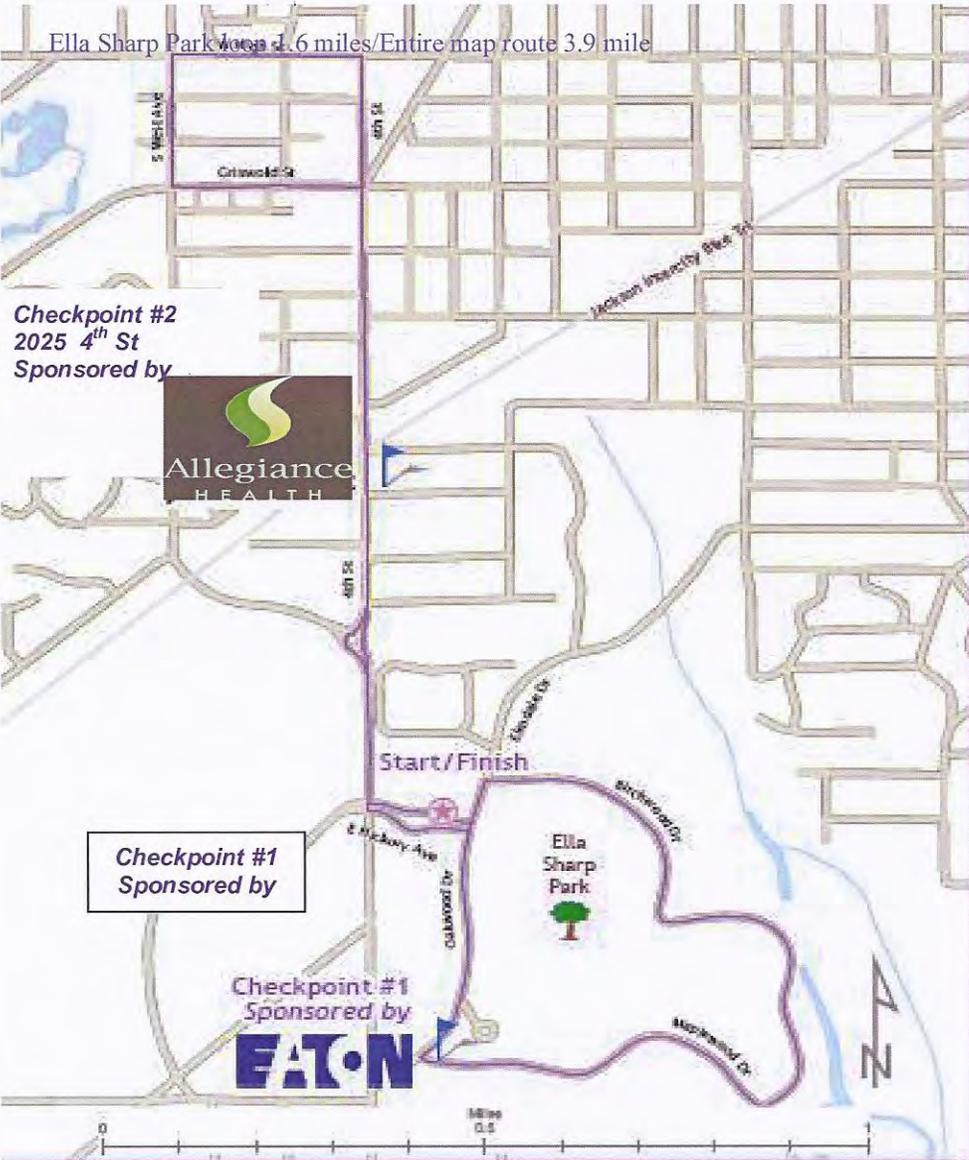
RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
DOWNTOWN DEVELOPMENT AUTHORITY
161 W. MICHIGAN AVENUE JACKSON, MI 49201

march of dimes[®]

march for babies[™]

Jackson
Sunday, April 28, 2013

our national sponsors



State Start Line Sponsor



Route Sponsor



Site Sponsor



Finish Line Sponsor



Check Point Sponsors



We couldn't make the Jackson March for Babies successful without the generous support of our national and local sponsors! We also couldn't make this happen without *you!* Thank you for helping us, help babies!



Jackson Downtown Development Authority

March 13, 2013

MEMO TO: Honorable Mayor and City Council Members

FROM: Jonathan Greene, Executive Director

SUBJECT: Special Event Application: **Girl/Boy Quest 5K Run/Walk**

RECOMMENDATION: Approval of the request from Fitness Council of Jackson to conduct their annual Girl/Boy Quest 5K Run/Walk at Parkside Middle School and throughout neighboring streets on Saturday, May 18, 2013 from 7:00 a.m. – 10:30a.m. Insurance approval has been granted by the City Attorney.

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		\$185.00
Fire	x		\$0
Engineering	x		\$0
Public Works	x		\$189.00
Recreation	x		\$0
DDA	x		\$0
			<hr/>
			\$374.00

Conditions and Considerations:

- Any markings on pavement/sidewalk will need to be done in temporary marker, ie chalk

Insurance Status: Approved

att: Special Event Application: **Girl/Boy Quest 5K Run/Walk**
Run Route Map

JG/RR

**CITY OF JACKSON
SPECIAL EVENT APPLICATION**

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

Date Received By DDA Office: _____ Time: _____ By: _____

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 30 calendar days before the first day of the event.

Sponsoring Organization's Legal Name: Girl Quest Boy Quest Program (Fitness Council of Jackson)

Organization Address: 225 N. Jackson Ave

Organization Agent Elizabeth Wracka Title: Girl Quest Boy Quest Coordinator

Phone: (work) 517-910-9798 Phone: (home) _____ Phone: (during the event) 517 358 6004

Agent's Address _____

Agent's E-Mail Address elizabeth@fitnesscouncil.org

Event Name Girl Quest Boy Quest 5K Run/Walk

Please give a brief description of the proposed special event: This is a final Run for our program participants to complete, but also open to the public in efforts to advertise the program.

Event Day(s) & Date(s) May 18th

Event Time(s) ~~7am - 10³⁰ am~~ 8³⁰ am - 10 am

Set-Up Date & Time 7am 5/18 Tear-Down Date & Time 10³⁰ am 5/18

Event Location Parkside Middle School

ANNUAL EVENT: Is this event expected to occur next year? (circle one) YES NO
How many years has this event occurred? 5+ years

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/Time 5/18 8³⁰ am through Date/Time: 5/18 9³⁰ am

RESERVED PARKING: Are you requesting reserved parking? 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

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 _____

**CITY OF JACKSON
SPECIAL EVENT APPLICATION, Page 2
Downtown Development Authority
161 W. Michigan ~ Jackson, MI 49201 ~ (517) 768-6410**

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.

ATTENDANCE: What is the expected (estimated) attendance for this event? 230+

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.

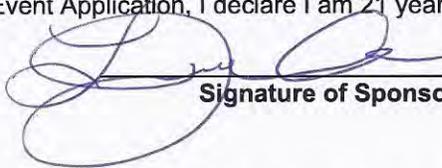
REST ROOMS: Are you planning to provide portable rest rooms at the event? YES NO - using school facilities
If yes, how many? _____
As an event organizer, you must consider the availability of rest room facilities during this event. Consideration should be made regarding the type of event, the length 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.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)
Police assistance managing traffic on course + street closures

INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson and Downtown Development Authority as an additional insured party on the policy, for the specified event.

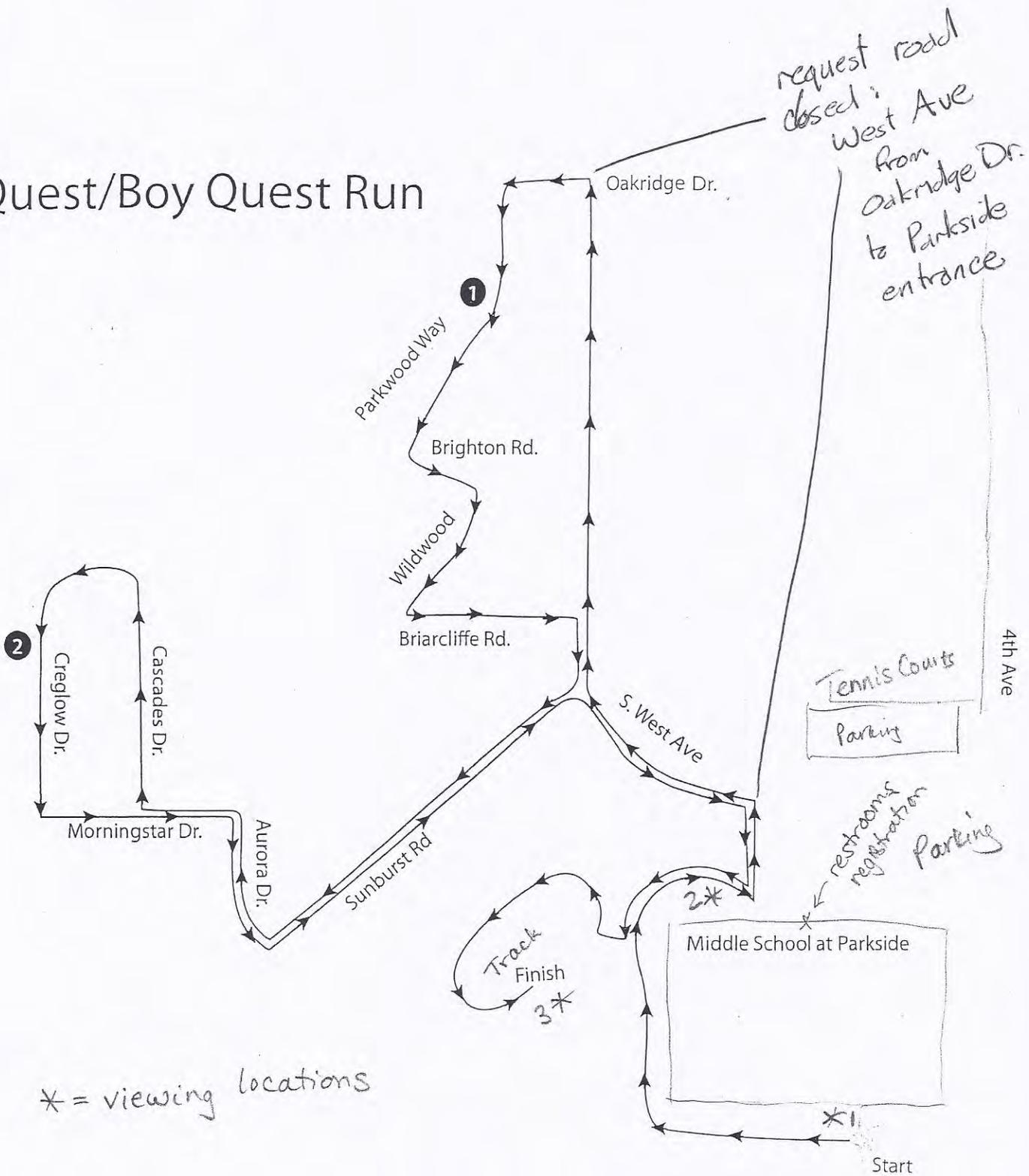
CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:
A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy.
A \$25 Special Event Application fee must be submitted along with this Special event Application.
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 as an additional named insured party on the policy.
The approval of this special event may include additional requirements, limitations, or fees, based on the City's review of this application.
Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.
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. By signing this Special Event Application, I declare I am 21 years of age or older.

2/1/13
Date


Signature of Sponsoring Organization's Agent

**RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
DOWNTOWN DEVELOPMENT AUTHORITY
161 W. MICHIGAN AVENUE JACKSON, MI 49201**

Girl Quest/Boy Quest Run





Jackson Downtown Development Authority

March 20, 2013

MEMO TO: Honorable Mayor and City Council Members

FROM: Jonathan Greene, Executive Director

SUBJECT: Special Event Application: **Juneteenth**

RECOMMENDATION: Approval of the request from Jackson Community College Multicultural Relations to conduct their annual Juneteenth celebration at CMS Energy Amphitheatre on Saturday, June 15, 2013 from 4:00 p.m. – 10:00 p.m. Insurance approval has been granted by the City Attorney.

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		\$55
Recreation	x		\$0
DDA	x		\$0
			<hr/>
			\$55

Conditions and Considerations: None

Insurance Status: Approved

att: Special Event Application: **Juneteenth**

JG/RR

2 checks requested from business office: \$25 (04/06/12) & \$25 (05/07/12) for application fee & use of amphitheater

Application Fee (\$25) & Use of Amphitheater Fee (\$25) = Total Fee: \$50

**CITY OF JACKSON
SPECIAL EVENT APPLICATION**

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

Date Received By DDA Office: 3/12/13 Time: _____ By: RRR

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 30 calendar days before the first day of the event.

Sponsoring Organization's Legal Name: JCC Multicultural Relations

Organization Address: 2111 Emmons Rd., Jackson, MI 49201

Organization Agent Lee Hampton Title: Director

Phone: (work) 517-796-8470 Phone: (home) 517-812-2019 Phone: (during the event) 517-812-2019

Agent's Address 2111 Emmons Rd., Jackson, MI 49201

Agent's E-Mail Address hamptonleem@jccmi.edu

Event Name Juneteenth

Please give a brief description of the proposed special event: National celebration to commemorate the Emancipation Proclamation – a celebration of freedom!

Event Day(s) & Date(s) Saturday, June 15, 2013

Event Time(s) 6:30 PM – 9:30 PM

Set-Up Date & Time 4 PM – 6 PM Tear-Down Date & Time 9 PM – 10 PM

Event Location Amphitheater downtown

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

MAP: (a) If your event will use streets or sidewalks (for a parade, run, etc.) or will use multiple locations, please attach a complete map showing the assembly and dispersal locations and the route plan. (b) Show any streets or parking lots that you are requesting to be blocked off, and location of vendors, if any. A final map, if different, must be provided seven (7) days before the event. (c) Please show an emergency vehicle access lane.

STREET CLOSURES: Start Date/Time _____ through Date/Time: _____

RESERVED PARKING: Are you requesting reserved parking? 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

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.

ATTENDANCE: What is the expected (estimated) attendance for this event? 500

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.

REST ROOMS: Are you planning to provide portable rest rooms at the event? YES NO
If yes, how many? two

As an event organizer, you must consider the availability of rest room 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.

OTHER REQUESTS: (i.e., Police Department assistance, Fire Dept., street closures, electrical, etc.)

I. Water Supply for Food Concessions

INSURANCE: All sponsors of special events must carry liability insurance with coverage of at least \$500,000. An event sponsor must provide a valid certificate of insurance naming the City of Jackson and Downtown Development Authority as an additional insured party on the policy, for the specified event.

CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that:
A Certificate of Insurance must be provided which names the City of Jackson as an additional named insured party on the policy.

A \$25 Special Event Application fee must be submitted along with this Special event Application.

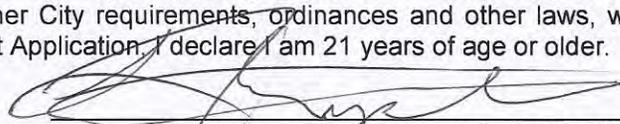
All food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City of Jackson with a Certificate of Insurance which names the City of Jackson as an additional named insured party on the policy.

The approval of this special event may include additional requirements, limitations, or fees, based on the City's review of this application.

Applicants who fail to clean up and repair damages to the Event Area may be billed for City services and such failure will be considered for future applications.

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. By signing this Special Event Application, I declare I am 21 years of age or older.

February 19, 2013
Date


Signature of Sponsoring Organization's Agent

**RETURN THIS APPLICATION at least thirty (30) days before the first day of the event to:
DOWNTOWN DEVELOPMENT AUTHORITY
161 W. MICHIGAN AVENUE JACKSON, MI 49201**



Neighborhood & Economic Operations

Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303 • Facsimile (517) 780-4781

Building Inspection
(517) 788-4012

Code Enforcement
(517) 788-4060

Engineering
(517) 788-4160

Planning & Economic Development
(517) 768-6433

CITY COUNCIL MEETING March 26, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Patrick H. Burtch, City Manager
Jon H. Dowling, P.E., City Engineer

SUBJECT: Request to Approve Traffic Control Orders 2146 and 2147

RECOMMENDATION: Approval of Traffic Control Orders 2146 and 2147 for traffic control on Second Street and Second Court at their approaches to Union Street.

As a matter of housekeeping, Traffic Control Orders are being put in place for traffic control on Second Street and Second Court at their approaches to Union Street.

- TCO 2146: Southbound traffic on Second Street shall be required to yield the right-of-way to east and westbound traffic on Union Street.
- TCO 2147: Northbound traffic on Second Court shall be required to yield the right-of-way to east and westbound traffic on Union Street.

It is the recommendation of Engineering that Traffic Control Orders 2146 and 2147 be approved. If you have any questions please do not hesitate to contact us.

JHD/sms

C: Bob Dietz, Parking Manager/Engineering Assistant
Matt Heins, Chief of Police

CITY OF JACKSON, MICHIGAN
TRAFFIC ENGINEERING DIVISION
Traffic Control Order 2146

LOCATION: Second Street and Union Street

DATE: March 13, 2012

ASSIGNED TO:

TCO DESCRIPTION

Investigate need for traffic control at intersection of Second and Union Streets.

BY JON H. DOWLING, P.E.

RECOMMENDATION

Southbound traffic on Second Street shall be required to yield the right-of-way to east and westbound traffic on Union Street.

APPROVED **REJECTED**

DATE:

BY CITY COUNCIL

WORK ASSIGNMENT: To Sign Shop

DATE:

TO:

BY JON H. DOWLING, P.E.

MATERIAL USED

Posts

Stop

Time Limit

No Parking

Loading Zone

One Way

Yield

Paint

Other

ASSIGNMENT COMPLETED

DATE:

BY: Sign Shop

WORK INSPECTED

REMARKS:

DATE:

BY: Jon H. Dowling, P.E., City Engineer

Copies: 1. Intersection File 2. TCO File 3. Work Order Copy 4. Police Dept. 5. Fire Dept 6. City Clerk

CITY OF JACKSON, MICHIGAN
TRAFFIC ENGINEERING DIVISION
Traffic Control Order 2147

LOCATION: Second Court and Union Street

DATE: March 13, 2013

ASSIGNED TO:

TCO DESCRIPTION

Investigate need for traffic control at the intersection of Second Court and Union Street.

BY JON H. DOWLING, P.E.

RECOMMENDATION

Northbound traffic on Second Court shall be required to yield the right-of-way to east and westbound traffic on Union Street.

APPROVED **REJECTED**

DATE:

BY CITY COUNCIL

WORK ASSIGNMENT: To Sign Shop

DATE:

TO:

BY JON H. DOWLING, P.E.

MATERIAL USED

<input type="checkbox"/>								
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Posts Stop Time Limit No Parking Loading Zone One Way Yield Paint Other

ASSIGNMENT COMPLETED

DATE: **BY: Sign Shop**

WORK INSPECTED

REMARKS:

DATE: **BY: Jon H. Dowling, P.E., City Engineer**

Copies: 1. Intersection File 2. TCO File 3. Work Order Copy 4. Police Dept. 5. Fire Dept 6. City Clerk



N. BOWEN ST. WEBSTER ST. N. GRINNE N. WEST CARR EDWARD ST. WINTHROP WILDWOOD AVE. STEWAR DEMAY CT. CLEVELLAND PL. INCHA CALHOUN VAN BUREN ST. CLINTON ST. GUCK HWY. ST. W. PEARL HAYES N. JACKSON COUNTY TOWN PL. W. MICHIGAN AVE. LYDIA ST. HOMECREST W. WASHINGTON AVE. CORTLAND ST. CITY HALL W. WESLEY ST. COUNTY COURT ST. FRANKLIN ST. MECHANIC W. FRANKLIN ST. MASON ST. WILKINS S. W. BIDDLE ST. W. MORRELL ST. WILSON SCHOOL S. BLACKSTONE GREENWOOD PL. W. MORRELL ST. COM. FY. S. BOWEN ST. S. WEBSTER S. GRINNELL ELMWOOD AVE. GLENWOOD AVE. MC BRIDE ST. SECOND ST. GREENWOOD AVE. MT. EVERGREEN CEMETERY (CITY OWNED) S. JACKSON ST. WILLIAMS ST. MAPLE AVE. CHITTOCK AVE. DAKDALE AVE. HARWOOD ST. GARFIELD ST. WOODLAWN AVE. GETTYSBURG MC NEAL ST. ROSEDALE PL. AVE. ROCKWELL ST. W. HIGH ST. LINWOOD W. HIGH ST. RANDOLPH ST. RANDOLPH ST. DOUGLAS ST. MOUND DOUGLAS CT. DOUGLAS ST. SHELDON ST. WOODSUM ST. RANDOLPH ST. GRISWOLD MOUND GRISWOLD SCHOOL ST. BIKE PATH & WALK PRA

2



Neighborhood & Economic Operations

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CITY COUNCIL MEETING March 26, 2013

TO: Honorable Mayor Griffin and City Councilmembers

FROM: Patrick Burtch, City Manager

SUBJECT: Receipt of the 2013-2014 Draft Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Funds

RECOMMENDATION

Receive the 2013-2014 Draft Action Plan for CDBG and HOME funds.

Under HUD's entitlement program, the City of Jackson is required to submit an annual Action Plan as an application and update to the 2010-2014 Five-Year Consolidated Plan. The Action Plan is used to summarize the actions, activities and programs to be financially supported with CDBG and HOME funds during the next year to address the priority needs and specific objectives identified in the Consolidated Plan, as well as certain other program requirements.

Attached is the draft 2013-2014 Action Plan, which was prepared using diverse resources, including consultation with various community organizations, HUD regulations, and an assortment of available data about the City. The allocation of funds in the Action Plan reflects the City Council's preliminary allocations made during its regular meeting on February 19, 2013. The draft Action Plan is currently in the 30-day comment period and is available at City Hall in both the Clerk's Office and the Department of Neighborhood & Economic Operations, the Jackson District Library's Carnegie Branch, Reed Manor, Shahan-Blackstone North, Chalet Terrace, Community Action Agency, and on the City's website for public review.

The Action Plan also contains a Substantial Amendment to reprogram unspent funding of \$377,846 from prior years. These reprogrammed funds come from projects that were completed under budget, not completed but the project is no longer in operation, or unable to get the activity started. Detail of the Substantial Amendment begins on page 33.

Although HUD has not released the 2013-2014 formula allocations for CDBG and HOME due to ongoing budget debates in Washington, DC, final allocations of the 2013-2014 CDBG and HOME funds will take place on April 23, 2013. The Action Plan may undergo minor modifications during the 30-day comment period, such as inclusion of various tables, graphs and maps to provide a more thorough picture of Jackson's needs; however, the basic intent will remain the same. At the conclusion of the 30-day comment period, any oral or written remarks received from the public will be incorporated into the Action Plan and submitted to City Council at its May 7, 2013 regular meeting for authorization to submit to HUD.

Department of Neighborhood & Economic Operations



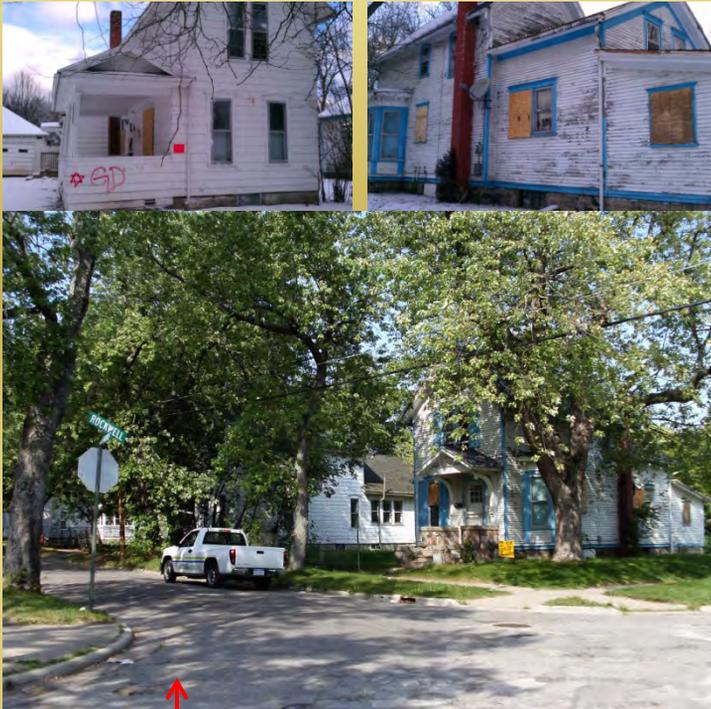
2013-2012 Action Plan

Building a Stronger Jackson



Community Development Block Grant

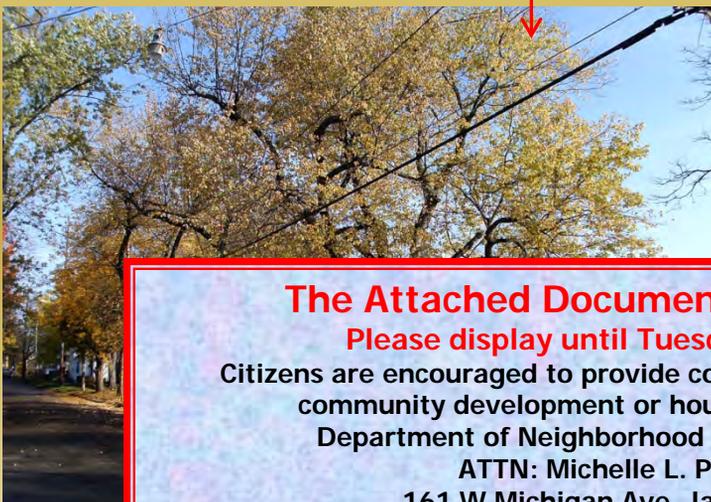
Before



HOME Investment Partnerships Program

Before

After



The Attached Document is a Draft Report
Please display until Tuesday, April 23, 2013.

Citizens are encouraged to provide comments regarding this report,
community development or housing needs in writing to:

Department of Neighborhood & Economic Operations

ATTN: Michelle L. Pultz-Orthaus

161 W Michigan Ave, Jackson, MI 49201

E-mail: mpultz@cityofjackson.org

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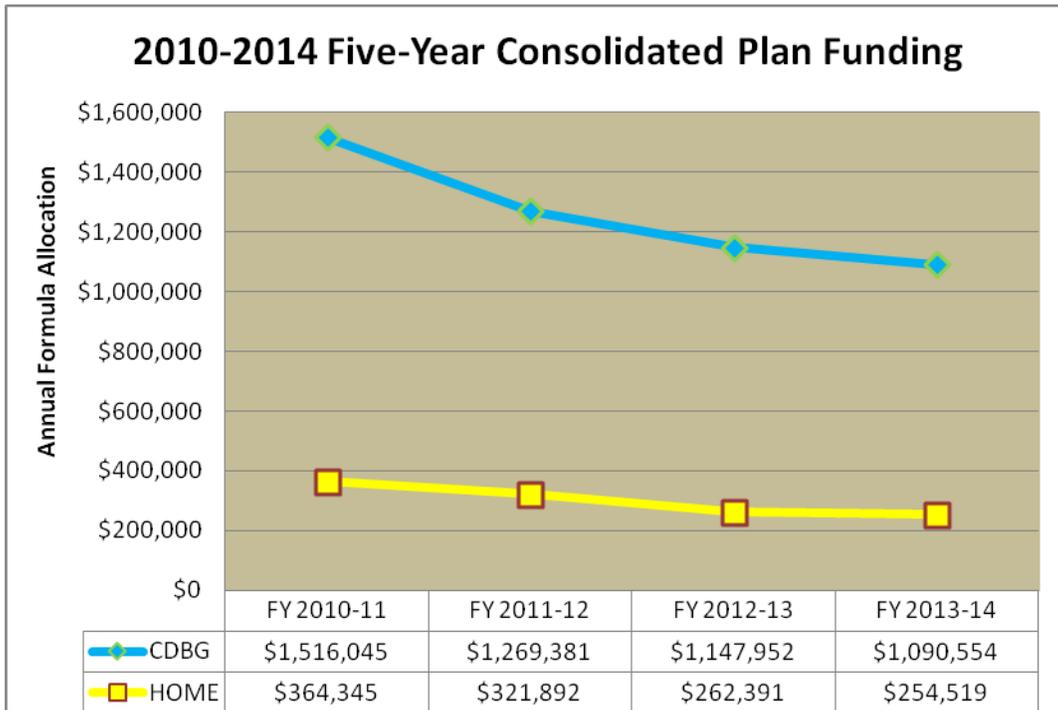
Appendices

Appendix A	Citizen Comments (not attached with draft Action Plan)
Appendix B	City Council Resolution Dated May 7, 2013 (not attached with draft Action Plan)
Appendix C	Certifications (not attached with draft Action Plan)

Executive Summary

The City of Jackson presents this One-Year Action Plan as the fourth year of its 2010-2014 Five-Year Consolidated Plan and covers the period of July 1, 2013 through June 30, 2014, also referred to as Program Year (PY) 2013 or Fiscal Year (FY) 2013. PY 2013 represents the City's 39th consecutive year to receive a Community Development Block Grant (CDBG) formula allocation as an entitlement community and 22nd year to receive a HOME Investment Partnerships Program (HOME) formula allocation as a participating jurisdiction.

Since the beginning of the 2010-2014 Five Year Consolidated Plan, the City has received consecutively lower grant amounts to invest in the community:



As demonstrated above, CDBG funds declined more than 28% and HOME funds dropped over 30% in four funding cycles, significantly diminishing the City's ability to improve neighborhood housing and living conditions. (*Note: At the time this draft Action Plan was submitted for the 30-day public comment period, HUD had not yet announced the actual 2013-2014 formula allocations for entitlement communities. The grant amounts noted above for 2013-2014 are estimates based on information received from HUD regarding anticipated cuts to CDBG and HOME.*)

The City of Jackson underwent significant changes during the calendar year 2012:

City Manager – Lawrence Shaffer resigned from his position in August 2012 after leading the City of Jackson for 13 months. Patrick Burtch served as Interim City Manager until he was officially installed as City Manager in October 2012.

Jackson's Overall Economic Stabilization (JOES) Program – several items anticipated as needed to begin the stabilization of Jackson's economy were put into play. This included the formation of the Non-Owner Occupied Residential Property Registration (NOORPR), Foreclosed, Vacant or Abandoned Residential Property Registration (FVARPR), and ordinance updates to housing, zoning and building/demolition codes.

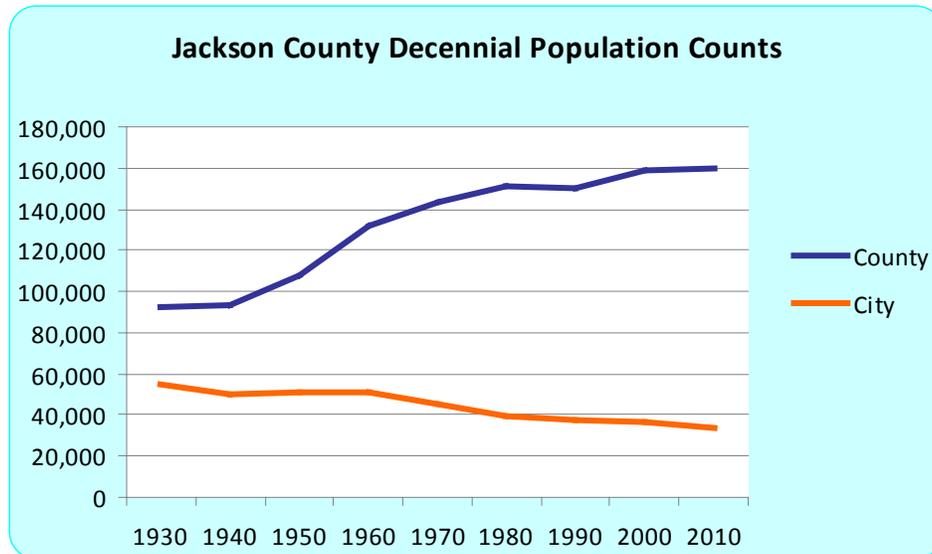
Reorganization of Departments – also a core concept of JOES, several departments were combined to provide budget savings, streamline administrative function and offer a structure that makes more sense to a shrinking city. Most notably was the formation of the Department of Neighborhood & Economic Operations, which combined Community Development, Planning, Economic Development, Engineering, Inspection, and the Administrative Hearings Bureau. Other combinations made were Police and Fire Operations (police, fire, emergency measures), Public Works & Utilities (public works, water, sewer, storm water, forestry), Parks, Recreation & Grounds (parks, recreation, cemeteries), and Finance & Information Operations (finance, management information services, purchasing, and City Hall and grounds).

Staff Increases – revenue from the NOORPR and FVARPR allowed the Department of Neighborhood & Economic Operations to hire three new full-time inspectors, one part-time inspector, and three new administrative staff positions.

The preliminary phases of the multi-faceted JOES Program concentrates on neighborhood stabilization, which includes, but is not limited to, the overall reduction of vacant, abandoned and dilapidated housing through aggressive demolition, increased code and zoning enforcement, a much more targeted effort for rehabilitation of single family homes, and an asset management plan that reflects the reality of Jackson's overall housing conditions.

General Demographic Information

Jackson County is strategically located in south-central Michigan at the crossroads of two major highways, Interstate 94 and US-127, and also by state highways M-50, M-60 and M-106. Lansing, the capital of Michigan, is located less than an hour's drive north, Detroit approximately 70 miles to the east, and Chicago approximately 200 miles to the west. An historical review of Jackson County's population concentrations and trends confirm the migration of people from the urban core of the City into the surrounding suburban and rural townships, especially since the 1960 Census. In 1930, 60% of Jackson County's population lived within the 11 square mile confines of the City of Jackson; 80 years later, only 21% of the total county population lives in the City. During the past 50 years, Jackson County's population grew by 17.6% while the City lost 33.9% of its residents.



As illustrated in the table below, Jackson's population has also grown more diverse over 20 years. While the racial makeup of the City remains mostly White and Black or African American residents, the number of White residents has decreased while the number of Black or African American inhabitants has increased, as has the number of persons claiming heritage from two or more races or with a Hispanic or Latino background.

Race	1990 Census	2000 Census	2010 Census	2011 American Community Survey
White	80.2%	73.9%	71.4%	72.1%
Black or African American	17.7%	19.7%	20.4%	21.6%
Two or More Races	n/a	3.7%	5.5%	4.1%
Ethnicity				
Hispanic/Latino	2.5%	4.0%	5.3%	4.7%

Employment opportunities remain a big concern for Jackson residents. While the annual jobless rate in the City has shown consecutive improvement since 2009, it continues to be significantly higher than Jackson County, the state of Michigan, and the United States.

	Annual Jobless Rates				
	2008	2009	2010	2011	2012
United States	5.8%	9.3%	9.6%	8.9%	8.1%
State of Michigan	8.3%	13.3%	12.5%	10.4%	8.9%
Jackson County	8.4%	13.1%	12.6%	9.9%	8.2%
City of Jackson	12.1%	18.6%	17.9%	14.3%	11.8%

Economic recovery cannot necessarily be assumed because unemployment percentages have fallen across the board for two consecutive years. The Bureau of Labor Statistics (BLS) defines unemployment as people who "do not have a job, have actively looked for work in the prior four weeks, and are currently available for work." Most people leave the labor force when they retire, go to school, have a disability that keeps them from working, or have family

responsibilities. Others may feel they can't get work so stop looking and are then classified as discouraged workers and the BLS removes them from both the unemployment statistics and labor force. Another hidden unemployment figure are those who consider themselves underemployed – those working fewer hours than they would like or are in a job that fails to make optimal use of their capabilities.

Correlative to the joblessness plaguing Jackson's workforce is the increasing number of persons living below the poverty level. The table below demonstrates compares the 2007-2009 American Community Survey (ACS) against the 2009-2011 ACS Poverty Status in the Past 12 Months (S1701):

	2009 ACS Estimate	2011 ACS Estimate
Population for whom poverty status is determined	27.0%	31.5%
AGE		
Under 18 years	37.2%	42.7%
Related children under 18 years	36.5%	42.1%
18 – 64 years	25.1%	30.1%
65 years and over	12.4%	9.1%
SEX		
Male	26.4%	29.0%
Female	27.5%	33.7%
RACE		
White	22.4%	24.6%
Black or African American	39.9%	47.8%
Two or more races	46.5%	50.5%
EDUCATIONAL ATTAINMENT		
Less than high school graduate	46.5%	45.2%
High school graduate (includes GED)	22.4%	27.5%
Some college, associate's degree.....	14.8%	20.0%
Bachelor's degree or higher	3.3%	6.0%

In the time span between the 2000 Census and the 2010 Census, the City had 1.4% more total housing units reported, but occupied housing units fell by 6.5% while the number of vacant or abandoned units more than doubled.

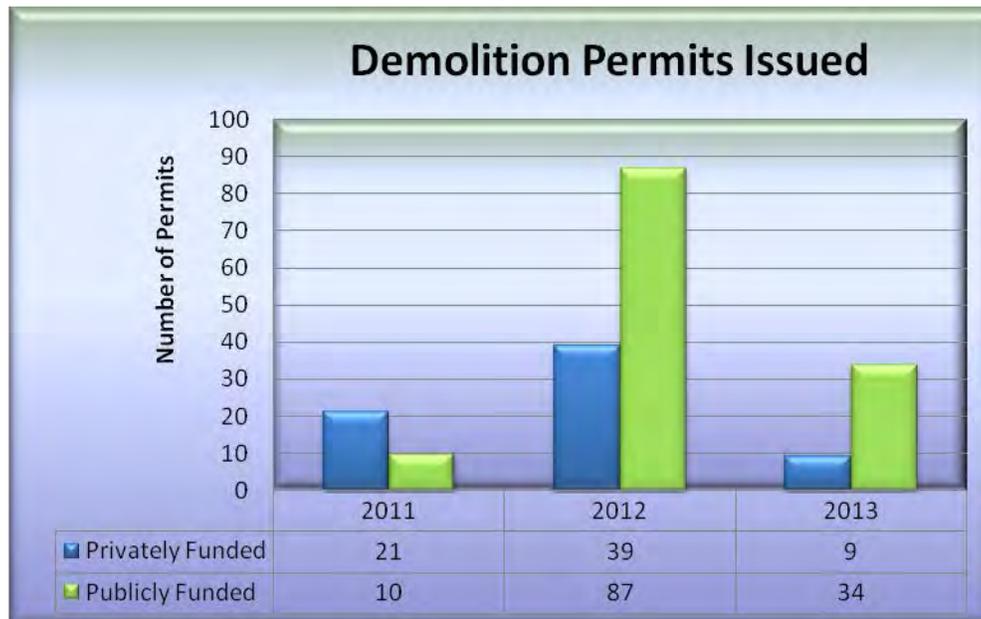
	2000 Census		2010 Census	
	Number	Percent	Number	Percent
Total Housing Units	15,241	100.0%	15,457	100.0%
Occupied Housing Units	14,210	93.2%	13,294	86.0%
Owner Occupied	8,181	57.6%	7,004	52.7%
Renter Occupied	6,029	42.4%	6,290	47.3%
Vacant Housing Units	1,031	6.8%	2,163	14.0%

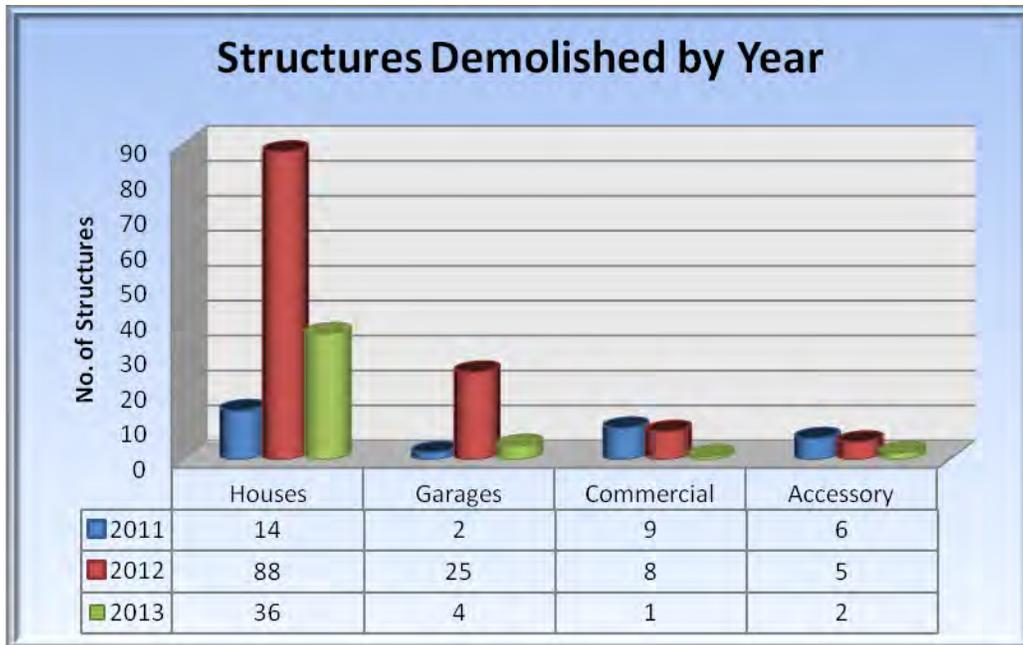
It should also be noted that the 2009-2011 ACS indicates the City now has 2,360 vacant housing units, or 15.2% of all housing units. The total number of housing units has fluctuated less than two percent since 1970 while population has fallen nearly 40% during the same time.

The oversupply of housing within the City is a contributing cause of decreased property values, which are often purchased by negligent investors, including persons or entities that do not live in Jackson, the State of Michigan, or even in the United States. Without adequate property management, further decay of housing and neighborhoods is the inevitable outcome.

As of March 6, 2013, Neighborhood & Economic Operations staff has identified and evaluated 885 vacant residential structures containing 1,163 housing units. The average rehabilitation estimate for these vacant structures is \$69,190, although some areas of the City exhibit an average rehabilitation estimate of over \$120,000 per structure. The rehabilitation estimate to repair all 885 structures evaluated to date exceeds \$61 million, some being in such poor condition as to be deemed beyond repair. Estimated demolition costs to raze the same 885 evaluated structures ranges between \$10 and \$13 million.

Demolition information gathered on a calendar year basis beginning June 1, 2011 – the date the City has adopted as the beginning of the Jackson Overall Economic Stabilization initiative – is demonstrated in the two graphs below:





Grant Administration

Grant Programs

The City of Jackson's annual formula allocations received from the U.S. Department of Housing and Urban Development (HUD) for Program Year 2013 are as follows:

Community Development Block Grant **\$1,165,554**

2012 Entitlement	\$1,090,554
Program Income (estimated)	75,000

HOME Investment Partnerships Program **\$254,519**

2012 Entitlement	\$254,519
------------------	-----------

Program Purpose and Objectives

The Community Development Block Grant (CDBG) program is authorized under Title I of the Housing and Community Development Act of 1974, as amended, which has a primary objective of developing viable urban communities. These viable communities are achieved by providing the following, principally for persons of low- and moderate-income:

- ❖ Decent housing;
- ❖ A suitable living environment; and,
- ❖ Expanded economic opportunities.

The HOME program was created by the National Affordable Housing Act of 1990, as amended. The intent of the HOME program is to provide decent affordable housing to lower-income households, expand the capacity of non-profit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private-sector participation.

Match Requirements

All participating jurisdictions must contribute 25% of every dollar in HOME funds as a means to mobilize community resources in support of affordable housing. The HOME statute provides for a reduction of the matching contribution requirement under three conditions: fiscal distress, severe fiscal distress, and for Presidentially-declared major disasters covered under the Stafford Act. The City of Jackson continues to receive a 100% exemption from HOME match requirements due to fiscal/severe fiscal distress; the CDBG program has no match requirements.

Income Limits

Both the CDBG and HOME grants require certain thresholds be met to provide assistance to the City's lower income community. Local income limits are published annually by HUD based on estimates of median family income with adjustments based on family size. The following table provides the current income guidelines for Jackson, effective December 11, 2012:

2013 Area Median Income (AMI) Limits

% of Median	Limit per Number of Persons in Household							
	1	2	3	4	5	6	7	8
30%	\$12,350	\$14,100	\$15,850	\$17,600	\$19,050	\$20,450	\$21,850	\$23,250
50%	\$20,550	\$23,450	\$26,400	\$29,300	\$31,650	\$34,000	\$36,350	\$38,700
60%	\$24,660	\$28,140	\$31,680	\$35,160	\$37,980	\$40,800	\$43,620	\$46,440
80%	\$32,850	\$37,550	\$42,250	\$46,900	\$50,700	\$54,450	\$58,200	\$61,950
100%	\$41,100	\$46,900	\$52,800	\$58,600	\$63,300	\$68,000	\$72,700	\$77,400

Effective December 11, 2012

References to income levels are as follows:

Extremely low-income	Individuals/families earning 30% AMI or less
Low-income	Individuals/families earning 31% to 50% AMI
Moderate-income	Individuals/families earning 51% to 80%

At least 70% of CDBG activities must provide a benefit to low- and moderate-income beneficiaries (80% of AMI). A low/mod area is a defined, primarily residential area where at least 51% of the residents are low- and moderate-income persons. HOME requires 100% of funds made available to homeownership activities be invested in dwelling units occupied by households that qualify as low-income families, and not less than 90% of families receiving rental assistance have annual incomes that do not exceed 60% AMI.

Section 8 / McKinney-Vento Homeless Assistance

The City of Jackson does not receive a direct allocation of either Section 8 or McKinney-Vento Homeless Assistance funds. The Jackson Housing Commission administers Section 8 and other funds available to public housing authorities, such as capital improvement funds. For period of April 1, 2011 to March 31, 2012, JHC received \$2,625,924 in Section 8 funding to pay landlords and utility allowances.

The McKinney-Vento Homeless Assistance Act ensures educational rights and protections for children and youth experiencing homelessness. The Jackson County Intermediate School

District received \$71,526 in McKinney-Vento funds for the 2012-2013 school year, which is distributed among 14 school districts in the county. A large portion of the funds are used for transportation; however, schools also purchase items such as school supplies, food, eyeglasses, and school activity fees incurred as part of a student's regular school program. The district liaisons work with shelter directors, providing additional support of services and goods on a case-by-case basis.

Managing the Process

The City of Jackson, through its Department of Neighborhood & Economic Operations, acts as lead agency for CDBG and HOME funding and administers the programs covered by the Consolidated Plan and this Action Plan. The Department of Neighborhood & Economic Operations is also charged with carrying out several of the funded activities. Various other City departments will conduct the balance of programs and projects under written agreements.

Plan development steps included:

- ✓ Research and analysis of 2000 and 2010 Census data, 2006-2010, 2008-2010, and 2009-2011 American Community Survey estimated data, and various other reports as noted throughout the Plan;
- ✓ Consultation with community organizations, non-profit service providers, Public Housing Authority, Jackson County Continuum of Care, and other such entities;
- ✓ Analysis of various other planning documents pertinent to the City to target common objectives;
- ✓ Public hearing to receive citizen input on housing and community development needs;
- ✓ Public comment period;
- ✓ City Council approval of the Action Plan.

Consultation with community organizations included, but was not limited to:

Housing

Community Action Agency
Jackson Affordable Housing Corporation
Jackson Housing Commission
Michigan Prisoner Re-Entry Initiative
disAbility Connections
AWARE, Inc.
Jackson Interfaith Shelter
Homeless Veterans Program

Social Service Agencies

The Salvation Army
LifeWays Community Mental Health
Training & Treatment Innovations
South Central Michigan Works!
Jackson County Intermediate School District
Segue, Inc.
Department of Human Services
United Way of Jackson County
Do'Chas II
Central Michigan 2-1-1

Input from the organizations listed above was obtained in various ways, from one-on-one discussions or e-mail exchanges with specific providers to roundtable discussions at various community meetings attended by these agencies. The programs and services these agencies provide are integral to offering a full spectrum of assistance to the community in addition to the resources available from the City.

The Jackson City Council conducted a public hearing on January 22, 2013 to seek public input on community development and housing needs before writing this Action Plan. No comments were received during the public hearing.

Citizen Participation

The City encourages all citizens to participate in not only the CDBG/HOME planning process, but in all processes of the local government. At the beginning of each City Council meeting, citizens are allowed time to address the Mayor, City Manager, Councilmembers and department heads on matters that concern them. Council meetings are held on the second floor of City Hall, which can accommodate persons with disabilities. Meetings are shown live on a local public access television station, JTV, which also replays the meetings at various other times throughout the week.

A flyer announcing a public hearing on January 22, 2013 was created to specifically solicit citizen input for the planning and allocation phases of the Annual Action Plan development, and was posted at the following locations:

- ✓ City Hall – two on the entrance doors, one in the Department of Neighborhood & Economic Operations lobby.
- ✓ Jackson Housing Commission – two copies posted at each public housing complex – Shahan-Blackstone North Apartments, Chalet Terrace, and Reed Manor.
- ✓ Jackson County Department of Human Services
- ✓ Community Action Agency
- ✓ The Salvation Army

Notice of the public hearing to receive citizen comments on housing and community development needs was also published on January 13, 2013, in the *Jackson Citizen Patriot* (local daily paper) and on January 17, 2013 in *The Jackson Blazer*, a local bi-weekly publication spotlighting community and neighborhood events.

Per HUD regulation, a draft Action Plan was released for a 30-day public comment period beginning March 24, 2013. A notice of availability was published in the *Jackson Citizen Patriot* on March 24, 2013 and in *The Jackson Blazer* on March 21, 2013. A printed copy of the Action Plan was made available for review at City Hall in both the Clerk's Office (first floor) and Department of Neighborhood & Economic Operations (third floor), the Jackson District Library Carnegie Branch, Community Action Agency, and the three public housing complexes, Reed Manor, Shahan-Blackstone North, and Chalet Terrace. An electronic version of the Action Plan was also made available on the Department of Neighborhood & Economic Operation's website at <http://www.cityofjackson.org/neighborhood-and-economic-operations/funding-reports>.

Institutional Structure

Development of the Action Plan involved a collaborative effort of the public and private sector, non-profit agencies, community members and other similar entities and organizations.

Public Institutions

The City of Jackson's Charter establishes the City to be a council-manager municipality, with all powers of the City being vested in the Council. The City Council is made up of seven persons, six of whom serve a particular ward of the City, and the Mayor. The Mayor is an elected official voted in by a majority of City registered voters and serves for two years. Individual councilmembers are elected by a majority of electors in the particular Ward they represent and serve for four years. The Mayor is the chief executive officer of the City without administrative

duties, but serves as the official head of the City for ceremonial services, presiding officer of City Council, appoints all members to boards, commissions, authorities and other agencies (subject to City Council confirmation), possesses emergency powers and authority expressly granted by state law, and signs all ordinances, contracts, resolutions, proclamations, and other City documents required by ordinance. The City Manager is appointed by City Council and is the chief administrative officer, having charge of municipal affairs under the direction of City Council.

The Department of Neighborhood & Economic Operations serves many functions for the City, including, but not limited to, administration of HUD grants, blight and housing code enforcement activities, homeowner and emergency hazard rehabilitation, building and trades permitting processes, engineering, planning and zoning, and economic development. Grant administration duties include the financial responsibilities associated with grant activity, such as preparing proper documents for rehabilitation loans, devising contracts and agreements with non-profit organizations and interdepartmental agreements with other City departments, monitoring to ensure compliance with federal regulations, and technical assistance to subrecipients when necessary.

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA), providing housing and other resources to the community's most disadvantaged residents. The JHC manages three separate public housing complexes providing 503 rental units plus 40 scattered site rental homes.

Non-Profit Entities

It is unfortunate that Program Year 2013 CDBG and HOME funds will be at all time lows and not allow for discretionary public service allocations to non-profit organizations. In the past, the Jackson City Council relied on non-profit entities to provide its low- to moderate-income residents an affordable, sustainable living environment by allocating public service dollars to assist programs directed at this population. However, the City will continue to support the various missions of the community service providers whenever possible. Community Action Agency (CAA) is the recognized leader in the community in its ability to provide a full array of programs and services to low- and moderate-income residents. The City intends to explore and develop its relationship with CAA to support services related to homeownership and other basic needs in the community, especially activities benefitting residents in the most distressed neighborhoods. CAA has proven its ability to target spending, leverage additional resources, and produce desired results and was selected to conduct Community Housing Development Organization (CHDO) activities with the City's HOME funds.

Community Participation

Various City staff members actively participate on many community-based boards and commissions to remain cognizant of the area's needs. Neighborhood & Economic Operations staff, in particular, is involved with:

- ✓ *Jackson County Continuum of Care* - co-chairperson of the Continuum. The Continuum of Care is made up of approximately 30 agencies and support groups focused on issues surrounding homelessness.
- ✓ *Emergency Needs Coalition* – meets monthly to provide updates on current

community conditions so emergency needs are met. Difficult matters are discussed openly to achieve practical solutions.

- ✓ *Jackson Area Comprehensive Transportation Study* – forum for transportation decision-making and coordinated approach to transportation improvements, including mass transit to low- and moderate-income individuals and families.

While some agencies participate in each of the groups listed above, individual groups include other service providers and community leaders to gain convergence in their particular focus area. Coordination and collaboration between housing providers, social service agencies, and local government is expected to continue in the coming year.

Monitoring

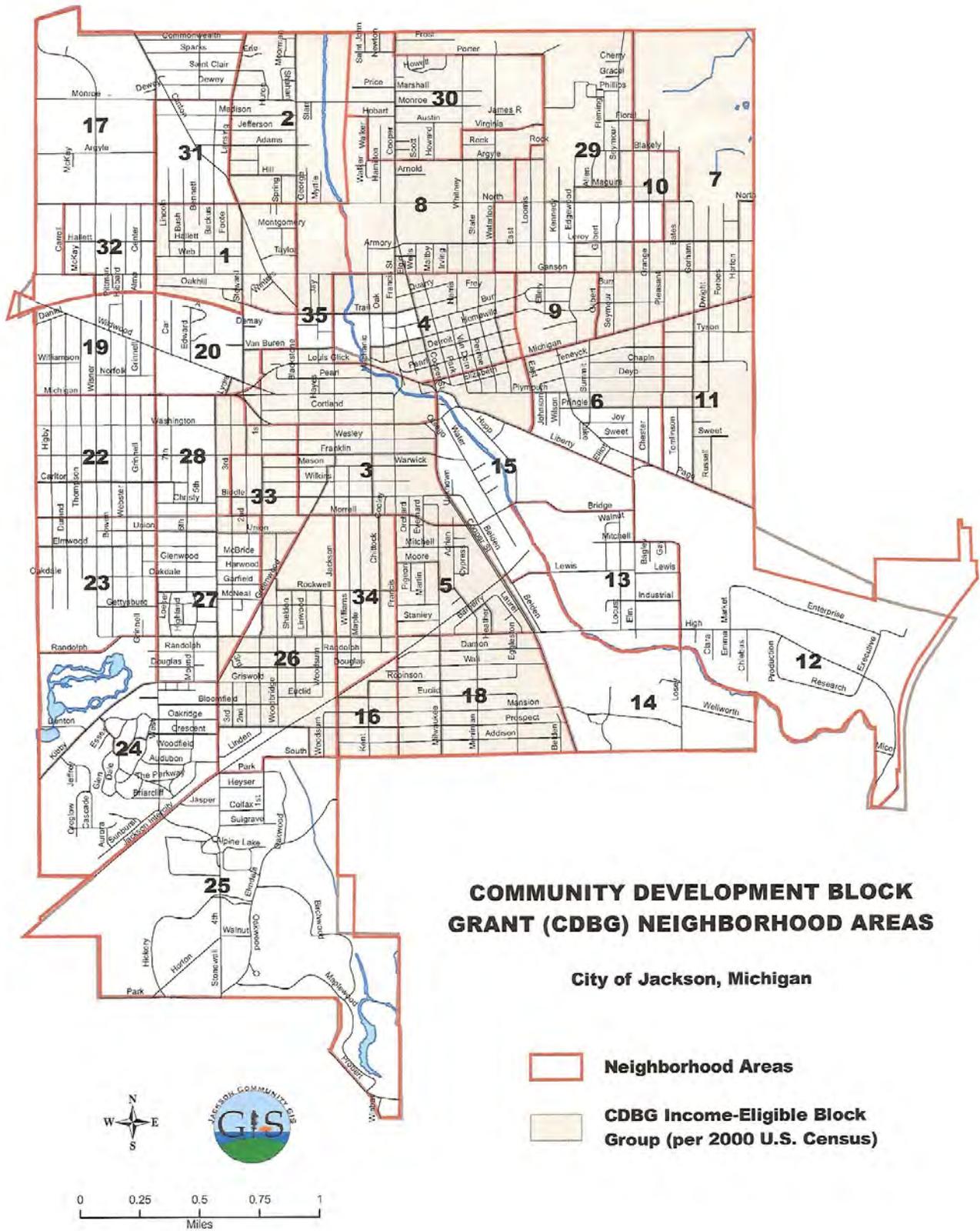
The Department of Neighborhood & Economic Operations monitors the City's performance in meeting goals and objectives set forth in the Five-Year Consolidated Plan. Results are reported in the Consolidated Annual Performance and Evaluation Report (CAPER), which is submitted by September 30 of each year.

Internal fiscal controls are in place and generate accounting system reports that are regularly reviewed by Neighborhood & Economic Operations staff. These reports identify the dollar amount allocated, the amount obligated and the amount expended. Timeliness of expenditures is monitored regularly to ensure compliance with HUD regulations. Reimbursement requests received from subrecipients are reviewed for eligibility and adequate source documentation. Staff reviews the Grantee Summary Activity Report (PR08) monthly as another measure to meet timeliness issues.

During review of applications for grant funds, a risk analysis is conducted of the potential recipient of grant funds and the proposed project. Based on that risk analysis, strengths and weaknesses are assessed in order to develop support mechanisms to enhance program delivery, the nature and eligibility of the activity, whether the proposed plan for carrying out the activity is realistic, and also for the possibility of any conflicts of interest.

During a program year, Neighborhood & Economic Operations staff conducts quarterly desk reviews of performance reports required to be filed by subrecipients of CDBG funds. From those desk reviews, staff is able to determine if a project is on track or when it is expected to begin. Individual agencies may receive one-on-one technical assistance meetings to help explain different aspects of the program and to aid the agency in accomplishing its goals. Each request for reimbursement is required to supply supporting documentation, which is carefully reviewed by more than one staff person before payments are made.

Two staff members conduct annual on-site monitoring of subrecipients receiving grant funds to verify back up documentation to their quarterly reports. This on-site, expanded monitoring is determined based on experience of subrecipient, prior findings, performance reporting issues, or other appropriate areas that may need closer review. While a majority of the City's subrecipients receive very favorable outcomes to the monitoring visits, some issues become apparent requiring an agency to make minor corrective actions or a complete revision of a specific procedure to maintain compliance with program regulations.



Housing

Specific Housing Objectives

City leaders have stepped back and examined how CDBG and HOME funds have been utilized and their effectiveness in creating vital, stable neighborhoods. Little cohesive effect was recognized from past practice and, with dwindling grant allocations received from HUD, it is more important than ever that the money invested in the community provides a significant impact. Considering the average cost to rehabilitate the vacant residential properties evaluated by City inspectors to date, it is easily concluded the City and its CHDO, CAA, must re-evaluate their selection processes for homebuyer rehabilitation. Some neighborhoods have deteriorated so extensively, investing any amount of federal funds towards rehabilitation would be considered wasteful. Currently, the City offers the following rehabilitation loans:

Emergency Hazard (CDBG only) – low- to moderate-income homeowners may apply for 20 year deferred loans up to \$10,000 at zero percent (0%) interest to expeditiously correct hazardous conditions, such as a leaking roof during the rainy season, a furnace in the winter, a water heater, sewer backups, etc. The City anticipates issuing 20 emergency hazard loans to alleviate dangerous conditions during Program Year (PY) 2013.

Homeowner Rehabilitation (HOME) – the City offers \$20,000 loans to correct housing code violations to low- and moderate-income homeowners at zero percent (0%) interest and deferred for 20 years. Loans to correct lead-based paint issues have no maximum and are forgivable over a five (5) year period. Approximately 10 rehabilitation loans are expected to be issued to qualifying homeowners during PY 2013.

Homebuyer Rehabilitation (HOME) – the tactical acquisition and rehabilitation of vacant homes to be sold to low- to medium-income homebuyers will be the activity of choice. City and CAA staffs will have control of strategic considerations, such as level of rehabilitation required, neighborhood stability, and marketability of the unit once rehabilitation is complete. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family. The City and CAA foresee completion of three (3) or more single-family housing units in PY 2013.

Although no homebuyer assistance project has been specifically identified, it is the intention of the City to consider offering assistance on a case-by-case basis, especially as a component of homebuyer rehabilitation to aid a low- to moderate-income family secure financing.

Annual Affordable Housing Completion Goals
(HUD Table 3B)

Grantee Name: City of Jackson Program Year: 2013-2014	Expected Number of Units To Be Completed	Resources used during the period			
		CDBG	HOME	ESG	HOPWA
BENEFICIARY GOALS (Sec. 215 Only)					
Homeless households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENTAL GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME OWNER GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)					
Annual Rental Housing Goal	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Needs for Public Housing

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA). The JHC manages 543 units of public housing in three Asset Management Projects and a Section 8 program of 475 participants. The mission of the JHC is:

To assist low income families secure safe, decent and affordable housing; create opportunities for resident and participant families to achieve self sufficiency and

economic independence; and assure fiscal and program integrity by all program participants.

To achieve the ideals contained in the mission statement, the JHC set goals and objectives of providing decent, safe and affordable housing; ensuring equal opportunity in housing for everyone; responding to resident requests for maintenance issues in a timely fashion; returning vacated units to occupancy within 25 days; continuing enforcement of its "One Strike" policy for residents and applicants; and improving and/or maintaining financial stability through aggressive rent collections and improved reserve position. The JHC's financial resources include an operating fund, capital fund, dwelling rental income, and Section 8 administrative fees.

After assessing the housing needs of the City and surrounding Jackson County area, JHC has determined that it currently meets, and will continue to meet, the housing needs of the community to the extent practical for a medium-sized agency. In addition, the JHC has:

- No plans to demolish any of its properties. In fact, the JHC plans extensive physical improvements at each location within the next three years. Comments and suggestions from the various Resident Advisory Boards (Shahan-Blackstone, Chalet Terrace, Reed Manor and Section 8) are taken into consideration and, if feasible, implemented.
- A HUD-approved Home Ownership Plan to sell 50 scattered site units to qualifying low- and moderate-income homebuyers. As of June 3, 2008, 10 units had been sold; however, when the housing crisis affected the ability to sell homes, JHC discontinued this program and reconverted these single family homes back into rental units.
- Implemented local preferences to improve the living environment by de-concentration, promoting income mixing, and improving security throughout the developments.
- Created and continues to facilitate self-sufficiency programs to improve resident employability, as well as solicit support services for the elderly and families with disabilities.

The JHC operates three public housing complexes and manages 40 scattered site, single family rental units as part of its Asset Management Plan. The Executive Director resigned in March 2013; the City is currently seeking a new Executive Director to lead the JHC.

Chalet Terrace - Complex

Building Type	Population	Efficiency	Bedroom Size				Total
			1-BR	2-BR	3-BR	4-BR	
Townhouse	Elderly	8	24	0	0	0	32
Townhouse	Family	0	0	20	34	14	68
							100

Chalet Terrace – Scattered Site Housing (all 3 bedroom)

903 Chittock Ave	929 Maple Ave	1415 Merriman St
905 Chittock Ave	938 Maple Ave	1513 Merriman St
1014 Chittock Ave	940 Maple Ave	1713 S Milwaukee St
1022 Chittock Ave	1101 Maple Ave	1419 Plymouth St
117 E Mansion St	1411 Merriman St	1213 Plymouth St

1421 Plymouth St
 2017 Pringle Ave
 129 Ridgeway St
 329 E Robinson St

122 Stanley Ave
 139 Stanley Ave
 216 Summit Ave
 217 Summit Ave

514 Summit Ave
 2000 Sweet Ave
 313 Wall St

Reed Manor - Complex

		Bedroom Size					
Building Type	Population	Efficiency	1-BR	2-BR	3-BR	4-BR	Total
Low Rise Apt	Elderly	201	82	12	0	0	295
							295

Shahan-Blackstone North - Complex

		Bedroom Size					
Building Type	Population	Efficiency	1-BR	2-BR	3-BR	4-BR	Total
Townhouse	Family	0	0	74	30	4	108
							108

Shahan-Blackstone North – Scattered Site Housing (all 3 bedroom)

329 Adams St	310 Madison St	341 W Monroe St
914 N Blackstone St	312 Madison St	343 W Monroe St
916 N Blackstone St	335 Madison St	909 Spring St
414 Jefferson St	421 Madison St	911 Spring St
416 Jefferson St	409 McKinley St	

The JHC administers 475 Housing Choice Vouchers (HCV), commonly referred to as “Section 8”, in Jackson County to assist very low-income families, the elderly, and the disabled to afford decent, safe and sanitary housing in the private market. Since housing assistance is provided on behalf of an individual or family, participants are able to secure their own housing, including single-family homes, townhouses and apartments that meet program requirements. Over 72% of the housing units receiving HCV assistance are located within the City of Jackson, with the remaining units located in townships throughout Jackson County.

SECTION 8 BY THE NUMBERS	
\$2,625,924	Housing Assistance Payments
97%	Lease Up Rate
187	Landlords
461	Voucher Holder Participants
1,196	Individuals

Source: Jackson Housing Commission Annual Report, Fiscal Year 2012

A resident member participates on the JHC Board, and four separate Resident Advisory Boards exist; one at each of the three complexes and one for Section 8. Due to Resident Advisory Board participation, the JHC incorporated certain requests into its annual and five-year plans and will address other requested items through normal operational activities that do not require use of Capital Funds.

PUBLIC HOUSING BY THE NUMBERS

PERFORMANCE INDICATORS

98%	Occupancy Rate
134	New Admissions
150	Youth Participated in Programs
4,332	Non-Emergency Work Orders Completed
1.8	Average # of Days to Complete Non-Emergency Work Orders
531	Emergency Work Orders
97%	Emergency Work Orders Completed within 24 hours
22 Days	Average Vacant Unit Turnaround

DEMOGRAPHICS

2.0	Average Family Size
68	Elderly Heads of Household (Age 62+)
467	Non-Elderly Heads of Household (Age <61)
357	Female Heads of Household
178	Male Heads of Household
258	Disabled/Handicapped Heads of Household
248	Non-Minority Heads of Household
287	Minority Heads of Household

SOURCES OF INCOME

1	Own a Business
22	Receive Child Support
2	General Assistance
1	Indian Trust/Per Capita
383	Other Nonwage Sources
15	Pension
166	SSI
181	Social Security
159	TANF (Formerly AFDC)
11	Unemployment Benefits
149	Other Wages

INCOME LEVELS

455	Extremely Low
73	Very Low
7	Low

TIME ON PROGRAM

100	<1 Year
91	<2 Years
58	<3 Years
60	<4 Years
29	<5 Years
197	<6 Years

Source: Jackson Housing Commission Annual Report, Fiscal Year 2012

Barriers to Affordable Housing

The 2010 Analysis of Impediments to Fair Housing Choice lists the following barriers identified by the Jackson County Continuum of Care's Housing Committee:

- Lack of resources/developers to create more affordable or low-income housing.
- Urban food deserts, which is the lack of grocery stores in low- and moderate-income areas. Residents oftentimes rely on local convenience stores, which generally charge significantly more for an identical item found cheaper in a large grocery store. This also greatly reduces the availability of fresh produce, meat, and bakery items.
- Lack of local banking establishments in low- and moderate-income areas – residents again often rely on convenience stores to cash checks and are either charged a sizeable fee for the service, or are required to purchase a certain amount of goods from the store before it will cash the check.
- Landlords who monopolize available housing, which people in the housing community often refer to as 'slumlords' or 'shady dealers'. Tenants feel they are in a Catch-22 – if they complain to the landlord, their complaint goes ignored; if they complain to the City, they risk the chance of becoming homeless should conditions exist that pose a health and safety hazard for the tenant; landlords may retaliate for complaints made by initiating eviction.
- Landlord foreclosures – tenants are rarely given adequate advance notice to find alternate housing.
- Lack of housing for the working poor (middle income) – those persons who work every day and barely make ends meet, but do not qualify for assistance from the Department of Health and Services, food stamps, childcare, etc.

The Jackson Interfaith Shelter, the largest homeless shelter in the City, identified the following issues:

- Lack of jobs available for low- and moderate-income persons in which the potential employee may be able to perform, but is lacking the required experience;
- Unable to afford public transportation or no routes established near work place;
- Unable to afford proper insurance, registration and licensing for their own vehicle;
- Unable to afford vehicle maintenance and repairs.

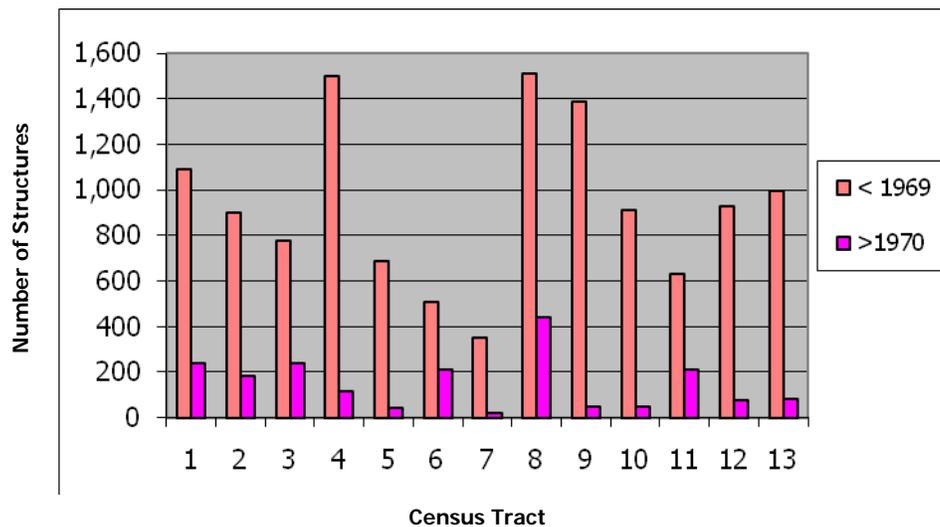
Further, the Human Relations Commission also indicated a lack of fair housing education and enforcement for several consecutive years has created an environment of potential discrimination issues and lack of understanding in the community. City Inspectors noted large families of five or more persons have difficulty finding housing with enough bedrooms as real estate investors purchased many of the City's larger single-family homes and then converted them into two to four unit apartment buildings. The disabled population faces accessibility issues to affordable scattered site housing, severely limiting their residency choices.

The City of Jackson and its CHDO, CAA, will utilize CDBG and HOME funds in the coming year to improve homeowner or homebuyer housing through its emergency hazard and rehabilitation programs. Supporting these programs will ensure necessary repairs are made to alleviate hazardous conditions in a timely fashion and improve energy efficiency when appropriate. The renter population will continue to benefit from the City's rental inspection program, recently reinstated with additional inspectors after a brief hiatus to initiate the Non-Owner Occupied

Residential Property Registry (NOORPR) which requires landlords to register rental units and undergo regular inspections to receive compliance certification.

Lead-Based Paint

According to the Michigan Department of Community Health (MDCH), environmental exposure to lead in amounts sufficient to cause illness and neurological damage in children remains a significant worry in Michigan. Jackson County has been identified as one of fourteen counties in Michigan at high risk for childhood lead exposure and poisoning. Lead-based paint hazards are a major concern for the City's young children and pregnant women as over 85% of all housing was constructed prior to 1970, with over 51% being built before 1940. The 2000 Census indicated all Census tracts within the City of Jackson contain aged housing, as demonstrated below:



As Jackson residents continue to struggle with the local economy, property maintenance and repair are not high on the list of priorities. As properties decline, the risk of exposure to lead-based paint hazards increases.

Housing built prior to 1978 (when federal law banned the use of lead-based paint in residential housing) is considered to be at risk of containing some amount of lead-based paint. The amount of lead pigment in the paint increases with the age of the housing. Housing built before 1950 is particularly troublesome as 1950 is often recognized as the “threshold” to lower levels of lead-based paint. Prior to about 1940, paint typically contained high amounts of lead, often 10 to 50 percent. In the early 1950s, paint industry standards voluntarily called for limiting lead content to 1%. With approximately 66% of the housing stock built prior to 1950, Jackson housing units pose a high risk of containing significant lead-based paint hazards. Young children of very low- and low-income households are most likely to reside in older housing, and are disproportionately at risk of lead poisoning. It is anticipated that units of owner occupied housing will continue to decline and the ratio of rental units will increase due to the stress of the slow and declining economy. Rental properties make up about one-half of the City's housing units. If units are not maintained, the risk of young children coming into contact with lead-paint hazards continues to climb.

Since HUD's lead-based paint regulations took effect in September 2000, the City has seen rehabilitation costs increase by 60%. Unfortunately, the City's funding sources did not increase at the same time, making it more and more difficult to significantly impact the housing in the community. Because of the age of the housing stock, all applicants for rehabilitation assistance living in homes built prior to 1978 must be tested for lead-based paint. The State of Michigan has enacted legislation to address lead-based paint issues in the state. The City of Jackson and its subgrantees will continue to incorporate and comply with the Michigan Lead Abatement Act to address lead-based paint issues in the community. The City of Jackson and its subgrantees will also comply with the Federal Environmental Protection Agency (EPA)'s Renovation, Remodeling and Paint Law that took effect on April 10, 2010. This law will require contractors performing remodeling and renovation activities in residential properties and child occupied facilities built before 1978 to be certified and to follow specific work practices to prevent lead dust contamination.

From 2006-2010, the City successfully implemented a Lead Hazard Control Program to address lead-based paint hazards in low-income homes built before 1978. The program tested 215 units and provided lead hazard remediation for 174 units. The City will continue to work with referrals from the Jackson County Health Department to identify clients with lead-based paint hazards that may be eligible for a full housing rehabilitation project. These clients will be able to address their lead-based paint hazards and probable code violations in the same project. The downside to this is the amount of funding available per client. Lead hazard remediation may be expensive and may impact the amount of housing projects that can be accomplished through the allocated funding. For families with a child identified as having an elevated blood lead level, the City will refer the family to the Michigan Department of Community Health's Lead and Healthy Homes Program. While the City of Jackson is not identified within the MDCH work plan as a subrecipient community, it does fall under their "statewide" clause of being allowed to provide assistance based on a child with an identified elevated blood lead level. This will provide some opportunity for families with a lead-poisoned child, but it will not aid in the prevention of childhood lead poisoning.

Non-Homeless Special Needs Housing

Certain subpopulations that are not necessarily homeless require special housing or supportive services. Those subpopulations include the elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, and public housing residents.

On August 15, 2006, the Jackson City Council took action to waive the permit fees for work performed by local non-profit charitable organizations, specifically for handicap-accessible ramps. Since that time, several ramps have been installed for disabled homeowners by disAbility Connections, the Rotary Club, and World Changers. The Council also routinely waives permit fees for World Changers and/or Mission Serve roofing and handicap ramp projects. The City and its subrecipients make every effort during a rehabilitation project to take into account any special needs of the occupants to increase the likelihood of longer-term occupancy and livability.

While a few affordable apartment complexes exist in the City which are equipped to meet needs of the elderly and disabled, they are located within close proximity to each other, limiting

location choices especially for the disabled. Some disabled tenants have had success in working with landlords to retrofit a housing unit for accessibility; however, oftentimes once that tenant moves out, the retrofitting is also removed making the unit inaccessible for another potential tenant with disabilities. The City will continue efforts to strategically install handicap accessible sidewalk curb ramps in areas of greatest need.

Families requiring more than two to three bedrooms also have difficulty locating rental housing options. There are many residential structures throughout the City that may at one time have been an option; however real estate investors depleted this stock through the years by converting these larger homes into multi-unit dwellings, usually with only one to three bedrooms per unit. The City took steps to enhance its zoning enforcement by identifying and documenting vacant and abandoned homes and should a non-conforming structure not been used for a period of six (6) months, it shall be deemed abandoned and the structure then reverts to the uses allowed in that specific zoning district. This is a way in which the City can potentially return larger single-family dwellings to their original intended use, increasing housing options for families of five or more while decreasing neighborhood density.

Homeless

Specific Homeless Prevention Elements

Since 1994, HUD has been encouraging communities to address the problems of housing and homelessness in a coordinated, comprehensive and strategic fashion. In response, an ad hoc committee of Jackson community agencies formed to address the needs required to maintain and expand affordable housing in Jackson. From that committee, the Jackson County Continuum of Care (CoC) was formed and continues to provide a service to the homeless community in an attempt to strategically end homelessness. The CoC receives both federal and state funding to support and sustain those objectives. City staff actively participates in the CoC as co-chair, the Executive Committee, and planning activities.

The CoC receives annual allocations of Emergency Solutions Grants (ESG) from the Michigan Housing Development Authority (MSHDA). The CoC allocated \$186,998 in 2012-2013 ESG funding through September 30, 2013 as follows:

- \$10,350 to CAA to serve as Grant Fiduciary.
- \$34,400 to CAA to serve as the Housing Assessment and Resource Agency.
- \$54,232 to CAA to provide utility arrearage financial assistance, short term rental arrearages, and rapid re-housing short term rental assistance.
- \$13,200 to Do'Chas II to provide essential services to youth aging out of foster care.
- \$2,018 to The Salvation Army for essential services case management.
- \$44,938 to AWARE, Inc. for operating expenses related to managing an emergency shelter for survivors of domestic violence and sexual assault and essential services case management.
- \$7,500 to the CoC for subcontracting for Exhibit 1 preparation and Point in Time count services.

MSHDA provided the CoC with a second round of 2011-2012 ESG funding in the amount of \$123,744 for the period of September 1, 2012 through August 31, 2013, which was allocated as follows:

- \$74,247 to CAA for re-housing assistance.
- \$18,562 to CAA for re-housing case management.
- \$14,849 to CAA for prevention assistance.
- \$3,712 to CAA for prevention case management.
- \$3,712 to CAA for HMIS.
- \$8,662 to CAA for administrative costs.

ESG funding of \$186,998 for October 1, 2012 through September 30, 2013 was allocated as follows:

- \$50,000 to AWARE, Inc. for shelter expenses.
- \$22,931 to Do'Chas II for street outreach.
- \$61,900 to CAA for prevention assistance.
- \$24,120 to CAA for re-housing assistance.
- \$9,349 to CAA for a CoC Coordinator.
- \$5,609 to CAA for HMIS.
- \$13,089 to CAA for administrative costs.

In January 2013, the Jackson CoC applied for \$816,872 from HUD in CoC renewal funding for the supportive housing programs listed in the table below. On March 13, 2013, HUD announced funding awards to renew existing grants that were listed as "Tier 1" in the FY2012 Continuum of Care Program Competition. HUD included a ranking process in the FY2012 NOFA that required CoCs to prioritize projects into two tiers—one that was relatively safe (Tier 1) and one that was potentially at risk (Tier 2)—and prepare for the possibility of a 3.5% reduction from their Annual Renewal Demand (ARD).

Project Name	Type of Project	Beds	Applied For	Received
Garfield Square	Transitional Housing	38	\$193,870	\$193,870
Housing Assistance Program (HAP)	Transitional Housing	63	\$274,402	\$274,402
Mechanic Street – Partnership Park	Permanent Supportive Housing	11	\$57,200	\$59,306
TTI Leasing I	Permanent Supportive Housing	47	\$120,395	\$119,234
TTI Leasing II	Permanent Supportive Housing	29	\$115,026	\$124,302
HMIS	HMIS	n/a	\$55,979	n/a

A second award announcement will include the results for the remaining projects submitted by CoCs in the FY2012 CoC Program Competition, including new projects, Tier 2 renewal projects, and CoC planning funds.

Supportive housing programs develop housing and related supportive services for persons moving from homelessness to independent living. Program funds are to be used to assist homeless people live in a stable place, increase their skills or income, and gain more control over the decisions that affect their lives. Supportive Housing Program funding from HUD is utilized by CAA, Aware, Inc. (in partnership with CAA) and Training and Treatment Innovations (TTI). The renewal grant will allow CAA to continue its two transitional housing programs, which help residents pay for rent for up to two years, and for continued support of five housing units for homeless families in the Partnership Park neighborhood. All three programs assist approximately 60 families per year. A portion of CAA's funding also supports required data collection and reporting through the Homeless Management Information System (HMIS). TTI's

grant funding supports its two leasing assistance programs. In addition to renewal funding, HUD also allowed the CoC to apply for a planning grant in the amount of \$10,211. If received, the CoC will use the planning grant funds to bring the CoC's practice, governance, and structure into compliance with the new HEARTH Act requirements.

On January 23, 2013, the CoC conducted the biennial Point in Time (PIT) count with the following results:

Information collected is still being tallied and will be inserted in the Action Plan submitted to HUD if available.

Preliminary count: 110 sheltered households, 48 unsheltered households.

Following is the most recent information regarding shelter providers in the City:

2012 Continuum of Care Housing Inventory Chart

Emergency Shelters

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
AWARE, Inc.	AWARE, Inc.	6	22	8	30
Jackson Interfaith Shelter	Jackson Interfaith Shelter	9	45	32	77
Total:		15	67	40	107

Transitional Housing

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
AWARE, Inc.	Transitional Housing	19	41	3	44
CAA	HAP, Garfield	23	95	2	97
Do'Chas II	Transitional Housing	5	5	0	5
MPRI	Rental Assistance	0	0	25	25
Total:		47	141	30	171

Permanent Supportive Housing

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
CAA	Partnership Park	5	14	0	14
TTI	TTI	4	9	11	20
Total:		9	23	11	34

Antipoverty Strategy

The 2009-2011 American Community Survey Table DP03: Selected Economic Characteristics reported 25.2% of all families and 31.5% of all people in the City of Jackson were at or below the federal poverty level. The table also provides the following estimated data regarding poverty of families and people whose income in the past 12 months is below the poverty level:

Subject	% Below Poverty
All Families	25.2%
With Related Children Under 18 Years	36.4%
With Related Children Under 5 Years	44.8%
Married Couple Families	12.0%
With Related Children Under 18 Years	18.0%
With Related Children Under 5 Years	9.7%
Families With Female Householder, no Husband Present	44.1%
With Related Children Under 18 Years	57.1%
With Related Children Under 5 Years	82.0%
RACE	
White	24.6%
Black or African American	47.8%
Two or more races	50.5%
EDUCATIONAL ATTAINMENT	
Population 25 years and over	24.5%
Less than high school graduate	45.2%
High school graduate (includes equivalency)	27.5%
Some college, associate's degree	20.0%
Bachelor's degree or higher	5.9%
EMPLOYMENT STATUS	
Civilian labor force 16 years and over	19.3%
Employed	11.4%
Male	10.1%
Female	12.5%
Unemployed	48.0%
Male	39.8%
Female	58.1%
WORK EXPERIENCE	
Population 16 years and over	27.2%
Worked full-time, year round in the past 12 months	4.2%
Worked part-time or part-year in the past 12 months	24.4%
Did not work	43.3%
Unrelated individuals for whom poverty status is determined	40.5%
Male	40.9%
Female	40.1%
Worked full-time, year round in the past 12 months	1.7%
Worked part-time or part-year in the past 12 months	44.8%
Did not work	56.8%

The City of Jackson has neither the resources nor facilities to carry out programs directly targeted at reducing the number of households at or below the poverty level. However, through the use of CDBG and HOME funds, the City offers services and programs to assist its low- and moderate-income residents:

Emergency Hazard (CDBG only) – low- to moderate-income homeowners may apply for 20 year deferred loans up to \$10,000 at zero percent (0%) interest to expeditiously correct hazardous conditions, such as a leaking roof during the rainy season, a furnace in the winter, a water heater, sewer backups, etc.

Homeowner Rehabilitation (CDBG/HOME) – most homeowner rehabilitation will be accomplished with HOME funds as CDBG funds dwindle and are available for neighborhood projects other than rehabilitation. Currently the City offers \$20,000 loans to correct housing code violations to low- and moderate-income homeowners at zero percent (0%) interest and deferred for 20 years. Loans to correct lead-based paint issues have no maximum and are forgivable over a five (5) year period.

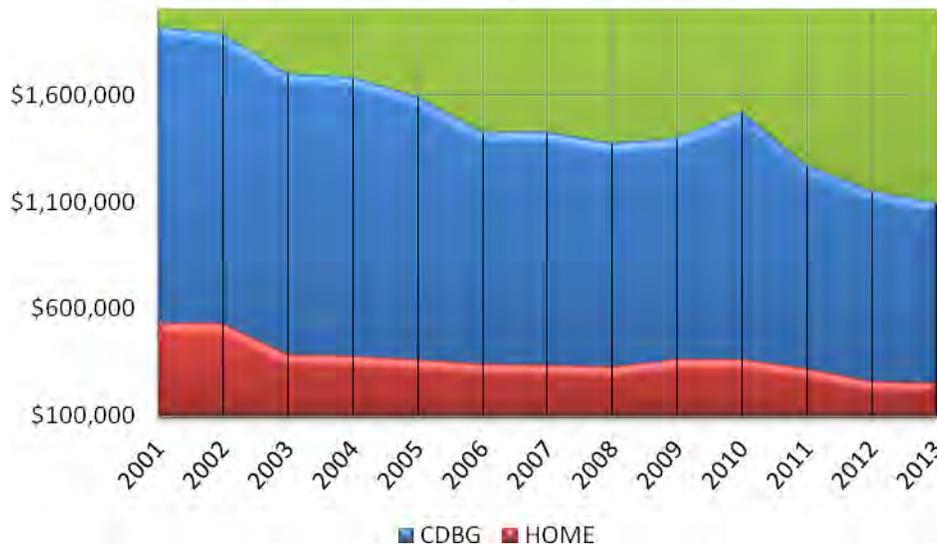
Homebuyer Rehabilitation (HOME) – the tactical acquisition and rehabilitation of vacant homes to be sold to low- to medium-income homeowners will be the activity of choice for the Department of Neighborhood & Economic Operations and the City's CHDO, CAA. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family.

These local efforts, backed by extremely limited funds, are unlikely to have a significant impact in reducing the number of individuals and families living below poverty level. However, with thoughtful consideration of complementary activities to other programs available in the community, a collaborative effort among all service providers may provide more significant, measurable progress to reducing poverty rates in the City.

Program Specific Requirements

Program Year 2013 is especially challenging for the City of Jackson with the drastic reduction in both CDBG and HOME formula allocations received from HUD. The City will receive 43% fewer CDBG dollars and over 52% less in HOME funds than it did in 2001. However, reductions in grant allocations have been most severe since 2010 with the City losing over 28% of its CDBG allocation and over 30% of its HOME allocation. Grant funding is at the lowest levels the City has seen, which required City leaders to make difficult but necessary cuts to community services.

Annual CDBG/HOME Formula Allocations



Community Development Block Grant

HUD has allocated \$1,090,554 (estimate) in CDBG funds to the City; coupled with \$75,000 in anticipated program income, the 2013-2014 budget is established at \$1,165,554 (estimate). Even though the City's CDBG program will look different from a social services standpoint, Jackson still anticipates no less than 70% of the grant funding will be used for activities that provide a benefit to low- and moderate-income persons.

Outcome/Objective Legend			
	Availability/ Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Public Service

Project: King Center Summer Youth Program Agency: Parks & Recreation Department	Target Area CT 11	Total Funding \$45,500
Output: Provide youth a broader view of new experiences, cultural experiences and educational components		Planned Units 400
Indicator: Number of persons assisted with improved access to a service		400
HUD Outcome/Objective: (SL-1) Availability for the purposes of Suitable Living Environment (05D Youth Services 570.201(e), LMC, 01 People)		

Total Allocation to Public Services: \$45,500

CDBG regulations place a 15% cap on the amount of funding that can be obligated to public service activities. In order to financially Jackson's Overall Economic Stabilization (JOES) program to provide the most prompt impact to the City's economic recovery, City Council determined it would only be able to sustain one project under the public services cap. The King Center Summer Youth Program is a City-sponsored youth program proven to be extremely successful and beneficial to approximately 400 low- and moderate-income City youths. Participants are exposed to cultural and educational field trips, summer reading, life skills learning, and free health and hygiene services. In addition, breakfasts and lunches are provided to the participants, and over 30 college and high school students receive work experience, mentoring and job training while assisting with the program.

Administration and Planning

Project: Administration and Planning Agency: Department of Neighborhood & Economic Operations	Target Area n/a	Total Funding \$46,700
Output: Administration and planning of the CDBG program		Planned Units n/a
Indicator: none required		
HUD Outcome/Objective: 21A General Program Administration 570.206		

Total Allocation to Administration and Planning: \$46,700

Under CDBG regulations, costs charged to administrative and planning are subject to a statutory 20% cap. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting and evaluation. Planning costs would include, but are not limited to, studies, analysis, data gathering, preparation of plans, and identification of actions that will implement plans.

Other Projects

Project: Code Enforcement Agency: Department of Neighborhood & Economic Operations	Target Area Eligible CDBG areas City-wide	Total Funding \$422,000
Output: Improved neighborhoods and properties		Planned Units 4,000
Indicator: Number of blight ordinance violations cited, rental inspections conducted, or LMI households assisted		4,000
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Condition (15 Code Enforcement 570.202(c), LMA, other)		

Project: Neighborhood Economic Stabilization – Demolitions Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$155,000
Output: Demolish vacant, abandoned, severely blighted, and dilapidated housing		Planned Units 30
Indicator: Number of dilapidated residential structures removed		30
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Environment (4 Clearance and Demolition) 570.201(d), LMA, Other)		
Project: Residential Rehabilitation Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$401,000
Output: Improved housing conditions		Planned Units 30
Indicator: Number of LMI households assisted		30
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14A Rehab; Single-Unit Residential 570.202, LMH, 10 Housing Units)		
Project: Historic Preservation Agency: Department of Neighborhood & Economic Operations	Target Area 407 W Michigan	Total Funding \$20,354
Output: Increase range of housing options and related services for persons with special needs		Planned Units 1
Indicator: Preservation of historic structure for continued use		1
HUD Outcome/Objective: (EO-3) Sustainability for the purpose of providing services (16B Non-residential historic preservation 570.202(d), LMC, 01 People)		
Project: Code Enforcement Agency: City Attorney's Office	Target Area CDBG-eligible areas	Total Funding \$22,000
Output: Legal support to Department of Neighborhood & Economic Operations to improve neighborhoods and properties		Planned Units 350
Indicator: Number of citations receiving benefit of prosecutorial service or contract reviews		350
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Condition (15 Code Enforcement 570.202(c), LMA, other)		
Project: Tree Planting Agency: Department of Public Works	Target Area CDBG-eligible areas	Total Funding \$15,000
Output: Improve accessibility for disabled and elderly residents		Planned Units 75
Indicator: Number of sidewalks with improved accessibility		75
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Environment (03N Tree Planting 570.201(c), LMA, 11 Public Facilities)		
Project: Handicap Curb Ramps Agency: Department of Public Works	Target Area City-wide	Total Funding \$40,000
Output: Improve accessibility for disabled and elderly residents		Planned Units 10
Indicator: Number of sidewalks with improved accessibility		10
HUD Outcome/Objective: (SL-1) Accessibility for the purpose of Suitable Living Environment (03L Sidewalks 570.201(c), LMA, 11 Public Facilities)		

Total Allocation to Other Projects: \$1,053,000

The key focus of the City Manager, Mayor and City Council continues to be demolition of dilapidated housing. While CDBG disbursements for this activity are limited to 30% of the annual grant expenditure, the City has been able to leverage additional private and public funds. During Fiscal Year 2012-2013, the following funds were obligated toward demolition:

Funding Source	Amount	Restrictions
General Fund	\$500,000	None
Community Development Block Grant	494,924	Subject to a 30% cap per year
Water/Sewer Funds	1,440	Water disconnect
NSP1 Grant Plus Program Income	177,238	Limited to NSP Target Neighborhood

In addition to CDBG, continuing financial support for this program during 2013-2014 will also include appropriations from the City's General Fund and Water/Sewer funds. City staff seeks and applies for appropriate funding to also support the demolition program when such funds are made available. As financial support for this demolition endeavor has grown, the impact on the community is beginning to be realized.

Structure Type	Calendar Year		
	2011	2012	2013*
Residential Structures	14	88	36
Commercial Structures	2	8	1
Garages only	9	25	4
Accessory**	6	5	2
Funding Source			
Public	10	87	34
Private	21	39	9

*January 1, 2013 – March 16, 2013

**Accessory may mean sheds, porches, decks, walls, etc.

City Council also chose to select a historic preservation project based on prior year applications received for CDBG assistance. The site selected, 407 W Michigan Avenue, houses the non-profit organization, Home of New Vision. The first floor of this historic structure accommodates the Jackson Recovery Resource Center, providing community case management and peer recovery supports, support group meetings, sober social events and similar activities to person recovering from addictions. In addition to serving persons voluntarily seeking help to recover from addictions, the Home of New Vision also partners with the local Recovery Court to provide services to persons mandated to participate in addictions counseling and services. Three apartments exist on the second floor which the Home of New Vision leases to persons in recovery at very affordable rates.

Often referred to as the "Merriman House," 407 W Michigan Avenue meets the definition of "Historic Properties" as it is listed in the local inventory of historic places and is designated in Chapter 13, Historic Preservation, of the City of Jackson Code of Ordinances, Section 13-22, as part of the "Under the Oaks Historic District." This structure is historically significant to Jackson as Ella W. Merriman Sharp resided there for a time during her youth and later retained the house her mother had purchased. Upon her death in November 1912, Ella W. Sharp bequeathed not less than 400 acres of her Hillside Farm to the City of Jackson to be converted

into a public park. Known as the Ella W. Sharp Park (or Sharp Park), the park and museum covers 562 acres on the southern edge of the City of Jackson, offering residents and visitors a variety of activities for all ages. The *Jackson Citizen Patriot* published an article in 1976 about the house, which contained the following information:

From the entries on the abstract for the property the Hopkinses believe the home was built during the Civil War. J. Eaton was the owner in 1860 when the value on the abstract was recorded at \$100. The next entry dated 1865 lists F. A. Webster as the owner and the value at \$4,000, indicating to the present owners [Hopkins] that the house was built between those dates.

In addition to the CDBG formula allocation to be received from HUD, the City anticipates generating program income in FY 2013-14 as follows:

Activity	Program Income
Penalties from non-payment of code enforcement fees	\$ 600
Rehabilitation deferred loan repayments	2,500
HOME Administration	25,400
EDI loan repayments	15,750
Code enforcement fees	30,000
Miscellaneous program income	750
Total estimate program income	<u><u>\$75,000</u></u>

Program income is defined as the gross income directly generated from the use of CDBG or HOME funds.

HOME

The City of Jackson controls the resale of homebuyer property during the period of affordability using the recapture option as follows:

- 1) Should a homebuyer receiving a direct HOME subsidy in the amount of \$5,000 or less sell the property during the affordability period, repayment of the entire direct HOME subsidy will be triggered.
- 2) Should a homebuyer receiving a direct HOME subsidy in excess of \$5,000 sell the property during the affordability period, repayment of the direct HOME subsidy will be directly tied to the length of time the homebuyer has occupied the home in relation to the period of affordability.

If there are no net proceeds from the sale or the net proceeds are insufficient to repay the HOME subsidy due, the City will recapture the amount of the net proceeds, if any. Recaptured funds will be used for any HOME-eligible activity. The homeowner will receive a return on investment only if there are remaining net proceeds from the sale after payment of all outstanding mortgages, including the HOME mortgage and closing costs.

Jackson City Council made the following 2013-2014 HOME allocations:

Project: Acquisition/Rehabilitation/Resale Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$179,619
		Planned Units
Output: Improved housing conditions		3
Indicator: Number of LMI households assisted		3
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14A Rehab; Single-Unit Residential 570.202, LMH, 10 Housing Units)		

Project: Administration Agency: Department of Neighborhood & Economic Operations	Target Area n/a	Total Funding \$25,400
		Planned Units
Output: Administration of the HOME program		n/a
Indicator: none required		
HUD Outcome/Objective: 21A General Program Administration 570.206		

Project: Acquisition/Rehabilitation/Resale Agency: Community Action Agency (CHDO Reserve)	Target Area City-wide	Total Funding \$40,000
		Planned Units
Output: Improved housing conditions		1
Indicator: Number of LMI households assisted		1
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14G Acquisition for Rehabilitation 570.202, LMH, 10 Housing Units)		

Project: CHDO Operating Expenses Agency: Community Action Agency	Target Area n/a	Total Funding \$12,500
		Planned Units
Output: Operating expenses related to CHDO activities		n/a
Indicator: none required		
HUD Outcome/Objective:		

Total HOME Allocations: \$254,519

These allocations were made with the following regulatory program thresholds in mind:

Activity	Threshold	Funding
Administration	No more than 10% of annual allocation	\$25,451
CHDO Set-Aside	No less than 15% of annual allocation	\$38,178
CHDO Operating Expenses	No more than 5% of annual allocation	\$12,725

Jackson's CHDO, Community Action Agency (CAA), and Department of Neighborhood & Economic Operations staffs will collaborate to strategically acquire and rehabilitate vacant homes to be sold to low- to moderate-income homebuyers. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family. The *Consolidated and Further Continuing Appropriations Act of 2012* (PL 112-55) imposes new statutory requirements on HOME-assisted projects, including the following:

Four-Year Project Completion Deadline – projects must be completed and ready for occupancy within four (4) years of the date the written agreement is executed.

Project Certification: Assessment of Project Underwriting, Developer Capacity, and Market Need – before executing a legally binding written agreement, the City must conduct an underwriting review, assess the developer's capacity and fiscal soundness, and examine neighborhood market conditions to ensure adequate need for the project.

Deadline for Sale of Homebuyer Units – the City must convert all homebuyer units that have not been sold to a homebuyer within six (6) months of construction completion to HOME rental units, or repay the HOME investment.

CHDO Development Capacity – the City may not reserve HOME funds to a CHDO unless it has determined that the CHDO has sufficient staff and demonstrated development experience.

A change of focus in the expenditure of HOME funds was also arrived at by City leaders. Instead of random home owner rehabilitation, Jackson will systematically select modest housing to acquire in transitional neighborhoods to rehabilitate and offer to low- to moderate-income families for purchase. City officials believe that integrating protected classes and low- to moderate-income families into more financially viable areas of the City rather than relegating these families to already significantly depressed neighborhoods will provide improved access and opportunities for the middle class and those aspiring to join the middle class. Controlling the location of rehabilitation projects through acquisition will also further the goals of Jackson's Overall Economic Stabilization program.

Administration fees will be used as program income for the CDBG program and become part of the CDBG budget. The City does not intend to use HOME funds to refinance existing debt secured by multi-family housing, nor provide Tenant-Based Rental Assistance. Proposed projects will not contain five or more HOME-assisted housing units.

Outreach to Minority and Women-Owned Businesses

Unlike large cities that may have many women- and minority-owned businesses to work with, the City of Jackson has limited resources from which to pull from. The City has an approved bidders list of general contractors from which it solicits rehabilitation bids; currently, the approved bidders list has one woman-owned and two minority-owned businesses. Plans are in place to expand the approved bidders list by advertising its existence in surrounding counties and encouraging general contractors to apply. The Department of Neighborhood & Economic Operations hopes this advertising campaign will increase the number of qualified general contractors and attract additional women- and minority-owned businesses to apply to be on the list.

With other construction projects, such as street reconstruction, the City's Purchasing Department advertises in trade journals, the local newspaper, and on the City's website. Purchasing also maintains a database of approximately 200 entities that have registered to receive project notifications via e-mail; each time a new project is added to the website, an e-mail blast is sent out announcing the request for bids. Purchasing also utilizes the State of Michigan's website to send e-mail or postcard notifications to disadvantaged businesses.

Jackson follows the procurement standards outlined in 24 CFR 85.36. All procurement transactions are conducted in a manner providing full and open competition. The sealed bid

process is utilized for all construction projects, including rehabilitation, outlined under 85.36(d)(2). The City does not discriminate against a business or bidder with respect to soliciting, evaluating, and awarding bids on the basis of race, sex, sexual orientation, color, ethnicity, or national origin.

Housing Opportunities for Persons with AIDS (HOPWA)

The City of Jackson does not receive HOPWA funding.

Emergency Solutions Grant (ESG)

The City of Jackson does not receive ESG funding; however, ESG funding is provided by the Michigan State Housing Development Authority to the Jackson County Continuum of Care.

Substantial Amendment

Reprogramming of Funds

A financial assessment of CDBG funds determined the need to reprogram funds from activities that were:

- Completed, but have fund balances that cannot be spent;
- Not completed, but the project is no longer in operation; or,
- Unable to get the activity started.

A substantial amendment to reprogram funds from previous year Action Plans is required as follows:

Subrecipient	Original Award	Remaining Balance
Program Year 2009		
Job Creation Loan Payments	n/a	\$ 13,431
Denied Loans	\$ 1,000	697
Special Assessments	22,718	19,622
Program Year 2010		
Wilkins – Jackson to Williams	103,000	9,401
Wilkins – Williams to Mechanic	106,000	106,000
Special Assessments	10,000	10,000
Job Creation	50,000	50,000
Demo – Engineering 212 W Michigan	38,000	38,000
Program Year 2011		
World Changers	40,000	37,695
Biddle – Jackson to Williams	53,000	53,000
Program Year 2012		
World Changers	40,000	40,000
Total CDBG	\$463,718	\$377,846

A total of \$377,846 will be reprogrammed to support the following activities:

Project	Amount	Status
Parks, Recreational Facilities	\$235,000	New activity
Sidewalk Replacement – Downtown	40,000	New activity
Tree Replacement	25,000	Additional Funding
City Housing Initiative	77,846	New Activity
Total:	\$377,8460	



CITY CLERK'S OFFICE
Lynn Fessel, City Clerk

CITY COUNCIL MEETING
March 26, 2012

DATE: March 19, 2012

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Lynn Fessel, City Clerk 

SUBJECT: Establishment of Public Hearing of Necessity for Street
Construction on Fourth Street from Audubon Avenue to Griswold
Street

**ESTABLISHMENT OF APRIL 9, 2013, AT THE CITY COUNCIL MEETING, AS
THE TIME AND PLACE TO HOLD A PUBLIC HEARING OF NECESSITY FOR
STREET CONSTRUCTION ON FOURTH STREET FROM AUDUBON AVENUE
TO GRISWOLD STREET**

At the March 12, 2013, City Council meeting, the Council received the subject City Engineer's report and established a March 26, 2013, public hearing date. The ordinance governing special assessments requires that a notice be sent to affected property owners and a notice be placed in the Jackson Citizen Patriot announcing this public hearing date. I was unable to prepare these documents to meet the required 10-day deadline and respectfully request that a new public hearing date of April 9 be established. If Council establishes this revised date, letters will be mailed to affected property owners and a notice will be sent to the Jackson Citizen Patriot on March 27. Thank you.

C: City Manager
City Engineer



CITY CLERK'S OFFICE
Lynn Fessel, City Clerk

CITY COUNCIL MEETING
March 26, 2012

DATE: March 19, 2012

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Lynn Fessel, City Clerk 

SUBJECT: Establishment of Public Hearing of Necessity for Street
Construction on Webster Street from Oakdale Avenue to Elmwood
Street

**ESTABLISHMENT OF APRIL 9, 2013, AT THE CITY COUNCIL MEETING, AS
THE TIME AND PLACE TO HOLD A PUBLIC HEARING OF NECESSITY FOR
STREET CONSTRUCTION ON WEBSTER STREET FROM OAKDALE
AVENUE TO ELMWOOD STREET**

At the March 12, 2013, City Council meeting, the Council received the subject City Engineer's report and established a March 26, 2013, public hearing date. The ordinance governing special assessments requires that a notice be sent to affected property owners and a notice be placed in the Jackson Citizen Patriot announcing this public hearing date. I was unable to prepare these documents to meet the required 10-day deadline and respectfully request that a new public hearing date of April 9 be established. If Council establishes this revised date, letters will be mailed to affected property owners and a notice will be sent to the Jackson Citizen Patriot on March 27. Thank you.

C: City Manager
City Engineer



Neighborhood & Economic Operations Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303
Phone (517) 788-4060 • Facsimile (517) 780-4781

CITY COUNCIL MEETING MARCH 26, 2013

MEMO TO: Honorable Mayor Griffin & City Councilmembers

FROM: City of Jackson Planning Commission
Patrick Burtch, City Manager
Barry Hicks, AICP, Planning Director

PHS
BH

DATE: March 20, 2013

SUBJECT: Public hearing on the request for a text amendment to the City's Zoning Ordinance, City Code, Chapter 28, revising Article VII regarding the administration and enforcement of Chapter 28. The amendments include the addition of definitions to Section 28-5.

RECOMMENDATION FROM THE PLANNING COMMISSION:

To approve an ordinance revising Article VII (Zoning Administration and Enforcement) to Chapter 28 (Zoning) and amending Section 28-5 (definitions) to accommodate the proposed revisions on the next regular Council agenda for a public hearing and consideration [*Planning Commission and staff recommends approval*].

During their March 6, 2013 regular meeting, the Planning Commission considered a total revision to Article VII (Zoning Administration and Enforcement) and the addition of definitions to Section 28-5 (Definitions) to accommodate the proposed revisions. The Planning Commission reviewed and considered these revisions and is recommending that Council adopt them as proposed.

The following is a summary of salient points:

- The roles and responsibilities of the Zoning Administrator are defined.
- The permitting and certification process for zoning compliance are defined and City Council is granted the ability to establish fees, per resolution, for zoning permits.
- The Zoning Administrator is given authority to enter into development agreements for projects that do not exceed \$2 million which would allow applicants to phase their developments in over time. Development agreements for projects exceeding \$2 million would require consideration before City Council.
- The process for enforcement and proceedings before the Administrative Hearings Bureau is tied into the Zoning Ordinance.

Att': Proposed Ordinance
Public Notice

ORDINANCE 2013.____

An Ordinance amending Chapter 28 of the Code of Ordinances, City of Jackson, Michigan to replace Article VII., which deals the Administration and Enforcement of the Zoning Ordinance, and adding select definitions to Section 28-5.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. Purpose.

To revise the procedures for the administration and enforcement of Chapter 28, thereby making it easier to administer the Zoning Ordinance while protecting the health, safety, and general welfare of the residents and business owners of the community.

Section 2. That Article I of Chapter 28 of the Code of Ordinances, City of Jackson, Michigan be amended include the following definition(s):

ARTICLE I. IN GENERAL

...

Section 28-5. Definitions.

...

Zoning Administrator means the staff person employed by the City of Jackson, or such other person who has authority via appointment to the position of Zoning Administrator, and any additional positions which have been designated by the Zoning Administrator to exercise the functions of this Chapter.

Zoning compliance certificate means a certificate issued by the Zoning Administrator which recognizes that the holder of a zoning permit has developed the intended use, building, or structure in full compliance with the requirements of this Chapter at the time the certificate is issued.

Zoning permit means a permit issued by the Zoning Administrator which authorizes the recipient to use or occupy a tract of land or a structure; or to erect, alter or install a structure which fully meets the requirements of this Chapter.

Section 3. That Article VII of Chapter 28 of the Code of Ordinances, City of Jackson, Michigan be replaced to read as follows:

ARTICLE VII. ADMINISTRATION AND ENFORCEMENT

Section 28-206. Creation of the office of Zoning Administrator.

(a) The office of the Zoning Administrator is hereby established. In all instances throughout this Chapter, where the term “Zoning Administrator” is used, it is assumed that the Zoning

Administrator may appoint a “designee” for the purposes of its interpretation, administration, and enforcement.

Section 28-207. Duties of the Zoning Administrator.

- (a) The provisions of this Chapter are administered and enforced by the Zoning Administrator.
- (b) The Zoning Administrator has the right to enter any building or premises for the purpose of investigation or inspection.
- (c) The Zoning Administrator has the authority to interpret the provisions of Chapter 28, but at all times reserves the right to forward that right to the Zoning Board of Appeals.
- (d) The Zoning Administrator has the power to grant certificates of zoning compliance; to make inspections of buildings or premises necessary to carry out duties in the enforcement of this Chapter; and to interpret the provisions of this Chapter.
- (e) If the Zoning Administrator finds that any of the provisions of this Chapter are being violated, the person responsible will be notified in writing of the violation(s), indicating the nature of the violation(s), and ordering the necessary corrective action(s). The Zoning Administrator will order the discontinuance of illegal use(s) of land, buildings, or structures; the removal of illegal buildings or structures; the discontinuance of any illegal work being done; or may take any other action authorized by this Chapter to ensure compliance with, or to prevent the violation of, its provisions.
- (e) The Zoning Administrator will issue the applicable certificate, license, or permit when the applicant complies with all applicable regulations of this Chapter even though violations of contracts, such as covenants or private agreements, may occur upon the issuance of such certificate or permit.
- (f) The Zoning Administrator will issue a zoning compliance certificate when a building, structure or premises conforms with all the requirements of this Chapter. A zoning compliance certificate is required before a certificate of occupancy may be issued. No land will be used or occupied and no structure will be erected, altered or used hereafter until a zoning compliance certificate is issued by the Zoning Administrator.

Section 28-208. Cooperation with other departments.

The Zoning Administrator will furnish to the various City departments, officials, or employees vested with the duty or authority to issue permits or licenses, the information needed for proper administration of this Chapter. It will be the duty of the departments, officers and employees to cooperate with the Zoning Administrator. Any permit or license issued by such departments, officials, or employees in conflict with the provisions of this Chapter will be null and void.

Section 28-209. Certificate of occupancy.

Certificate Required. A certificate of occupancy will not be issued until the Zoning Administrator issues a zoning compliance certificate. Site inspection may be necessary prior to issuance of a zoning compliance certificate. Certificates of occupancy are required by Chapter 5 (Buildings and Building Regulations) of this Code for new buildings or structures or parts thereof, or for alterations to existing buildings or structures. Any person who uses, occupies, or permits the use of a building or structure

without a zoning compliance certificate and a certificate of occupancy, when applicable, will be in violation of this Chapter or Chapter 5 punishable under Chapter 2.5 (Administrative Hearings Bureau) of this Code.

Section 28-210. Zoning permit.

(a) *Issuance of Certificate.* The Zoning Administrator shall issue a zoning compliance certificate when a building, structure or premises conforms with all the requirements of this chapter. A zoning compliance certificate is required before a certificate of occupancy may be issued. No land shall be used or occupied and no structure shall be designed, erected, altered or used hereafter until a zoning compliance certificate is issued by the Zoning Administrator.

(b) *Permits Required:* It is unlawful for any person or entity to commence excavation for or construction of any building or structure or commence the structural alteration, or repair of any existing building without first obtaining a zoning compliance permit from the Zoning Administrator and building permit, as applicable, from the Building Official. No permit will be issued for the construction, alteration, or repair of any building or structure until an application has been submitted in accordance with the provisions of this Chapter showing that the construction proposed is in compliance with the provisions of this Chapter, with Chapter 5 (Building Regulations), and with other applicable ordinances.

"Alteration" or "repair" of an existing building or structure, includes any changes in structural members, stairways, basic construction type, kind or class of occupancy, light or ventilation, means of egress or ingress, or any other changes affecting or regulated by Chapter 5, Chapter 14, various construction codes, or this Chapter except for minor repairs or changes not involving any of the aforesaid provisions.

(c) *Applicability:* The types of buildings, structures, and uses subject to a zoning permit include, but are not limited to the following: external modifications/additions that require a building permit (including temporary dwellings), changes of use, landscape modifications, one-story detached accessory structures of less than two-hundred (200) sq. ft., fences/walls/protective barriers, sidewalks, driveways, and off-street parking/loading areas, and lighting.

(d) *Zoning Permit:* The zoning permit signifies that in the opinion of the Zoning Administrator, the intended use, building, or structure complies with all provisions of this Chapter. When a building permit is required, such permit will not be issued unless the zoning permit has been issued. In all other cases in which a building permit is not required, the application for a zoning permit will be made prior to the date when construction or installation is intended to begin. Zoning permits may only be issued to the property owner(s) of record, or to an authorized representative(s) of the property owner of record.

(e) *Zoning Compliance Certificate:* The zoning compliance certificate signifies that, in the opinion of the Zoning Administrator, the intended use, building, or structure complies with the approved zoning permit and all provisions of this Chapter. The Building Official will not issue a certificate of occupancy for any lot, building, or structure without a zoning compliance certificate.

(1) *Temporary Zoning Compliance Certificate:* A temporary zoning compliance

certificate may be issued by the Zoning Administrator, with the following conditions when it is determined that the applicant, to the fullest extent possible, has complied with the approved zoning permit and all provisions of this Chapter.

(a) In the event that work cannot be completed as submitted on the approved zoning permit due to extraordinary circumstances that are not a result of the applicant's or property owner's own negligence or due to weather conditions which will not allow the work to be completed, the Zoning Administrator may issue a temporary zoning compliance certificate. The following provisions must be met:

(1) The Zoning Administrator will specify a date of expiration of the temporary zoning compliance certificate:

(a) For projects that do not exceed \$2,000,000, the Zoning Administrator may enter into a development agreement with the applicant which allows the project to be developed in phases over time. The agreement will include a site plan meeting the standards of Sec. 28-135 of this Chapter that denotes the phases of development and the proposed dates of completion for each phase. The City reserves the right to send any development agreement to City Council for consideration.

(b) For projects that exceed \$2,000,000, the City Council may enter into a development agreement with the applicant which allows the project to be developed in phases over time. The agreement will include a site plan meeting the standards of Sec. 28-135 of this Chapter that denotes the phases of development and the proposed dates of completion for each phase.

(2) The Zoning Administrator may require a performance guarantee for improvements in accordance with Sec. 28-165 of this Chapter.

(b) The applicant will have until the specified date(s) on the temporary zoning compliance certificate and/or development agreement to complete all work as approved on the zoning permit and in accordance with Chapter 28. In the event that:

(1) The Zoning Administrator determines that all work has been completed on or before the specified date for completion, a zoning compliance certificate will be issued.

(2) The Zoning Administrator determines that the applicant has failed to comply with the approved zoning permit or the requirements of this Chapter, the Zoning Administrator may revoke the temporary zoning compliance certificate.

(2) *Zoning Compliance Certificate:* A zoning compliance certificate will be issued by the Zoning Administrator when it is determined that the development is in

compliance with the approved zoning permit and all provisions of this Chapter.

- (f) Validity and Expiration: All zoning permits will be valid for a period of one (1) year (unless otherwise specified in this Chapter) or until a zoning compliance certificate is issued or a certificate of occupancy is issued by the Building Official. A zoning permit may be revoked at any time if the Zoning Administrator finds that the applicant is in violation of this Chapter or that the development is not in compliance with the approved zoning permit.
- (1) An applicant may request an extension of the zoning permit for up to one (1) additional year. The Zoning Administrator may grant an extension under the following circumstances:
- (a) The applicant must indicate the extraordinary condition(s) which justifies the need for the extension of the zoning permit.
- (b) The scale or complexity of the project will not reasonably permit the applicant to be able to complete the entire project within the permitted time-frame.
- (c) There are outstanding environmental conditions that are not the result of the applicant's own negligence that will require attention prior to the completion of the development of the site.
- (2) Should the holder of a zoning permit fail to complete the work for which the permit was issued within the time limit as set forth above, any unfinished structure is hereby declared a nuisance and may be abated by appropriate action before the Circuit Court of the County. The Zoning Administrator, the City Council, any person designated by the City Council, or any party aggrieved may institute an action to have the nuisance abated (See Section 605 of PA 110 of 2006, MCL 125.3605 et. Seq, as amended).
- (g) Submittal Requirements. An application for a zoning compliance permit will be accompanied by a plot site plan (PSP) or a full site plan (FSP) meeting the standards of Sec. 28-135 of this Chapter.

Section 28-211. Inspection.

The applicant will notify the Zoning Administrator when inspection is required. Certificates and permits will be issued within fifteen (15) business days after receipt of such application if the building or structure, or part thereof, or the use of land complies with the provisions of this Chapter. If issuance of such certificate is refused, the applicant therefore will be notified of such refusal and cause thereof, within the fifteen (15) business day period.

Section 28-212. Records.

- (a) The Zoning Administrator will maintain a record of all certificates and permits in accordance with Section 5 of the Michigan Historical Commission (PA 271 of 1913, MCL 399.5), as amended, Section 491 of the Michigan Penal Code (PA 328 of 1931, MCL 750.491), as amended, and the Retention and Disposal Schedule for Cities and Villages as maintained by the Michigan Department of Technology, Management and

Budget.

- (b) Said record must be open for public inspection in accordance with the Michigan's Freedom of Information Act (PA 442 of 1976, MCL 15.231 et. Seq) as amended.

Section 28-213. Fees.

- (a) The City Council will establish by resolution a schedule of fees for administering this Chapter. The schedule of fees will be posted on public display in the office of the Zoning Administrator.

- (b) The Zoning Administrator may reduce fees for projects that may require several approvals from various Boards and Commissions in the event there may be a cost savings to the City which can be passed on to the applicant. This includes:

- (1) Combined public notices when possible to reduce the number of mailings being sent.
- (2) Reviews of the same site plan which may require approval by more than one authority, but do not necessarily require separate reviews by the Zoning Administrator.

- (b) No certificate or permit will be issued unless required fees have been paid in full.

Section 28-214. Compliance with plans.

Zoning compliance certificates issued on the basis of plans and applications approved by the Zoning Administrator authorize only the use, arrangement, and construction set forth in such approved plans and applications, and no other use, arrangement, or construction. Use, arrangement, or construction which deviates from that authorized will be deemed a violation of this Chapter and punishable as provided by Section 28-216, herein.

Section 28-215. Methods of enforcement.

When any building or land is located, erected, constructed, reconstructed, enlarged, changed, maintained or used in violation of this Chapter, the Zoning Administrator will have the authority to do any of the following:

- (a) The Zoning Administrator may serve notice requiring the removal of any use in violation of this Chapter upon the owner, agent or tenant of the building or land, or upon the architect, builder, contractor or other person who commits or assists in any such violation.
- (b) The Zoning Administrator may call upon the City Attorney to institute any necessary legal proceedings to enforce the provisions of this Chapter, and the City Attorney is hereby authorized to institute appropriate actions to that end.
- (c) The Zoning Administrator may call upon the Chief of Police (or designee) to assist in the enforcement of this Chapter. In addition to the authority vested in the Zoning Administrator, the City Attorney and Chief of Police may institute appropriate legal proceedings to restrain, abate, or cause the correction or removal of any violation of this Chapter.

Section 28-216. Violations and penalties.

- (a) *Violations.* Violations will be issued by the Zoning Administrator.
- (b) *Penalties.* Any person, firm, or corporation violating any of the provisions of this Chapter, or any amendment thereto, is responsible for a blight violation and, upon adjudication thereof, is subject to the penalty provided for under Chapter 2.5 of this Code. Each and every day such violation is committed or permitted to continue is a separate offense and is punishable as such hereunder.
- (c) *Effective Date.* This amendment does not affect any existing litigation and does not abate any action or proceeding pending under or by virtue of this Chapter as it existed before this amendment if such litigation or proceeding was filed before May 9, 2013.
- (d) *Compliance Required.* The imposition of any fine will not exempt the violator from compliance with the provisions of this Chapter.
- (e) *Public Nuisance Per Se.* A use of land or a dwelling, building, or structure, including a tent or recreational vehicle, used, erected, altered, razed, or converted in violation of this Chapter or a regulation adopted under the authority of the Michigan Zoning Enabling Act (PA 110 of 2006, MCL 125.3101 et. seq) as amended, is a nuisance and may be abated by order of any court of competent jurisdiction.

Section 4. This Ordinance takes effect thirty (30) days from the date of adoption.



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Published in the Jackson Citizen Patriot on February 17, 2013

Notice of Public Hearing

The Jackson City Planning Commission and Jackson City Council will hold public hearings to consider text amendments to the City's planning and zoning ordinances. This notice was prepared and distributed in accordance with Sec. 103 of the Michigan Zoning Enabling Act (MCL 125.3103).

The request was made by:

The City of Jackson
161 W. Michigan Avenue
Jackson, MI 49201

The proposed text amendments:

The proposed amendments to the zoning ordinance (Chapter 28) is the revision of Article VII – Administration and Enforcement, Sections 28-206 through Sec. 28-216, which amends the establishment of the office of the Zoning Administrator and revises their authority and methods of enforcement. Amendments to Sec. 28-5 (Definitions) are also proposed for the purpose of maintaining common terminologies and standards throughout the City Code.

The reason for the text amendments:

The Zoning Administrator's responsibilities and authority needs to be revised to reflect the City's goals and vision to enforce development procedures and standards that are consistent and well defined.

The effect of adopting the text amendments:

The proposed amendments will clarify the Zoning Administrator's responsibilities and authority to work with applicants and to enforce the City's Zoning Ordinance.

The public hearings before the City Planning Commission and City Council will be held on:

Planning Commission – Wednesday, March 6, 2013 at 6:30 pm

City Council – Tuesday, March 26, 2013 at 6:30 pm

The meetings will be held in the

**City Hall Council Chambers, 2nd floor
161 W. Michigan Avenue**

Please contact Barry Hicks at (517) 768-6433 or bhicks@cityofjackson.org to view, ask questions about, or comment upon the proposed text amendments.

By: Barry Hicks, AICP
Planning Director



CITY CLERK'S OFFICE
Lynn Fessel, City Clerk

CITY COUNCIL MEETING
March 26, 2012

DATE: March 19, 2012

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Lynn Fessel, City Clerk 

SUBJECT: LOCC Recommendation – Mayor and City Council

**RECEIVE AND PLACE ON FILE THE SUPPLEMENTAL SALARY
RECOMMENDATION OF THE LOCAL OFFICERS COMPENSATION
COMMISSION (LOCC) DATED MARCH 19, 2013**

Attached please find the LOCC recommendation for salaries for the Mayor and City Councilmembers. These salaries will become effective unless rejected by a two-thirds vote of the City Council, within thirty (30) days of filing with the City Clerk's office. The original filing date was February 19, 2013, the revised filing date was February 27, 2013, and the supplemental filing date was March 19, 2013.

C: City Manager



City of Jackson

161 W. Michigan Ave. • Jackson, MI 49201-1303
(517) 788-4000 • Facsimile (517) 788-4630

MEMORANDUM
March 19, 2013

TO: Lynn Fessel, City Clerk
FROM: Local Officers Compensation Commission
RE: Elected Officials Salary Recommendation – Mayor and City Council

Madam Clerk:

The Local Officers Compensation Commission (LOCC) conducted a supplemental meeting on March 19, 2013 to review, at the request of City Council, its previous recommendation regarding salary increases for the Mayor and City Council members. After consideration and discussion, the LOCC voted to respectfully resubmit its original recommendation dated February 27, 2013.

Accordingly, I am attaching the LOCC's February 27, 2013 recommendation for your reconsideration.

Please place this item on the next available City Council Agenda.

Respectfully submitted,


Diane Cerqueira
Chair, LOCC

cc: Mayor and City Council
Patrick H. Burtch, City Manager
Julius A. Giglio, City Attorney
LOCC Members

RECEIVED
CITY of JACKSON
MAR 19 2013
CLERK'S OFFICE

BY _____



City of Jackson

161 W. Michigan Ave. • Jackson, MI 49201-1303
(517) 788-4000 • Facsimile (517) 788-4630

MEMORANDUM February 27, 2013

TO: Lynn Fessel, City Clerk

FROM: Local Officers Compensation Commission

RE: Elected Officials Salary Recommendation – Mayor and City Council

Madam Clerk:

The Local Officers Compensation Commission (LOCC) met on February 14, 2013 to conduct the required biennial review of salaries for local elected officials. After consideration and discussion (see below), the LOCC made a recommendation.

No raises were given to the Mayor or City Council in 2007. A \$350 increase for the Mayor and a \$250 increase for the City Council was given in 2008. No raises were given to the Mayor or City Council in 2009 or 2010. The Mayor's salary was decreased by \$600 in 2011 and no raise was given in 2012. The City Council's salary was decreased by \$400 in 2011 and no raise was given in 2012.

This year the LOCC recommends the following:

Since the Mayor and the City Council members are being compensated less than they were receiving in 2006 for their time and talent, the LOCC recommends that the current salary of the Mayor be increased by \$1,000 in 2013 and increased an additional \$1,000 in 2014, and the City Council members be increased by \$750 in 2013 and increased an additional \$750 in 2014.

These salaries will become effective, unless rejected by a two-thirds vote of the City Council, within thirty (30) days of filing with your office. Accordingly, please place this item on the next available City Council Agenda.

Respectfully submitted,

Diane Cerqueira
Chair, LOCC

cc: Mayor and City Council
Patrick H. Burtch, City Manager
Julius A. Giglio, City Attorney
LOCC Members



**CITY COUNCIL MEETING
March 26, 2013**

TO: Honorable Mayor and City Councilmembers
FROM: Matthew R. Heins
Chief of Police
SUBJECT: Southern Michigan Criminal Justice Training Consortium Agreement

Recommendation:

A. Authorization for the Mayor and City Clerk to execute the Southern Michigan Criminal Justice Training Consortium Agreement.

Attached is the renewal Agreement and Bylaws for the South Michigan Criminal Justice Training Consortium (SMCJTC). The consortium was established in 2005 as a voluntary, unincorporated association for the purpose of cooperatively providing joint training in police methods and investigative techniques. The SMCJTC is currently comprised of twenty-four regional law enforcement agencies. The Jackson Police Department serves as the consortium fiduciary agency.

Your consideration of this request is appreciated.

**SOUTHERN MICHIGAN CRIMINAL
JUSTICE TRAINING CONSORTIUM
AGREEMENT**

This Agreement is made this _____ day of March 2013 between the Agencies listed in Exhibit "A", or their controlling and governing bodies, all Michigan municipal corporations, (Municipalities) with reference to the following facts and circumstances:

- A. On a cooperative basis, the Municipalities seek to provide joint training in police methods and investigative techniques through an unincorporated association known as "Southern Michigan Criminal Justice Training Consortium," (Consortium).
- B. Jackson County Sheriff Office intends to provide the services of Coordinating Agency, in cooperation with the Municipalities, provided that the mutual responsibilities of the parties are established by agreement of the parties, as more fully set forth herein.
- C. The Municipalities, pursuant to authority granted under Michigan law or by charter, are authorized to enter into agreements for the provision of services such as that set forth herein, and are further authorized under the provisions of Act 35 of the Public Acts of 1951, as amended, MCLA 124.1 et seq., to arrange with other municipal corporations, by contract, or otherwise as may be permitted by law, for the ownership, operation, or performance, of any property, facility, or service which each would have the power to own, operate, or perform separately.
- D. Each signing Municipality desires to participate in the Consortium, in cooperation with the other participating Municipalities, and to provide funding for that participation.

NOW THEREFORE, as authorized by law, and in consideration of the mutual promises set forth herein, and for the other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows.

- 1. Duties of Coordinating Agency. Jackson County Sheriff Office, in cooperation with the participating Municipalities, will act as the Coordinating Agency for the Consortium for the purposes of establishing training programs and courses of instruction.
- 2. Duties of the Fiduciary Agency. The Jackson Police Department will act as the fiduciary for the Consortium for the purposes of providing financial services related to Consortium training.
- 3. Duties of Municipalities. The participating Municipalities, in return for the services to be provided under this Agreement, will use their best efforts to assist and facilitate the Consortium and to take part in the programs organized for the members.
- 4. Member Agency Fees. Each participating Municipality, in return for their services to be provided under this Agreement, agrees to member agency fees that are a percentage of each agency's annual PA 302 funding, according to the schedule and terms set forth in the attached Exhibit "B." The Consortium Board, with agreement of an affected municipality,

- may modify the payment schedule and terms. Changes in the percentage contribution in Exhibit "B" do not require execution of a new agreement with each member agency.
5. Suspension of PA 302 Disbursement Payments. The Board may suspend billing to member agencies in the event that the fund balance exceeds an amount desired by the Board. Suspension of payments shall be done by a majority vote of Board members.
 6. Adding New Member Agencies: New member agencies wishing to join the Consortium shall deliver a letter of intent to the Board. New member agencies shall be added by a majority vote of the Board, and their names shall be added to Exhibit "A". New member additions do not require execution of a new agreement with each member agency
 7. New Member Agency Fees. New member agencies will pay a full years' contribution to the Consortium, as described in (4) above, regardless of date joined.
 8. Operations of the Consortium. During the term of this Agreement, the Consortium will operate as an informal voluntary association according to the terms of the "By-Laws of the Southern Michigan Criminal Justice Training Consortium," which will be drafted, adopted, and amended (as necessary from time to time) by the Board of the Consortium. The chief administrative officer of the law enforcement agency for each participating Municipality, or his/her designee, has the responsibility and authority to participate in the day-to-day business activities of the Consortium, pursuant to the terms of the By-Laws.
 9. Participants Remain Employees/Agents of Employing Entity. An employee of a party, while participating in any activity of the Consortium, remains an employee of his or her employing entity at all times, and not an employee of the Consortium or any other participating entity. The employing entity remains solely responsible for the payment of all wages, fringe benefits, disability payments, and other similar payment and charges for each of its employees.
 10. Indemnification/Hold Harmless Clause. Each party bears the sole responsibility for the acts and omissions of its official, representative, volunteer, agent, or employee participating in any activity of the Consortium. Each participating Municipality must defend, indemnify, and hold each of the other Municipalities, except the Consortium, harmless from any costs and liability, including attorney's fees, caused by any negligent act or omission of the indemnifying party, or its official, representative, volunteer, agent or employee, occurring while acting within the scope of his or her duties and while performing under the terms of the By-Laws, this Agreement, or while participating in the activities of the Consortium. Nothing contained within this Agreement is intended or should be construed to provide third party beneficiary rights to any person or to create a cause of action in favor of such person.
 11. Non-Waiver of Governmental Immunity. In signing this Agreement the Municipalities do not waive their governmental immunity, or any defenses available to them or their officers, agents, or employees under the Michigan Governmental Immunity Act, being Act 170 of the Public Acts of 1964, as amended, MCLA 691.1401, et seq., or any other defenses which may be available to any of them under state or federal law, nor does this Agreement modify, or should be construed to modify, the privileges and immunities of law enforcement officers under Michigan law.

12. Insurance. At all times during the term of this Agreement each Municipality signing this Agreement must maintain
- a. Commercial general liability insurance for claims of bodily injury or property damage including liability coverage for the operations of their respective entities, departments, employees, officers, and agents while participating in the activities of the Consortium, with limits in an amount of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate;
 - b. Worker's Disability Compensation and employer liability insurance or self-insurance approval, as required by Michigan law; and
 - c. Automobile liability, bodily injury and property damage insurance including coverage for owned, non-owned, and hired motor vehicles, with limits of not less than \$1,000,000 for combined single limit and statutory "no fault" requirements.

Each party must furnish proof of any insurance coverage required by this section, upon reasonable written request, to any party of this Agreement.

13. Duration of Agreement. This Agreement begins on January 1, 2013 and ends on December 31, 2015 and may be renewed for three years periods thereafter as authorized by the individual Municipalities.
14. Extension of Agreement Duration. This agreement shall remain in effect for 60 calendar days after expiration. This extension exists so that the terms of the agreement may be reconsidered by the Board, and allows for future agreements to be executed.
15. Cancellation/Withdrawal From Consortium. This Agreement may be cancelled at any time by mutual written agreement of the parties. In addition, any party may withdraw from participation in the Consortium and cancel its participation under the terms of this Agreement on ninety (90) days prior written notice, served upon the Chairperson of the Consortium. Upon withdrawal and cancellation of participation, a withdrawing Municipality is entitled to a pro rata return of any funds paid under this Agreement, the amount of funds returned, if any, to be calculated through the effective date of such withdrawal and cancellation of participation. Withdrawal may not occur until all financial obligations of the withdrawing entity have been paid.
16. Amendments. The parties may amend this Agreement at any time by mutual written agreement, signed by the authorized representatives of the parties
17. Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but together constitutes one instrument.
18. Entire Agreement. This Agreement, the By-Laws, and the attached exhibits contain the entire agreement of the parties and supersede all prior understandings with respect to the Consortium.

Effective Date. This Agreement is effective as to each party when each respective Municipality approves the Agreement and authorizes its representatives to sign the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement,

BY: _____
Martin Griffin
Its: Mayor

BY: _____
Lynn Fessel
Its: City Clerk

EXHIBIT "A"

Member agencies are listed in this exhibit.

- Adrian City Police Department
- Adrian Charter Township Police Department
- Adrian Blissfield Rail Road Police Department
- Albion Police Department
- Blissfield Police Department
- Cambridge Township Police
- Clinton Police Department
- Columbia Township Police Department
- Concord Police Department
- Hudson Police Department
- Jackson County Sheriff's Office
- Jackson Police Department
- Jonesville Police Department
- Lenawee County Sheriff's Department
- Madison Charter Township Police Department
- Marshall Police Department
- Morenci Police Department
- Napoleon Township Police Department
- Raisin Charter Township Department of Public Safety
- Somerset Township Police Department
- Spring Arbor Township Police Department
- Springport Police Department
- Tecumseh Police Department
- Waterloo Township Police Department

List last updated: 2/21/2013

EXHIBIT "B"

The member agency fee for this year, as specified in the Agreement, is set at 30% of your Agency's Act 302 funds, with a split payment schedule based on the semi-annual distribution from the Michigan Criminal Justice Training Commission.

BY-LAWS

Southern Michigan Criminal Justice Training Consortium

ARTICLE I

NAME

The name of the organization shall be the “Southern Michigan Criminal Justice Training Consortium”, hereinafter sometimes referred to as “the Consortium”.

ARTICLE II

PURPOSE

The Consortium is established as a voluntary, unincorporated association for the purpose of cooperatively providing joint training in police methods and investigative techniques. The members of the Consortium seek to maximize the utilization of available training funds, to improve their position for obtaining grants, to promote multi-disciplinary training, and to encourage the inter-agency use and sharing of training resources.

ARTICLE III

MEMBERSHIP

1. Composition. The membership of the Consortium shall consist of those municipalities and state or private institutions of higher education which execute the “Southern Michigan Criminal Justice Training Consortium Agreement”.

2. One Member, One Vote. Membership in the Consortium entitles each member to one (1) vote in all matters related to Consortium business.

3. Membership Approval. To qualify for membership in the Consortium an agency must be approved by a majority of the membership present at a regularly scheduled meeting of the General Membership Committee.

ARTICLE IV

COMMITTEES

1. Appointment by General Membership. The membership of all standing and special committees, except as otherwise provided for herein, shall be appointed by the General Membership at a duly called annual meeting. The annual meeting shall be held at a date, time, and location specified by the Consortium Chairperson and shall occur in April of each year. The Chairperson of the Curriculum Committee shall also be chosen at the annual meeting and the Chairperson of the Consortium shall also be Chairperson of the Executive Committee.

2. General Membership Committee. Each member shall be represented on the General Membership Committee by the chief administrative officer of the members' law enforcement agency, or by his/her designee. It shall be the duty of the General Membership Committee to provide overall guidance to the activities of the Consortium. The members of the General Membership Committee shall, at the annual meeting, select members to serve on the Executive Committee.

3. Executive Committee.

a. Composition. The Executive Committee shall consist of five (5) members, who shall include the Consortium Chairperson, Vice-Chairperson, Secretary, Treasurer, and one at-large member appointed from the General Membership.

b. Purpose. The purpose of the Executive Committee shall be to direct the functioning of the Consortium and to oversee, coordinate, and assign such responsibilities as may be necessary for the completion of the consortium mission. The Executive Committee shall have the authority to act on behalf of the Consortium in all matters deemed necessary for the efficient and orderly conduct of business, including the addition of new members, or removal from membership for non-payment of funds.

4. Curriculum Committee. The Curriculum Committee shall consist of not less than seven (7) voting members, appointed by the General Membership Committee, the precise number of voting members to be determined at the annual meeting. The Treasurer of the Consortium shall be a member of the Curriculum Committee. Non-voting members, including faculty representatives of state or private institutions of higher education, may be appointed to the Curriculum Committee by the Consortium Chairperson.

a. Purpose. The purpose of the Curriculum Committee shall be to direct the development of training priorities, to prepare and recommend an annual budget, to develop and recommend an annual training schedule, to keep training records and provide them to the State of Michigan and to member law enforcement agencies as may be necessary, and to provide oversight and evaluation of training programs.

b. Utilization of Training. It shall be the responsibility of the Curriculum Committee to monitor the utilization of training by member agencies. As part of this responsibility, member agencies may be assessed a fee of \$25.00 for failure to



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Planning & Economic Development
(517) 768-6433

CITY COUNCIL MEETING March 26, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Patrick H. Burtch, City Manager

SUBJECT: Resolution to amend the HOME grant budgets for fiscal years 2010/2011, 2011/2012 and 2012/2013

RECOMMENDATION

To approve the resolution to amend the HOME grant budgets for fiscal years 2010/2011 (Year 36), 2011/2012 (Year 37) and 2012/2013 (Year 38) to allocate program income received in excess of amounts previously budgeted in the amount of \$1,686 to the Rehabilitation Assistance Program to provide assistance to program-eligible homeowners.

Attached is a resolution to amend the HOME budgets for the above referenced fiscal years. This resolution allocates program income received in excess of amounts budgeted in the amount of \$1,686 attributed to home sales.

Homeowner rehabilitation is currently funded with the HOME grant only. Staff recommends allocating the additional program income received to the Rehabilitation Assistance Program to provide assistance to eligible households.

Cc: Steve Maga, City Accountant
Heather Soat, Accounting Manager
Michelle Pultz-Orthaus, Records Management Coordinator

City of Jackson, Michigan
 Resolution to Amend the Fiscal Year 2010/2011 (Year 36),
 2011/2012 (Year 37) and 2012/2013 (Year 38) HOME Budgets

Whereas, the U.S. Department of Housing and Urban Development approved the HOME Investments Partnerships Program (HOME) activities for fiscal years 2010/2011 (Year 36), 2011/2012 (Year 37) and 2012/2013 (Year 38); and

Whereas, in Year 36 and Year 37 receipts from program income in excess of budgeted expenses were received; and

Whereas, the City Council desires to appropriate the additional program income from Year 36 and Year 37 to be made available for use in Year 38 for the Residential Assistance Program.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Jackson hereby amends the subject budgets as follows:

<u>Account #</u>	<u>Account Description</u>	<u>Current Budget</u>	<u>Revised Budget</u>	<u>Change</u>
Entitlement Year 36 (2010/2011)				
287-000-036-673.002	HOME Sales Proceeds	0	1,661	1,661
287-286-036-969.038	Contribution to Year 38	0	1,661	1,661
Entitlement Year 37 (2011/2012)				
287-000-037-673.002	HOME Sales Proceeds	0	25	25
287-286-037-969.038	Contribution to Year 38	0	25	25
Entitlement Year 38 (2012/2013)				
287-000-038-695.036	Contribution from Year 36	0	1,661	1,661
287-000-038-695.037	Contribution from Year 37	0	25	25
287-286-038-814.000	Residential Assistance Program	184,391	186,077	1,686

* * * * *

State of Michigan }
 County of Jackson } ss
 City of Jackson }

I, Lynn Fessel, City Clerk in and for the City of Jackson, County and State aforesaid, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Jackson City Council on the 26th day of March, 2013.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 27th day of March, 2013.

 Lynn Fessel City Clerk



CITY CLERK'S OFFICE
Lynn Fessel, City Clerk

CITY COUNCIL MEETING
March 26, 2013

DATE: March 19, 2013

MEMO TO: Honorable Mayor and City Councilmembers

FROM: Lynn Fessel, City Clerk 

SUBJECT: Recognition of the MIS Business Leadership Council as a
Nonprofit Organization

**CONSIDERATION OF A RESOLUTION RECOGNIZING THE MIS
LEADERSHIP COUNCIL AS A NONPROFIT ORGANIZATION OPERATING
IN THE COMMUNITY FOR THE PURPOSE OF OBTAINING CHARITABLE
GAMING LICENSES**

Attached please find a resolution recognizing the MIS Leadership Council as a nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses. You will also find a copy of their informational pamphlet and documentation of their 501 C (6) status from the IRS.

Requested action is to adopt the resolution.

C: City Manager



Charitable Gaming Division
Box 30023, Lansing, MI 48909
OVERNIGHT DELIVERY:
101 E. Hillsdale, Lansing MI 48933
(517) 335-5780
www.michigan.gov/cg

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES
(Required by MCL.432.103(K)(ii))

At a REGULAR meeting of the JACKSON CITY COUNCIL
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by _____ on _____
DATE

at _____ a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from MIS BUSINESS LEADERSHIP COUNCIL of JACKSON,
NAME OF ORGANIZATION CITY

county of JACKSON, asking that they be recognized as a
COUNTY NAME

nonprofit organization operating in the community for the purpose of obtaining charitable

gaming licenses, be considered for APPROVAL.
APPROVAL/DISAPPROVAL

APPROVAL	DISAPPROVAL
Yeas: _____	Yeas: _____
Nays: _____	Nays: _____
Absent: _____	Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and

adopted by the JACKSON CITY COUNCIL at a REGULAR
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on MARCH 26, 2013.
DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

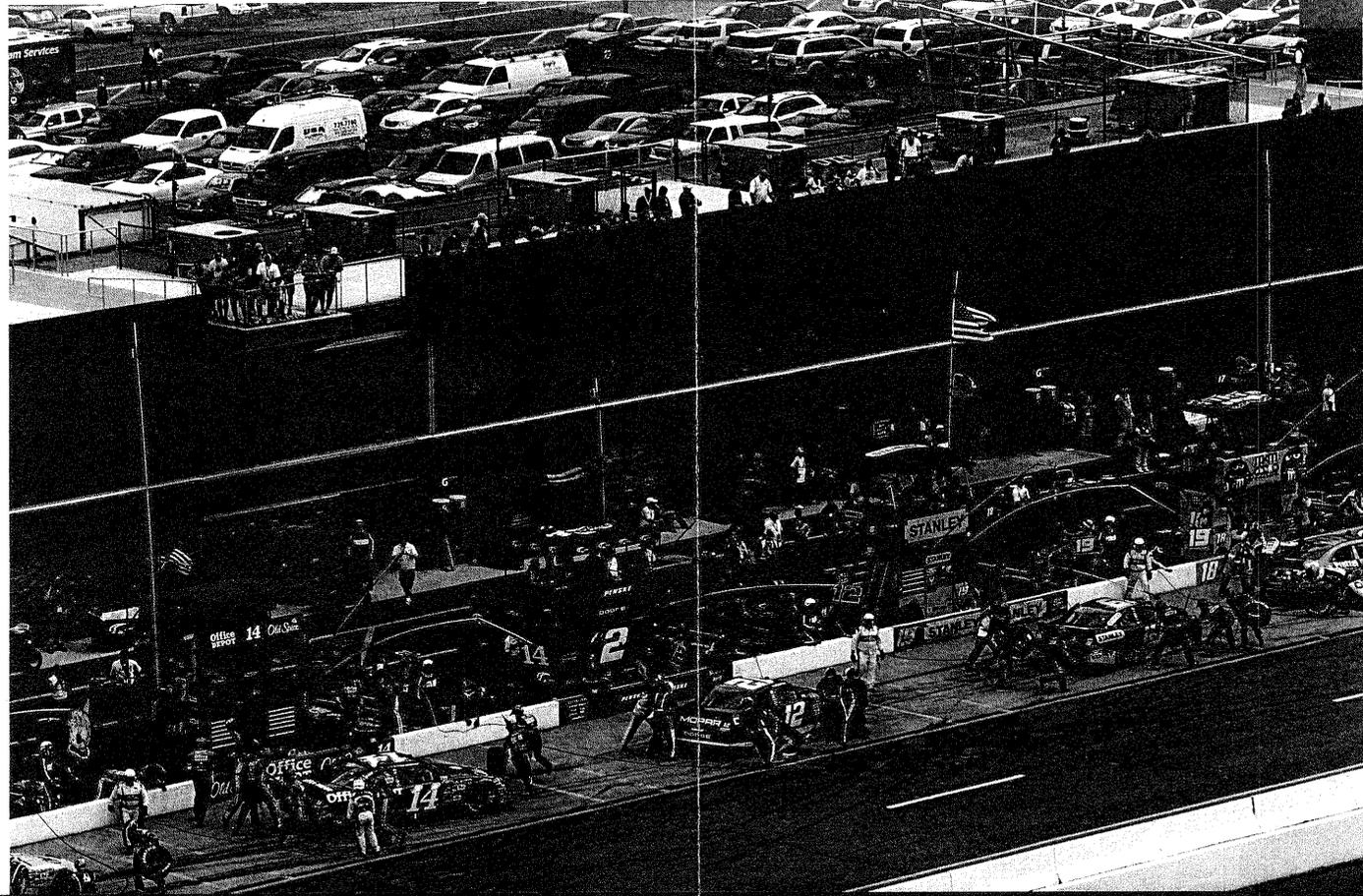
ADDRESS

COMPLETION: Required.
PENALTY: Possible denial of application.
BSL-CG-1153(R6/09)

What is the Michigan International Speedway Business Leadership Council?

The Michigan International Speedway Business Leadership Council (MIS BLC) is a non-profit corporation founded in 2011. It is dedicated to **promoting** the local motorsports entertainment industry and **encouraging** economic growth in Jackson County and the communities surrounding Michigan International Speedway.

The organization aims to be a launch pad for building relationships between business professionals who share a common interest in motorsports and the growth of our community.

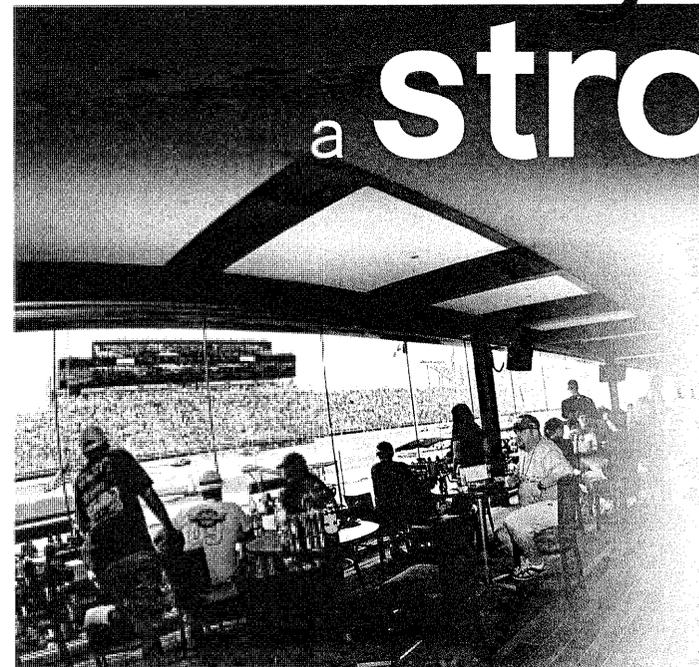


Building a stronger economy for the community

Members of this exclusive organization are able to be part of something unique by partnering with MIS, an internationally renowned, high-profile asset of the Jackson community. By working with MIS, members have the opportunity to continue to build a positive image of Jackson County and leverage access to the racetrack for economic development activities.

Any excess funds generated by MIS BLC will be donated to MIS Cares, the Speedway's philanthropic non-profit organization for distribution within our community.

For more information please send an email to MISBLC@blueseasonline.net.



MIS BLC works to ensure MIS remains a strong economic influencer in the Jackson County area.

AS A MEMBER YOU WILL:

- Build personal relationships with MIS management, sponsors and race participants
- Participate in race activities from behind-the-scenes
- Have access to a suite at MIS
- Have the opportunity to meet VIPs and persons interested in doing business in Jackson County
- Assist with VIP guests both on and off MIS premises
- Lead tours to VIPs visiting MIS
- Participate in assisting MIS track management with other activities

MEMBERS MUST:

- Be an owner or executive officer of an enterprise with discretionary authority who appreciates the value and is a fan of motorsports
- Pay membership dues—set at \$1,000 per year
- Be approved for membership by the MIS BLC board of directors
- Participate in the activities of the organization

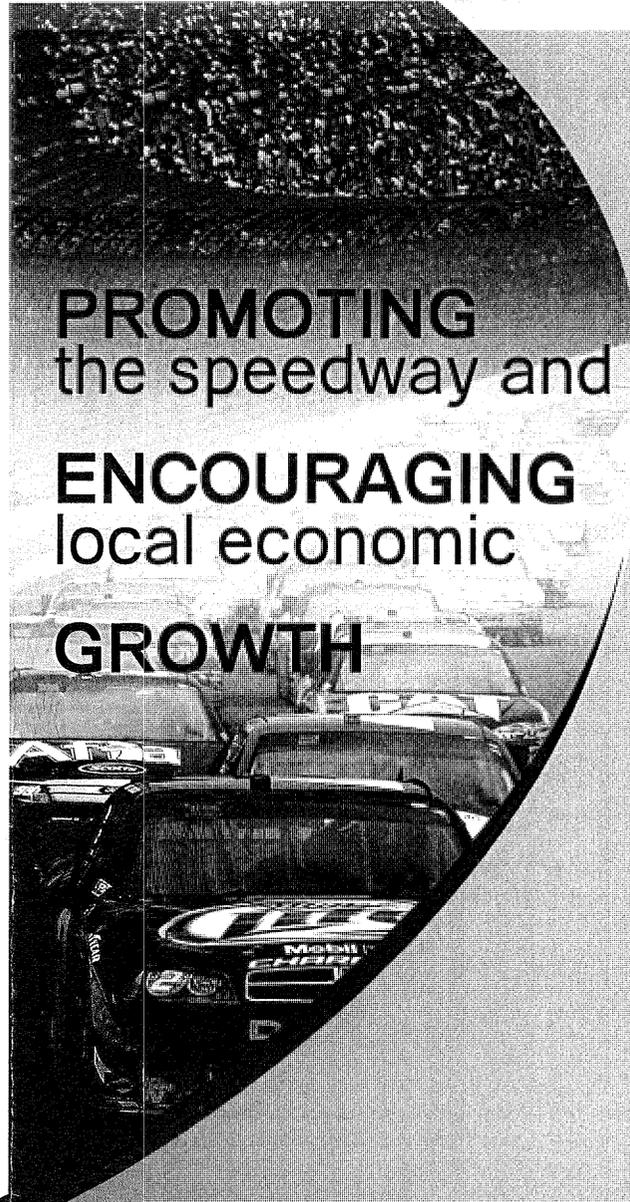


BUSINESS LEADERSHIP COUNCIL

c/o J. Jeffrey Anderson & Associates
PO Box 55

Jackson, MI 49204

Email: MISBLC@blueseasonline.net



PROMOTING
the speedway and
ENCOURAGING
local economic
GROWTH



BUSINESS LEADERSHIP COUNCIL

BENEFITS TO MEMBERS

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date **DEC 12 2011**

MIS BUSINESS LEADERSHIP COUNCIL
PO BOX 1064
JACKSON, MI 49204

Employer Identification Number:
45-2846191
DLN:
17053297332001
Contact Person:
GLENN W COLLINS ID# 31392
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Effective Date of Exemption:
June 17, 2011
Contribution Deductibility:
No
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-NC



Neighborhood & Economic Operations

Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303 • Facsimile (517) 780-4781

Building Inspection
(517) 788-4012

Code Enforcement
(517) 788-4060

Engineering
(517) 788-4160

Planning & Economic Development
(517) 768-6433

CITY COUNCIL MEETING March 26, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Patrick H. Burtch, City Manager
Jon H. Dowling, P.E., City Engineer

SUBJECT: Recommendation of Award of 2013 As Needed Surveying Consultant Services Contract

RECOMMENDATION: Approval of the award of the 2013 As Needed Surveying Consulting Services Contract to Wade Trim of Taylor, Michigan, in the amount of \$46,140.00, and authorization for the Mayor and City Clerk to execute the appropriate document(s), in accordance with the Purchasing Agent.

On March 12, 2013, bids for the 2013 As Needed Surveying Consulting Services were received and opened. The Engineer's estimate for this project is \$57,950.00. Thirteen companies met all qualification requirements and provided bids, as follows:

Company	Cost
Wade Trim, Taylor, MI	\$46,140.00
Spicer Group, Saginaw, MI	\$46,230.00
Associated Engineers & Surveyors, Adrian, MI	\$49,860.00
Professional Engineering Associates, Howell, MI	\$51,000.00
Mannik Smith Group, Canton, MI	\$52,500.00
Surveying Solutions, St. Johns, MI	\$52,900.00
Alpine Engineering, Novi, MI	\$53,400.00
C2AE, Lansing, MI	\$54,305.40
Rowe Professional Services, Flint, MI	\$54,550.00
Boss Engineering, Howell, MI	\$56,650.00
Fishbeck, Thompson, Carr & Huber, Lansing, MI	\$57,190.00
Livingston Engineering, Brighton, MI	\$61,720.00
BMJ Engineers/Surveyors, Port Huron, MI	\$66,250.00

In concurrence with the Purchasing Agent, it is the recommendation of the Department of Neighborhood and Economic Operations-Engineering to award the 2013 As Needed Surveying Consulting Services Contract to Wade Trim of Taylor, Michigan, in the amount of \$46,140.00. This will be paid out of various project accounts in the Major Street Fund, Local Street Fund, Sewer Fund and Water Fund.

If you have any questions, please do not hesitate to contact me.

JHD/sms

C: Troy R. White, P.E., Senior Civil Engineer
Lynn Fessel, City Clerk/Purchasing Agent
Shelly Allard, Purchasing Coordinator
Lucinda Schultz, Accounting Manager



Neighborhood & Economic Operations Building a Stronger Jackson

161 W. Michigan Avenue • Jackson, MI 49201-1303
Phone (517) 788-4060 • Facsimile (517) 780-4781

CITY COUNCIL MEETING MARCH 26, 2013

MEMO TO: Honorable Mayor Griffin & City Councilmembers
FROM: Patrick Burtch, City Manager
DATE: March 20, 2013
SUBJECT: Request to Discharge a Development Agreement and Mortgage with Lindar, LLC, for a Jobs Creation Loan.

RECOMMENDATION:

Discharge a development agreement and mortgage with Lindar, LLC for a Jobs Creation Loan, and for authorization for the Mayor and City Clerk to execute the appropriate documents, and for staff and the City Attorney to make minor modifications for effectuation of the documents, if necessary.

On January 24, 2006, Lindar, LLC (commonly known as “Daryl’s Downtown”), closed on a Jobs Creation Loan with the City of Jackson via a mortgage and development agreement for \$80,000. The mortgage is secured by real property located at 151 W. Michigan Avenue. To date, Lindar, LLC, has not repaid any portion of the loan. Mark E. Hills, Attorney representing the 1st priority lender, CB 2010, LLC, is requesting that the City of Jackson voluntarily discharge their subordinated, 3rd priority mortgage and development agreement.

The loan was originally made through the City’s Jobs Creation Loan program which was funded by the City’s direct Community Development Block Grant (CDBG) allocation through the Department of Housing and Urban Development (HUD). This program was originally established with the goal to loan money to potential developers that made a commitment to the City to hire low-mod income persons which complied with HUD’s goals and mission. Lindar, LLC, made a commitment to create 16 new permanent full time jobs (having a full time equivalent of 640 hours per week) within five (5) years. Fifty-one percent (51%) were to qualify as low-to moderate-income guidelines in accordance with HUD income guidelines. The developer did not meet this commitment; however, the City closed the activity through the Integrated Disbursement and Information System on June 30, 2011 (this is HUD’s reporting system for all CDBG Funding). HUD accepted the City’s request to close the activity. At this time, HUD has no interest in collecting the loan. Any money received would be considered program income and would go directly back to the City’s CDBG program and could be used for other eligible activities.

Staff has inquired about receiving a minimum or reduced payoff amount for a portion of the loan. Mr. Hills has explained to staff that Downtown Jackson Restoration, LLC, is in the process of completing a land contract sale for real property located at 151 W. Michigan Avenue, and that foreclosure proceedings will begin no later than April 1st, 2013. In the event that the foreclosure moves forward, as



a subordinate lien holder, it is likely the City will not collect any proceeds. Mr. Hills explains this in an email dated March 19th, 2013, as received by the City Attorney:

“The loan amount exceeds the funds it will receive on a land contract sale, over the next 30 months, by more than \$700,000. Additionally, CB 2010 will incur ongoing legal expenses as the 2nd priority lender, Spectrum Pharmacy, is so far unwilling to discharge its mortgage and foreclosure by advertisement will therefore be necessary to terminate any junior liens, such as the City's 3rd priority mortgage. As a result, there are no funds available to pay to the City”

PB/bh

Att': Discharge of Development Agreement
Discharge of Mortgage
Promissory Note
Development Agreement
Mortgage

Cc: Barry Hicks, Planning Director
Julius Giglio, City Attorney
Heather Soat, Accounting Manager
Michelle Pultz-Orthaus, Records Management Coordinator
Mark E. Hills, Attorney

DISCHARGE OF DEVELOPMENT AGREEMENTS

KNOW ALL MEN BY THESE PRESENTS that a certain Development Agreement, dated September 2, 2004, made and executed by Daryl and Linda Hoskins, as Members of Lindar, LLC, a Michigan limited liability company, recorded in the office of the Register of Deeds for the County of Jackson, State of Michigan, at Liber 1791, Page 204, on the 13th day of September, 2004, and a certain Amended Development Agreement, dated January 31, 2006, made and executed by Daryl and Linda Hoskins, as Members of Lindar, LLC, a Michigan limited liability company, recorded in the office of the Register of Deeds for the County of Jackson, State of Michigan, at Liber 1838, Page 443, on the 15th day of February, 2006, both in favor of the City of Jackson, are hereby discharged.

CITY OF JACKSON

Dated on this _____ day of March, 2013.

By: _____
Martin J. Griffin
Its: Mayor

STATE OF MICHIGAN)
) ss
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me this _____ day of March, 2013, by Martin J. Griffin, duly elected Mayor of the City of Jackson, a municipal corporation, on behalf of the City.

Notary Public, Jackson County, MI
My Commission Expires:

THIS INSTRUMENT DRAFTED BY:

Mark E. Hills, Esq.
1600 Beacon Blvd., Ste 240
Grand Haven, MI 49417

WHEN RECORDED RETURN TO:

Mark E. Hills, Esq.
1600 Beacon Blvd., Ste 240
Grand Haven, MI 49417

5971679_1.docx

DISCHARGE OF MORTGAGE

KNOW ALL MEN BY THESE PRESENTS that a certain Mortgage, dated October 26, 2005, made and executed by Daryl and Linda Hoskins, as Members of Lindar, LLC, a Michigan limited liability company, recorded in the office of the Register of Deeds for the County of Jackson, State of Michigan, at Liber 1838, Page 442, on the 15th day of February, 2006, in favor of the City of Jackson, is hereby discharged.

CITY OF JACKSON

Dated on this _____ day of March, 2013.

By: _____
Martin J. Griffin
Its: Mayor

STATE OF MICHIGAN)
) ss
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me this _____ day of March, 2013, by Martin J. Griffin, duly elected Mayor of the City of Jackson, on behalf of the City.

Notary Public, Jackson County, MI
My Commission Expires:

THIS INSTRUMENT DRAFTED BY:
Mark E. Hills, Esq.
1600 Beacon Blvd., Ste 240
Grand Haven, MI 49417

WHEN RECORDED RETURN TO:
Mark E. Hills, Esq.
1600 Beacon Blvd., Ste 240
Grand Haven, MI 49417

PROMISSORY NOTE

Jackson, Michigan
Amount: \$80,000.00

Date: January 31, 2006
Due Date: January 31, 2016

FOR VALUE RECEIVED, LINDAR LLC, a Michigan limited liability company (Debtor), whose address is 151 West Michigan Avenue, Jackson, MI 49201, by Daryl Hoskins, its Member, and Linda Hoskins, its Member, promises to pay to the order of the CITY OF JACKSON, a Michigan municipal corporation, located at 161 West Michigan Avenue, Jackson, MI 49201, the principal sum of \$80,000.00 with two percent (2.0%) per annum interest on that amount, payable in annual installments of principal and interest in the amount of \$8,906.12 beginning on the 31st day of January, 2007, and continuing on the same day of each year subsequent thereto until the 31st day of January, 2016, when the entire balance of principal and interest shall be due and payable in full.

In the event of any default under this Note, the City of Jackson may demand the entire balance of principal and interest at the rate of eight percent (8.0%) per annum, to be immediately due and payable. Interest, in the case of default, shall be computed on the principal balance of this Note at the rate of eight percent (8.0%) per annum from the date of the default.

All or any part of the principal balance of this Note may be prepaid at any time by the undersigned without penalty.

This Note is given in connection with a Mortgage relating to certain real property, on this same date to the City of Jackson, located in the County of Jackson, Michigan.

It is agreed that any default by the Debtor under any promissory note and mortgage that is senior to this obligation shall be considered a default under this Note.

LINDAR LLC

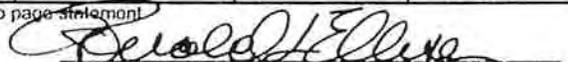
By: 
Daryl Hoskins, its Member

By: 
Linda Hoskins, its Member

L. SETTLEMENT CHARGES

700. TOTAL COMMISSION Based on Price		\$	@ 0.0000 %		
<i>Division of Commission (line 700) as Follows:</i>					
701. \$	to				
702. \$	to				
703. Commission Paid at Settlement					
704.	to				
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee	%	to			
802. Loan Discount	%	to			
803. Appraisal Fee		to			
804. Credit Report		to			
805. Lender's Inspection Fee		to			
806. Mortgage Ins. App. Fee		to			
807. Assumption Fee		to			
808.					
809.					
810.					
811.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest From	01/31/06 to 01/31/06	@ \$	/day (days %)		
902. Mortgage Insurance Premium	months				
903. Hazard Insurance Premium	years				
904.					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard Insurance	months @ \$		per month		
1002. Mortgage Insurance	months @ \$		per month		
1003. City/Town Taxes	months @ \$		per month		
1004. County Taxes	months @ \$		per month		
1005. Assessments	months @ \$		per month		
1006.	months @ \$		per month		
1007.	months @ \$		per month		
1008. Aggregate Adjustment	months @ \$		per month		
1100. TITLE CHARGES					
1101. Settlement or Closing Fee	to AMERICAN TITLE COMPANY OF JACKSON		POC \$100.00b		
1102. Abstract or Title Search	to				
1103. Title Examination	to				
1104. Title Insurance Binder	to				
1105. Document Preparation	to				
1106. Notary Fees	to				
1107. Attorney's Fees	to				
<i>(includes above item numbers:)</i>					
1108. Title Insurance	to AMERICAN TITLE COMPANY OF JACKSON		POC \$222.00b		
<i>(includes above item numbers:)</i>					
1109. Lender's Coverage	\$	80,000.00		222.00	
1110. Owner's Coverage	\$				
1111.					
1112.					
1113.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording Fees:	Deed \$; Mortgage \$	50.00;	Releases \$	POC \$50.00b
1202. City/County Tax/Stamps:	Deed		; Mortgage		
1203. State Tax/Stamps:	Deed		; Mortgage		
1204.					
1205.					
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey	to				
1302. Pest Inspection	to				
1303.					
1304.					
1305.					
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)					0.00

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.


 American Title Company of Jackson
 Settlement Agent



OFFICIAL SEAL Jackson County Register of Deeds
Mindy Reilly
L-1838 P-443



Mindy Reilly - Jackson Co.

AGAM

2428386

Page: 1 of 14
02/15/2006 11:06A

L-1838 P-443

AMENDED DEVELOPMENT AGREEMENT

THIS AMENDED DEVELOPMENT AGREEMENT (hereinafter referred to as the "Agreement") is entered into on this 31st day of January, 2006, by and between the CITY OF JACKSON, a Michigan municipal corporation, with offices located at 161 West Michigan Avenue, Jackson, Michigan 49201 (hereinafter referred to as "City"), and LINDAR LLC, a Michigan limited liability company, whose address is 151 West Michigan Avenue, Jackson, MI 49201 (hereinafter referred to as "Developer.")

WITNESSETH:

WHEREAS, the Developer has executed a promissory note (the "Promissory Note") and a mortgage (the "Mortgage") in favor of the City of even date herewith for development of real property in the City of Jackson, County of Jackson, State of Michigan described as follows:

The East 72.0 feet of Lots 5 and 6, Block 1 South, Range 1 East, of the original plat of the Village of Jacksonburgh, according to the recorded plat thereof, as recorded in Liber 4 of Plats, Page 2, Jackson County Records, and also described as Units 1, 2 and 3 of Daryl's Downtown Condominium, according to the Master Deed recorded on August 16, 2005 in Liber 1822, Page 872, Jackson County Records, designated as Jackson County Condominium Plan No. 123, together with the rights in General and Limited Common Elements as set forth in the Master Deed as described in Act 59 of the Public Acts of 1978, as amended.

Commonly known as Daryl's Downtown Restaurant located at 149-151 West Michigan Avenue, Jackson, Michigan 49201 (tax parcel number 4-0017 and to be tax parcel numbers 4-0017.01, 4-0017.02, and 4-0017.03 for 2006) (the "Property"); and

WHEREAS, the parties hereto wish to make modifications to a certain Development Agreement entered into on the 2nd day of September, 2004 and recorded at Liber 1791, Page 204, Jackson County Records (the "Initial Agreement"); and

WHEREAS, such modifications contained herein, supercede certain provisions of the Initial Agreement, with all other provisions of the Initial Agreement to remain in place; and

WHEREAS, part of the consideration in exchange for the City lending Community Development Block Grant (CDBG) funds to be used to pay professional service and administration fees and purchase furniture and fixtures, is Developer's promise to develop the Property to generate economic activity and employment, which will benefit low- to moderate-income individuals, the City, and its residents; and

WHEREAS, the parties wish to insure that the Development will take place and wish to set forth the terms of the Development and provide for remedies to the City in the event Development does not occur.

NOW, THEREFORE, in consideration of the above promises and covenants, the parties agree as follows:

1. The foregoing recitals are incorporated herein and form a part of the Agreement.
2. Developer will expand its current operation and establish a banquet facility upon the Property in compliance with all applicable building codes, zoning, and other restrictions of record.
3. Developer has submitted plans and specifications for the Development, in a form acceptable to the City of Jackson Building Inspection Division, to the City.
4. Developer will rehabilitate the third floor of the Property (Unit 3) consisting of not less than five thousand six hundred sixty (5,660) square feet, as well as the installation of an elevator and other improvements on said Property to generate economic activity and employment for low- to moderate-income individuals and local residents.
5. The rehabilitation of the Property must be paid, in part, by private equity from the Developer either by capital or loans, of not less than \$600,000.
6. Developer must document, in a form acceptable to the City, that expenses paid with CDBG Job Creation Initiative Loan Funds are utilized for payment for professional service and administration fees and for purchase of furniture and fixtures.
7. Developer will create or cause the creation of 16 new permanent full time jobs (having a full time equivalent of 640 hours per week) on the Property within five (5) years from the date of loan closing, of which no less than fifty-one percent (51%) must qualify as low- to moderate-income in accordance with 2005 Department of Housing and Urban Development income guidelines and as amended, attached as **Exhibit A** and incorporated by reference herein. On the date of closing, Developer must provide documentation identifying current work force employees and payroll hours for that pay period (baseline data). From the date of loan closing, Developer will make best faith efforts to employ City of Jackson residents.
8. Developer will adopt and will comply with all HUD requirements attached as **Exhibit B**, pages 1-6, and incorporated by reference.
9. Hereinafter all requirements of Items 1 through 8 above shall collectively be referred to as the "Development").
10. The following Performance Dates are applicable to the Development:



- A. Commencement of the Development of the Property must be initiated within six (6) months from the date of loan closing;
- B. Substantial Completion of the Development must be achieved within twelve (12) months from the date of loan closing; and
- C. Completion of the Development must occur within eighteen (18) months from the date of loan closing.

"Commencement of the Development" means that all necessary permits and approvals have been obtained, all construction contracts signed, all construction financing, if any, will be arranged, all site preparation completed, and actual physical Development activity will be underway. "Substantial Completion of the Development" means sufficient work has been completed so as to show a financial commitment as well as the Developer's intent and ability to satisfactorily complete the Development within the time frame established in the Agreement. "Completion of the Development" means that the rehabilitation of the Property will be ready for use as demonstrated by obtaining a Certificate of Occupancy for the purpose intended, and that Developer has met the job requirements contained in Paragraph 7 and that all other requirements of the Agreement have been satisfied. The City has sole, reasonable discretion in determining the Commencement, Substantial Completion, and Completion of the Development.

11. In addition to Developer's obligations contained in Paragraphs 4, 5, and 7 above, Developer must continuously comply with the landscaping and property maintenance requirements under the Code of Ordinances, Jackson, Michigan and these obligations survive the closing and discharge of the Agreement.

12. After closing, Developer must pay the yearly real property taxes, personal property taxes, utilities, outstanding debts, and assessments related to the Property when such become due and payable.

13. Developer's failure to comply with any covenants, clauses, provisions or agreements herein contained constitutes default of the Agreement, and the City may seek any legal or equitable remedy available under the law, which includes, but is not necessarily limited to money damages, specific performance, rescission, or revocation. Developer's failure to complete the Development of the Property constitutes failure of consideration for the City's lending of CDBG funds. Further provided, however, if Developer fails to comply with the Performance Dates specified in Paragraph 10 of this Agreement, the City may, as an alternative to the remedies outlined above, be entitled to \$15,000 from Developer as liquidated *comp* damages, and not as a penalty, for failure of Developer to develop the Property. Or, in the alternative to the remedies outlined above, if the City elects not to pursue said remedies, the City may collect \$150.00 a day as liquidated damages and not as a penalty for each calendar day the Developer fails to satisfy the Performance Dates established in Paragraph 10.

14. The Developer must permit inspections to the Property as needed by the City; City must provide reasonable notice to Developer unless an emergency arises, and then a good faith attempt to contact Developer will be made.



15. The Mortgage granted to the City as security for the Promissory Note shall be subordinate to any mortgage or mortgages required to be granted to the Developer's senior lenders and the City agrees to execute any reasonable subordination agreement as may be requested by the Developer's senior lenders.

16. Time is of the essence in the Agreement.

17. The covenants, clauses, provisions, and agreements shall bind, and the rights hereunder shall inure to the respective heirs, successors, and assigns of the City and Developer, subject to the provisions of Paragraph 21 hereof.

18. The Developer, itself, and its successors and assigns, and every successor in the interest to the Property or any part thereof, must not discriminate upon the basis of race, color, religion, sex, or national origin in the sale, lease, rental, use, or occupancy of the Property or any improvements to be erected thereon, or any part thereof.

19. Except for mortgages, security interests, and other liens to secure debt granted by the Developer in connection with the Development, neither the Developer, nor any successor in interest to the Property, shall engage in any sale, conveyance, lease, transfer, financing, or another transaction in any form, with respect to, the Property or the Agreement, without the prior written approval of the City, which approval will not be unreasonably withheld. This provision remains in effect until the Completion of the Development.

20. Before loan closing, the Developer must obtain appropriate Fire and Extended Coverage insurance and Commercial General Liability Insurance (at least \$1,000,000 per occurrence) at Developer's sole cost, and maintain the same or additional coverage during the term of the Agreement. Developer must list the City as a loss payee and/or additional insured as its interest may appear and must provide City with certificates of insurance, evidencing the required coverage. If the Property is damaged or destroyed by fire or other casualty, the Developer must pay any and all insurance proceeds for use for any of the following:

- A. Repair or reconstruction of the Property;
- B. To be applied to the resolution or settlement of any secured indebtedness incurred by the Developer, including the indebtedness to the City; and/or
- C. To apply any portion of insurance proceeds toward abatement of conditions which the City deems to be deteriorated sufficiently to cause injury or damage to persons or vehicles appropriately accessing the Property.

21. If all or any part of the Property or an interest therein is sold, transferred, or assigned by Developer, except for intra-family transfers or transfers to other entities controlled by the principals of the Developer, without City's prior written consent, City may, at City's option, declare the Developer to be in default under the terms of the Agreement, the Promissory Note and the Mortgage, and may enforce all rights and remedies provided for herein. Any such sale, transfer, or assignment shall not operate to release, in any manner, the Developer or Developer's successors in interest, from any obligations under the provisions of the Agreement unless City so releases the Developer or its successors in interest in writing.



22. Upon Developer satisfying the Performance Dates established for Commencement of the Development, Substantial Completion of the Development, and Completion of the Development, and Developer's satisfying the payments under the Promissory Note, this Agreement shall be deemed satisfied and, at the request of Developer, the City shall file appropriate documentation discharging the Mortgage and terminating the Agreement. Provided, however, the obligations contained in Paragraph 11 hereof shall not be subject to discharge.

23. Upon default, the City will provide Notice of the Default to Developer and shall allow Developer to cure the default within 90 days. Failure to cure the default shall entitle the City to all remedies provided in the Agreement.

24. Developer shall assume all liability for and protect, indemnify, and save City, its officers, directors, employees, volunteers, invitees, agents and representatives (hereinafter collectively "the City") from and against all actions, claims, demands, judgments, losses, expenses, suits or action and attorney fees, for any injury or death of any person or persons, and loss or damage of the property of any person or persons whomsoever, including Developer or the City, and their respective agents, contractors, subcontractors, and employees, arising in connection with, or as a direct or indirect result of the Agreement, and all activities associated with the Development. The provisions of the Agreement shall apply to each and every such injury, death, loss, and damage, however caused, whether due, or claimed to be due to Developer's negligence, City's negligence, Developer's and City's combined negligence, or otherwise; provided, however, Developer shall not be required to indemnify the City for such injury, death, loss, or damage caused by the City's sole negligence.

25. The promises, covenants, terms, and conditions herein contained may not be modified, altered, or extended without the mutual written consent of the parties.

26. The pronouns and relative words used are written in the masculine and singular only. If more than one join in the execution hereof as Developer, or either be of the feminine sex or a corporation, such words shall be read as if written in plural, feminine, or neuter, respectively.

27. Except as otherwise specified, all notices, consents, approvals, requests, and other communications (collectively "Notices") required or permitted under the Agreement shall be given in writing and personally delivered with receipt obtained, mailed by certified or first-class mail, return receipt requested, or sent via nationally recognized overnight courier delivery service for the next business day delivery, addressed as follows:

If to the City, to: City of Jackson
Department of Community Development
161 West Michigan Avenue
Jackson, Michigan 49201
ATTN: Amy L. Torres



If to Developer, to: Lindar LLC
151 West Michigan Avenue
Jackson, MI 49201
ATTN: Daryl Hoskins and Linda Hoskins

With a copy to: Curtis & Curtis, P.C.
P.O. Box 766
Jackson, MI 49204-0766
ATTN: Philip J. Curtis

28. If any of the provisions of the Agreement, or in any instrument or other document delivered pursuant to the Agreement, or the application thereof to any person or circumstance shall, to any extent, be declared or determined to be invalid or unenforceable, the validity, legality and enforceability of the remainder of the Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected or impaired thereby, and each provision of the Agreement shall be valid and enforceable to the fullest extent of the law.

29. The failure of the City to enforce, at any time, the provisions of the Agreement does not constitute a waiver of such provision or the right of the City at any time to avail itself of such remedies as it may have for any breach or breaches of such provisions.

30. The Agreement may be executed in counterparts, each of which will be deemed an original document, but together constitute one instrument.

31. The laws of the State of Michigan govern the terms and conditions of the Agreement.

32. The Agreement is the result of negotiation between the parties, and accordingly, it will not be construed against either party if a dispute or litigation arises out of the Agreement.

33. All captions, headings, paragraph, and subparagraph numbers and letters are solely for reference purposes and are not deemed to supplement, limit, or otherwise vary the text of the Agreement.

34. Upon approval and execution by the City, this Agreement modifies the provisions of the Initial Agreement. Except as modified herein, all provisions and conditions of the Initial Agreement shall remain in full force and affect.

35. THIS AGREEMENT WAS APPROVED AND AUTHORIZED BY THE JACKSON CITY COUNCIL ON OCTOBER 4, 2005.



IN THE PRESENCE OF:

Amy L. Torres
Witness Amy L. Torres

Amy L. Torres
Witness Amy L. Torres

CITY OF JACKSON
By: Martin J. Griffin
Martin J. Griffin Mayor

By: Lynn Fessel
Lynn Fessel City Clerk

STATE OF MICHIGAN)
)ss.
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me, this 24th day of January, 2006, by Martin J. Griffin, its Mayor, and Lynn Fessel, its City Clerk, on behalf of the City of Jackson, a Michigan municipal corporation.

ANGELLA L. ARNOLD
Notary Public, Jackson County, MI
My Commission Expires May 14, 2008

Angella Arnold
Notary Public
Jackson County, Michigan
My commission expires 5-14-2008

IN THE PRESENCE OF:

Ronald L. Ellison
Witness Ronald L. Ellison

Philip J. Curtis
Witness Philip J. Curtis

LINDAR LLC
By: Daryl Hoskins
Daryl Hoskins, its Member
By: Linda Hoskins
Linda Hoskins, its Member
R.

STATE OF MICHIGAN)
)ss.
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me, this 31st day of January, 2006, by Daryl Hoskins, its member, and Linda Hoskins, its member, on behalf of Lindar LLC, a Michigan limited liability company.

Ronald L. Ellison
Notary Public
Jackson County, Michigan
My commission expires _____

RONALD L. ELLISON
Notary Public, Washtenaw County, MI
My Commission Expires Apr. 14, 2012
Acting in Jackson County

Prepared by and return to;
Julius Giglio (P32022)
City of Jackson, Attorney's Office
161 W. Michigan Avenue
Jackson, MI 49201



CITY OF JACKSON

HUD INCOME LIMITS FOR 2005 by Household Size

Household Size	Maximum Income
1	\$32,800
2	37,500
3	42,200
4	46,900
5	50,650
6	54,400
7	58,150
8	61,900

Source: HUD
February, 2005

Exhibit A



Mindy Reilly - Jackson Co.

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Section 4.09 Compliance with Federal Rule and Regulations: The Borrower agrees to comply with all rules and regulations pertaining to federal grants as required by HUD or any other federal department or agency (see Exhibit B), with all other applicable laws and statues both state and federal, including but not limited to Title VI of the Civil Rights Act of 1964 (Public Law 88-352. 42 U.S.C. <2000 d, et seq.), and the Drug-Free Work Place Act. The absence of mention herein of any statute, law, rule or regulation is not intended to be taken as an indication that such statute, law, rule or regulation is not applicable to Borrower.

Section 4.16 Job Reports and Production: At any time requested by the City or HUD, the Borrower will also provide a written statement of the number of low to moderate income persons occupying jobs created or retained by the Borrower as the result of the infusion of capital contemplated hereunder. At any time requested by Lender or HUD, the Borrower will also provide a written statement setting forth the income status at the time of hiring of persons currently holding jobs created or retained by the Borrower as a result of said borrowings. The Borrower will be deemed to be in default of this Loan Agreement in the event the Borrower fails to correctly verify that the persons hired to fill jobs created are low to moderate income persons as described in the Grant Agreement. "Low to moderate income persons" means persons with income levels at or below those identified by HUD as low and moderate income at the persons hiring. Only permanent part-time and full-time jobs will be considered in determining compliance with this requirement.

Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement. Records for non-expendable property acquired with funds under this Agreement shall be retained for five (5) years after final disposition of such property. Records for any displaced person must be kept for five (5) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five year period, whichever occurs later.

Audits and Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, their designees or the Federal Government, at any time during normal business hours, as often as the Grantee or grantor agency deems necessary, to audit, examine and make



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excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments.

Administrative Requirements

All Subrecipients are required to comply with applicable program rules contained in 24 CFR 570 Subpart K.

Compliance

The Subrecipient agrees to comply with the following: Elliott-Larson Civil Rights Act, Michigan Civil Rights Act; Title VI of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; Section 104 (b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended; Section 504 of the Rehabilitation Act of 1973; Americans with Disabilities Act of 1990; Age Discrimination Act of 1975; Executive Order 11063, 11246, 11375, and 12086, as amended.

Non-discrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this non-discrimination clause.

Section 504

The Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines



necessary for compliance with that portion of the regulations enforced during the term of this Agreement.

Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in Executive Order 11246 of September 24, 1965. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such a program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds under this Agreement.

Women and Minority-Owned Business Enterprises

The Subrecipient will use its best efforts to afford women and minority-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "women and minority-owned business enterprises" means a business at least fifty-one percent owned and controlled by women or minority group members. For the purposes of this definition, "minority group members" are Afro-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as women and minority-owned business enterprises in lieu of an independent investigation.

Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with rules, regulations and provisions stated herein.

Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.



EEO/AA Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or affirmative Action Employer.

Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

Conduct

Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this Agreement may be assigned to a bank, trust company, or other financial institutions without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or of any designated public agencies or subrecipients which are receiving funds under the CDBG Entitlement program.

Lobbying



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The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence and officer or employee or any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LL, "Disclosure Form to Report Lobbying", in accordance with its instructions;
- c. It will require that the language of Paragraph (d) of this certification be included in the award documents for all Sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly; and
- d. Lobbying Certification – Paragraph d

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31 U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Copyright

If this Agreement results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the work or materials for governmental purposes.

Religious Organizations



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The Subrecipient agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).



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Mindy Reilly - Jackson Co.

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OFFICIAL SEAL Jackson County Register of Deeds
Mindy Reilly
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Mindy Reilly - Jackson Co.

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[SPACE ABOVE FOR RECORDING INFORMATION]

MORTGAGE

THIS IS A MORTGAGE made January 31, 2006, between LINDAR, LLC, a Michigan limited liability company, whose address is 151 West Michigan Avenue, Jackson, Michigan 49201, hereinafter referred to as the "Mortgagor", and the CITY OF JACKSON, MICHIGAN, a Michigan municipal corporation, having its principal office at 161 West Michigan Avenue, Jackson, Michigan 49201, hereinafter referred to as the "Lender".

[CHECK AND COMPLETE THIS SECTION, IF APPLICABLE]

In consideration of and to secure the Liabilities defined below, the Mortgagor **MORTGAGES AND WARRANTS** to the Lender, its successors and assigns, the land, premises and property situated in the City of Jackson, County of Jackson, State of Michigan, described as:

See Legal Description attached hereto as Exhibit A

The Mortgagor also mortgages and warrants to the Lender:

- (i) The privileges, licenses, appurtenances, improvements, buildings, tenements, hereditaments, easements, rights of way, riparian and littoral rights, and all other rights belonging to the above-described premises and which may hereafter attach thereto; and
- (ii) All rents, issues, profits, revenues, proceeds, accounts and general intangibles arising from or relating to the land, premises and property described above or any business conducted thereon;
- (iii) All goods, equipment and fixtures of every kind and nature whatsoever, now or hereafter located in or upon such premises or any part thereof and used or useable in connection with any present or future operation of such premises (hereinafter collectively called "Fixtures"), whether now owned or hereafter acquired by the Mortgagor, including, without limitation, all heating, air conditioning, ventilation, lighting, incinerating and power equipment, engines, signs, security systems, fences, hoists, cranes, compressors, pipes, pumps, tanks, motors, plumbing, cleaning, fire prevention, fire extinguishing, apparatus, elevators, escalators, shades, awnings, screens, storm doors and windows, appliances, attached cabinets, partitions, carpeting, ground maintenance equipment, and similar types of equipment, all of which shall be deemed to be real estate and mortgaged hereby. The above described premises, real property, Fixtures and other property rights related thereto are referred to herein as the "Property".

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This Mortgage secures the following obligations to the Lender (hereinafter collectively referred to as the "Liabilities"):

A. The indebtedness and obligations (including future advances) evidenced by,

Name of Instrument (including face amount, if any)	Name of Obligor	Date of Instrument
Promissory Note in the amount of \$80,000	LINDAR, LLC	01/31/06

and any extensions, renewals, modifications, or replacements thereof; and

B. ALL EXISTING AND FUTURE OBLIGATIONS OF MORTGAGOR TO THE LENDER, WHETHER OR NOT THE INSTRUMENTS EVIDENCING SUCH OBLIGATIONS ARE DESCRIBED ABOVE, including, but not limited to, payment and performance of the provisions of this Mortgage, including without limitation all sums expended by the Lender to perform such provisions, and all existing and future assignments of leases and/or rents arising from the Property; payment and performance of all advances (including future advances), notes, undertakings, obligations, debts, liabilities, agreements, applications or agreements for issuance of letters of credit, assignments, guarantees, or promises of or by the Mortgagor to or with the Lender, whether due, existing or arising, now or in the future, absolute or contingent, direct or indirect, however arising, evidenced or acquired by the Lender, and including obligations originally owing by the Mortgagor to a third party and assigned by such third party to the Lender, payment and performance of all existing and future obligations (including the kinds of obligations described above) to the Lender of any persons or entities for which the Mortgagor is or becomes an accommodation party, surety or guarantor or whose obligations this Mortgage is given to secure; and all extensions, renewals, modifications and replacements of the foregoing. If more than one person appears as the Mortgagor above, the Liabilities shall include, without limitation, all of the foregoing joint, several and individual obligations of each such person to the Lender. Mortgagor agrees that if the proceeds of any of the Liabilities created in the future are utilized to pay and/or renew any of the Liabilities existing at this time, such future Liabilities shall be presumed to be renewals or extensions of such existing Liabilities.

The Mortgagor represents, warrants, covenants and agrees to and with the Lender that at all times this Mortgage is in effect:

1. Payment and Performance of Obligations. The Mortgagor shall pay the Liabilities in accordance with the terms thereof and shall keep and perform all the terms, conditions and covenants of the Liabilities.

2. Title to Property/Priority of Lien. The Mortgagor does and shall own good and marketable title to the Property, free of all easements, liens, mortgages, security interests, encroachments, encumbrances, leasehold interests, rights, claims, and other interests of any nature (herein "Interests"), other than Interests which are consented to in writing by the Lender. The Mortgagor shall forever warrant and defend the Property against any and all Interests not consented to in writing by the Lender and the lien created hereby is and shall be kept as a first lien



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upon the Property, unless otherwise agreed in writing by the Lender and except as hereinafter provided in Paragraph 29. The Mortgagor shall pay when due all obligations which, if unpaid, may become a lien on the Property. Upon request, the Mortgagor shall, at its cost, provide the Lender with a title insurance policy and other evidence of title as the Lender may request from time to time which shall be in form and substance satisfactory to the Lender.

3. Condition, Maintenance and Use of the Property. The Property is and shall be in good condition sufficient for the use contemplated by the Mortgagor, and free of all material defects. None of the easements, rights, or other Interests consented to by the Lender shall materially impair or restrict the use of the Property as contemplated by the Mortgagor. The Mortgagor shall not commit, now or hereafter, waste on the Property and shall maintain all of the Property in good condition and working order satisfactory to the Lender, and shall make all repairs and replace all fixtures necessary to maintain the utility and value of the Property and keep it in compliance with all applicable laws, regulations, and ordinances. The Mortgagor shall do everything necessary to keep in force any manufacturer's and seller's warranties with respect to the Fixtures. The Mortgagor shall hold all valid permits and licenses necessary to operate and maintain the Property as contemplated by the Mortgagor, and the Property shall be used only for lawful purposes and in compliance with all applicable laws, regulations and ordinances. The Mortgagor shall promptly repair, restore, replace or rebuild each part of the Property which may be damaged or destroyed by fire or other casualty or which may be affected by any eminent domain proceedings, notwithstanding application by the Mortgagee of the insurance proceeds or eminent domain award to payment of the Indebtedness.

4. Payment of Taxes. The Mortgagor shall pay and discharge all taxes, assessments, fees, licenses, liens, and charges at any time levied upon or assessed against the Mortgagor or the Property. The Mortgagor shall not do anything or permit anything to be done which would impair the lien of this Mortgage. Notwithstanding the foregoing, the Mortgagor shall not be required to pay any tax, assessment, fee, license, lien, or charge so long as it is in good faith contesting the validity thereof by proper proceedings. If such contest is made, the Mortgagor shall provide security for the payment of such tax, assessment, fee, license, lien, or charge in a manner satisfactory to the Lender.

5. Insurance. The Mortgagor shall carry insurance against such risks, with such companies, and in such amounts as shall be satisfactory to the Lender (including but not limited to, hazard insurance and flood insurance, if the Property is located within a flood hazard area); each policy shall be in a form satisfactory to the Lender with standard mortgagee clauses making all loss payable to the Lender as its interest may appear. The Mortgagor shall promptly pay all premiums therefor, and deliver to the Lender all such policies of insurance. All insurance policies shall provide that notice of non-renewal or cancellation must be given to the Lender at least thirty (30) days before such non-renewal or cancellation. Any insurance money received by the Lender may, at its sole election, be paid, either in whole or in part, to the Mortgagor for the purpose of defraying the costs and expenses of repair, restoration or replacement of the Property damaged or destroyed, or be retained and applied toward the payment of any of the Liabilities, in whatever order the Lender shall elect, with the excess, if any, over the Liabilities to be repaid to the Mortgagor, without impairing the Mortgagor's duties under this Mortgage or the Liabilities. In the event of loss with respect to the Property, the Mortgagor shall promptly notify the Lender thereof and the Lender may make any proof of loss not promptly made by the Mortgagor. In the event of foreclosure or other disposition of the Property in partial or full payment of the Liabilities, the



Lender shall be entitled to all of the Mortgagor's right, title and interest in and to all policies of insurance with respect to the Property, including, without limitation, the right to collect any unearned premium refund relating to such policies.

6. Escrow of Tax and Insurance. Upon demand by the Lender, the Mortgagor shall pay monthly to the Lender a sum equal to 1/12 of the annual taxes and assessments on the Property next coming due, and 1/12 of the annual premiums on required insurance policies on the Property next coming due, all as estimated by the Lender so as to enable the Lender to pay such taxes, assessments and insurance premiums in full thirty (30) days before the due date thereof. Upon occurrence of an Event of Default, moneys so held by the Lender may be applied against the Liabilities. If the funds so paid to the Lender are insufficient to pay such taxes, assessments and insurance premiums in full thirty (30) days before the due dates thereof, the Mortgagor shall immediately upon written demand therefor, pay to the Lender such additional sums as are required to pay such taxes, assessments and insurance premiums in full thirty (30) days before the due date thereof. If the funds so paid to the Lender shall exceed the amount of taxes, assessments and insurance premiums paid by the Lender, such excess shall be credited by the Lender to subsequent payments required to be made by the Mortgagor pursuant to this paragraph.

7. Assignment of Awards and Tax Refunds. The Mortgagor hereby assigns to the Lender, in their entirety, all judgments, decrees and awards for injury or damage to the Property, all awards pursuant to proceedings for condemnation thereof, and all refunds of local, state or federal income or other taxes relating to the Property or the disposition thereof by the Mortgagor (the "Claims"). The Mortgagor authorizes the Lender, at its sole election (and as to refunds of taxes, after default), to apply the Claims, or the proceeds thereof, to the Liabilities in such manner as the Lender may elect; and the Mortgagor hereby authorizes the Lender, at its option (and as to refunds of taxes, after default), in the name of the Mortgagor, to appear and participate in any proceeding related to the Claims and to execute and deliver valid receipts, discharges, and settlements for, and to appeal from, any award, judgment or decree with respect to the Claims.

8. Lender's Right to Perform. If the Mortgagor defaults in the payment of any taxes, assessments or charges (or in providing security as provided in Section 6), in procuring or maintaining insurance in maintaining the Property, or in performing any of the other obligations of this Mortgage, then the Lender may, at its option, (notwithstanding anything to the contrary contained in any of the Liabilities) take any action or pay any amount required to be taken or paid by the Mortgagor hereunder. The cost of such action or payment by the Lender shall be immediately paid by the Mortgagor, shall be added to the Liabilities, shall be secured hereby, and shall bear interest at the highest rate specified in the Liabilities from the date incurred by the Lender until fully paid. No such action taken or amount paid by the Lender shall constitute a waiver of any default of the Mortgagor hereunder.

9. Removal of the Property. Except for maintenance in the ordinary course of business, the Mortgagor shall not, without the prior written consent of the Lender, materially alter, remove or demolish any timber, topsoil, minerals, fixture, building, or improvement forming part of the Property.

10. Transfer of the Property. The Lender is relying upon the integrity of the Mortgagor and its promises to perform the covenants of this Mortgage. The Mortgagor shall not sell,



transfer, convey, assign, rent for a period exceeding one year, dispose of, or further encumber, voluntarily or involuntarily, its interest in any of the Property by deed, land contract, mortgage or otherwise, except for intra-family transfers or transfers to other entities controlled by the principals of the Mortgagor without the prior written consent of the Lender. Subject to the foregoing, if the ownership of the Property, or any part thereof, becomes vested in a person other than the Mortgagor, the Lender may deal with such successor or successors in interest in the same manner as with the Mortgagor, without in any manner vitiating or discharging the Mortgagor's liability hereunder or upon the Liabilities. The Mortgagor shall at all times continue to be primarily liable on the Liabilities until fully discharged or until the Mortgagor is formally released in writing by the Lender.

11. Additional Documents. At any time, upon request of the Lender, the Mortgagor shall execute and deliver or cause to be executed and delivered to the Lender and, where appropriate, shall cause to be recorded and/or filed at such time and in such offices and places designated by the Lender, any and all such other and further mortgages, financing statements, instruments of further assurance, certificates and other documents as may, in the opinion of the Lender or its counsel, be necessary or desirable to effectuate, complete, perfect, continue or preserve the obligation of the Mortgagor under this Mortgage and the lien of this Mortgage as a first lien upon all the Property (excepting prior liens consented to in writing by the Lender). If the Mortgagor fails to comply with the foregoing sentence, the Lender may execute, record, file, re-record and refile any and all such mortgages, financing statements, instruments, certificates and documents for and in the name of the Mortgagor and the Mortgagor hereby irrevocably appoints the Lender as its agent and attorney in fact to do so. The Mortgagor agrees to execute, acknowledge and deliver, from time to time, such financing statements or other instruments as may be requested by the Lender to confirm, protect and perfect the lien of this Mortgage on any Fixtures under the provisions of the Uniform Commercial Code or other applicable statutes in effect in Michigan or otherwise, and this Mortgage shall also constitute a security agreement with reference to the Fixtures, and upon the Mortgagor's default the Lender shall, in addition to all other remedies herein provided, have the remedies provided for under the Uniform Commercial Code in effect in Michigan.

12. Assignment of Leases and Rents. As additional security for the payment and performance of the Liabilities, and for the performance of the agreements herein contained, the Mortgagor hereby assigns and transfers to the Lender, its successors and assigns, all the rents, profits, and income under any present or future written or oral leases and occupancy agreements covering any of the Property (including any extensions, amendments, or renewals thereof), whether due or to become due. This assignment of rents shall run with the land and be good and valid against the Mortgagor or those claiming under or through the Mortgagor, from the date of the recording of this Mortgage. This assignment shall continue to be operative during foreclosure or any other proceedings taken to enforce this Mortgage. In the event of a sale or foreclosure which shall result in a deficiency this assignment shall stand as security during the redemption period for the payment of such deficiency. This assignment is given as collateral security only and shall not be construed as obligating the Lender to perform any of the covenants or undertakings required to be performed by the Mortgagor contained in any assigned leases. The Mortgagor shall timely perform its obligations under the leases and occupancy agreements and not permit any condition to continue giving any tenant a right to terminate its lease or assert any defense to its obligations thereunder.



Upon occurrence of an Event of Default, the Mortgagor shall, upon demand by the Lender, and to the extent allowed by law, deliver possession of the Property to the Lender, who shall thereafter collect the rents, income and profits therefrom, rent or lease the Property or portion thereof upon terms and for a time as it deems best, terminate any tenancy and maintain proceedings to recover rents or possession of the Property from any tenant or trespasser. The Lender may apply the net proceeds of such rent and income to the following purposes: (a) preservation of the Property; (b) payment of taxes; (c) payment of insurance premiums; (d) payment of the Liabilities. In the event that the Mortgagor fails, refuses, or neglects to deliver or surrender possession, the Lender shall be entitled to the appointment of a receiver for the Property and of the earnings, income, issue and profits thereof, with such powers as the court making such appointment may confer. The Mortgagor hereby irrevocably consents to such appointment and waives notices of any application therefor. The Mortgagor agrees to execute and deliver to the Lender further assignments of rents on all future leases on the Property during the term of this Mortgage, such assignments to be in a form and manner reasonably satisfactory to the Lender.

13. Waste and Receiver. The failure, refusal or neglect of the Mortgagor to pay any of the taxes assessed against the Property before any interest or penalty attaches thereto and to provide adequate security therefor shall constitute waste hereunder and in accordance with the provisions of Act No. 236 of the Public Acts of Michigan for 1961. The failure, refusal or neglect of the Mortgagor to keep the Property adequately insured as herein provided, or to pay the premiums therefor, shall likewise constitute waste hereunder and in accordance with the provisions of Act No. 236. Upon the happening of any act of waste and on proper application made therefor by the Lender to a court of competent jurisdiction, the Lender shall forthwith be entitled to the appointment of a receiver of the Property and of the earnings, income, issue and profits thereof, with such powers as the court making such appointment shall confer. The Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor.

14. Reimbursement of Expenses. The Mortgagor shall pay or reimburse the Lender for expenses reasonably necessary or incidental to the protection of the lien and priority of this Mortgage and for expenses incurred by the Lender in seeking to enforce the provisions hereof and of the Liabilities (whether before or after default), including but not limited to costs of evidence of title to and survey of the Property, costs of recording this and other instruments, actual, reasonable attorney fees (including, but not limited to, fees incurred in participating or taking action in any bankruptcy or other insolvency proceeding of Mortgagor), trustees' fees, court costs, and expenses of advertising, selling and conveying the Property. All such payments or reimbursements shall be paid immediately to the Lender, shall be added to the Liabilities, shall be secured by this Mortgage, and shall bear interest at the highest rate specified in the Liabilities from the date incurred by the Lender until fully paid.

15. Inspection and Reports. At all reasonable times, the Lender and its agents may inspect the Property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed. Upon demand by the Lender, the Mortgagor shall promptly deliver to the Lender all financial reports, statements, rent rolls, and other documents relating to the Property and the Mortgagor, as shall be reasonably requested by the Lender. Mortgagor hereby authorizes the Lender to undertake or to have third parties undertake on its behalf (not more often than twice in any 12 month period) environmental investigations



regarding the Property and its operation including research into the previous and current ownership, use, and condition (by taking samples or borings or otherwise) of the Property for the purpose of attempting to determine whether: (i) Mortgagor or any current or past occupant of the Property has violated any federal, state or local laws involving the protection of the environment and/or the disposition of, or exposure to, hazardous or toxic substances, as now existing or as hereinafter amended or enacted, or any rules, regulations, guidelines or standards promulgated pursuant thereto; and (ii) whether any hazardous or toxic substances have been used or disposed of on the Property. Such investigations may be performed at any time before or after occurrence of an Event of Default and Mortgagor will permit the Lender and persons acting on its behalf to have access to the Property and records concerning the Property for the purpose of conducting such investigations. The cost of all such investigations shall be immediately paid by Mortgagor to the Lender, and if not paid shall be added to the Liabilities secured hereby and shall bear interest at the highest rate specified in any of the Liabilities secured hereby from the date incurred by the Lender until paid.

16. Events of Default. Occurrence of any one of the following events shall constitute an "Event of Default" under this Mortgage:

(a) Breach, failure of payment or performance, or default by the Mortgagor of or under any of the terms, conditions, or covenants of this Mortgage, any of the Liabilities, or any other instrument or agreement executed by the Mortgagor with or in favor of the Lender;

(b) Breach, failure of payment or performance, or default by any obligor other than the Mortgagor of or under any of the terms, conditions or covenants of any of the Liabilities for which this Mortgage is given as security, or of any other instrument or agreement executed by such obligor with or in favor of the Lender;

(c) Any representation, warranty, financial statement, report or other information made or furnished by or on behalf of the Mortgagor to the Lender at any time proves to be, or to have been, false or materially misleading when made or furnished.

(d) The Mortgagor makes an assignment for the benefit of creditors, or a receiver, liquidator, or trustee is appointed for the Mortgagor or any of its property;

(e) Any proceeding under any insolvency or bankruptcy law is instituted by or against the Mortgagor or any action is taken to realize upon or any proceeding is instituted to foreclose any mortgage, security interest, or lien of any kind against the Property;

(f) Any substantial damage or destruction to the Property or the issuance or filing of any attachment, levy, garnishment or other judicial process or proceeding upon or in respect of the Mortgagor or the Property; and/or

(g) Any default in the terms, conditions or covenants of any mortgage, lease, land contract, easement or other instrument which evidences an interest in the Property by any third party.

17. Lender's Rights Upon Default. Upon occurrence of an Event of Default, all of the Liabilities (regardless of any contrary terms thereof) shall, at the option of the Lender, be



immediately due and payable without demand or notice, and the Lender may take any one or more of the following actions not contrary to law:

(a) Foreclose this Mortgage by legal proceedings and collect its actual attorney fees as awarded by the Court;

(b) Sell, grant, and convey the Property, or cause the Property to be sold, granted and conveyed at public sale and to execute and deliver to the purchaser at such sale a good and sufficient deed or deeds of conveyance at law, pursuant to the statute in such case made and provided and out of the proceeds of such sale to retain the sums due under this Mortgage and all costs and charges of the sale (including, without limitation, the attorney fees provided by statute), rendering the surplus moneys, if any, to the Mortgagor or as otherwise provided by law, and in the event of a public sale and unless otherwise prohibited by law, the Property may be sold as one or more parcels, the Lender may sell the Property for cash and/or secured credit, and the Lender may give a warranty deed to the purchaser binding upon the Mortgagor and all claiming under the Mortgagor;

(c) As to the Fixtures, exercise any of the rights and remedies of a creditor under the Uniform Commercial Code, any other law, and any Court Rule;

(d) Enter upon the Property and take other actions as the Lender deems appropriate to perform the Mortgagor's obligations under this Mortgage, to inspect, repair, protect or preserve the Property, to investigate or test for the presence of any hazardous materials, and/or to appraise the Property, each of the rights under this subparagraph being specifically enforceable since there is not adequate monetary remedy available to the Lender;

(e) Exercise any and all rights granted to the Lender herein or in any of the Liabilities; and/or

(f) Take any other action allowed by law.

18. Application of Payments After Default. Notwithstanding anything to the contrary contained in this Mortgage or in any of the Liabilities, upon occurrence of an Event of Default under this Mortgage, any proceeds of any foreclosure, voluntary sale, or other disposition of the Property shall be applied by the Lender to reduction of the Liabilities in such order as the Lender shall determine in its sole judgment and the Mortgagor shall have no right to require the Lender to apply such proceeds to any specific Liabilities.

19. Waiver of Marshalling. In the event of foreclosure of this Mortgage or the enforcement by the Lender of any other rights and remedies under this Mortgage, the Mortgagor waives any right otherwise available in respect to marshalling of assets which secure the Liabilities or to require the Lender to pursue its remedies against any other assets or any other party which may be liable for any of the Liabilities.

20. Subrogation. Any transferee of, or endorser, guarantor or surety or other party providing security who pays the Liabilities secured hereby in full may take over all or any part of the Property and shall succeed to all rights of the Lender in respect thereto and the Lender shall



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be under no further responsibility therefor. No party shall succeed to any of the rights of the Lender so long as any of the Liabilities remain unpaid to the Lender.

21. Release of Security. The Mortgagor agrees that the Lender may, without impairing the obligation of the Mortgagor hereunder: release any other obligors or guarantors from their obligations to pay or perform the Liabilities; release any security of any obligor or guarantor of the Liabilities before or after maturity of any of the Liabilities; take, release or enforce its rights with respect to any of the Property without being obliged first to do so to any other security, whether owned by the Mortgagor or any other person; and agree with any obligor of the Liabilities to extend, modify, forbear or make any accommodations with regard to the terms of the Liabilities owed by such obligor.

22. Waiver of Rights Regarding Sale by Advertisement. The Mortgagor understands, acknowledges, and agrees that, upon occurrence of an Event of Default, the Lender has the right, at its option, to foreclose this Mortgage by advertisement pursuant to relevant Michigan statutes and that such statutes provide for notice of a sale solely by advertisement and posting and afford no right to a hearing to the Mortgagor. The Mortgagor hereby voluntarily and knowingly agrees and consents to the right of the Lender, at its option, to foreclose this Mortgage by advertisement and waives its rights, if any, under the Constitution of the United States and/or the State of Michigan to notice or a hearing regarding such foreclosure by advertisement, except for the notice requirements described in the Michigan statutes providing for such sale.

23. No Consent. Nothing in this Mortgage shall be deemed or construed in any way as constituting the consent or request by the Lender, express or implied, to any contractor, subcontractor, laborer, mechanic or materialman for the performance of any labor or the furnishing of any material for any improvement, construction, alteration or repair of the Property. The Mortgagor further agrees that the Lender does not stand in any fiduciary relationship to the Mortgagor.

24. Indemnity. In addition to payments of the Liabilities, Mortgagor agrees to indemnify, defend, pay and hold harmless the Lender and any holder of any of the Liabilities, and the officers, directors, employees, agents and affiliates of the Lender and such holders (collectively called the "Indemnitees") from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs (including, without limitation, settlement costs), expenses or disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitee shall be designated a party thereto), which may be imposed on, incurred by, or asserted against that Indemnitee, in any manner relating to or arising out of this Mortgage and/or its enforcement, the Liabilities, the Lender's relationship with Mortgagor, the use or intended use of the proceeds of any of the Liabilities or any environmental matter (the "Indemnified Claims"); provided that Mortgagor shall have no obligation to an Indemnitee hereunder with respect to Indemnified Claims if it has been determined by a final decision (after all appeals and the expiration of time to appeal) by a court of competent jurisdiction that such Indemnified Claims arose primarily from the gross negligence or willful misconduct of that Indemnitee. To the extent that the undertaking to indemnify, defend, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, Mortgagor shall contribute the maximum portion which it is permitted to pay and satisfy



under applicable law, to the payment and satisfaction of all Indemnified Claims incurred by the Indemnitees or any of them.

The foregoing indemnity set forth in this Section 24 shall include, without limitation, indemnification by Mortgagor to each Indemnitee for any and all expenses and costs (including, without limitation, remedial, removal, response, abatement, clean-up, investigative, closure and monitoring costs), losses, claims (including claims for contribution or indemnity and including the costs of investigating or defending any claim and whether or not such claim is ultimately defeated, and whether such claim arose before, during or after Mortgagor's ownership, operation, possession or control of the Property, or before, on or after the date hereof, and including also any amounts paid incidental to any compromise or settlement by the Indemnitees or any Indemnitee to the holders of any such claim), lawsuits, liabilities, obligations, actions, judgments, suits, disbursements, encumbrances, liens, damages (including, without limitation, damages for contamination or destruction of natural resources), penalties and fines of any kind or nature whatsoever (including, without limitation, in all cases the reasonable fees and disbursements of counsel in connection therewith) incurred, suffered or sustained by that Indemnitee based upon, arising under or relating to any federal, state or local laws involving the protection of the environment and/or the disposition of, or exposure to, hazardous or toxic substances, as now existing or as hereinafter amended or enacted, or any rules, regulations, guidelines or standards promulgated pursuant thereto, based on, arising out of or relating to, in whole or in part, the exercise and/or enforcement of any rights or remedies by any Indemnitee under this Mortgage or any of the Liabilities, and including, but not limited to, taking title to, owning, possessing, operating, controlling, managing or taking any action in respect of the Property. The provisions of this Section 24 shall survive payment of the Liabilities and termination of this Mortgage.

25. **Reinstatement of Mortgage.** If any payment to the Lender on any of the Liabilities is wholly or partially invalidated, set aside, declared fraudulent, or required to be repaid to the Mortgagor or anyone representing the Mortgagor or the Mortgagor's creditors under any bankruptcy or insolvency act or code, under any state or federal law, or any common law or equitable principles, then this Mortgage shall remain in full force and effect or be reinstated, as the case may be, until payment in full to the Lender of the repaid amounts, and of the Liabilities. If this Mortgage must be reinstated, the Mortgagor agrees to execute and deliver to the Lender new mortgages, if necessary, in form and substance acceptable to the Lender, covering the Property.

26. **Miscellaneous.** The paragraph headings used in this Mortgage are for convenience only and shall not be used in the interpretation hereof. All persons signing this Mortgage on behalf of a corporation, partnership, trust or other entity warrant to the Lender that they are duly and properly authorized to execute this Mortgage. Nothing in this Mortgage shall waive or restrict any right of the Lender granted in any other document or by law. No delay on the part of the Lender in the exercise of any right or remedy shall operate as a waiver. No single or partial exercise by the Lender of any right or remedy shall preclude any other future exercise of that right or remedy or the exercise of any other right or remedy. No waiver or indulgence by the Lender of any default shall be effective unless in writing and signed by the Lender, nor shall a waiver on one occasion be construed as a bar to or waiver of that right on any future occasion. Acceptance of partial or late payments owing on any of the Liabilities at any time shall not be deemed a waiver of any default. All rights, remedies and security granted to the Lender herein are cumulative and in addition to other rights, remedies or security which may be granted elsewhere or by law. Any inspection, audit, appraisal or examination of the Property by or on



behalf of the Lender shall be solely for its benefit and shall not create any duty or obligation to the Mortgagor or any other person. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provision hereof shall be declared invalid or illegal it shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of the provision or the remaining provisions of this Mortgage. Notice from the Lender to the Mortgagor, if mailed, shall be deemed given when mailed to the Mortgagor, postage prepaid, at the Mortgagor's address set forth at the beginning of this Mortgage or at any other address of the Mortgagor in the records of the Lender. Any reference to the Lender shall include any holder of the Liabilities and any holder shall succeed to the Lender's rights under this Mortgage. This Mortgage shall bind the respective heirs, personal representatives, successors and assigns of the Mortgagor. If any payment applied by the Lender to the Liabilities is subsequently set aside, recovered, rescinded or otherwise required to be returned or disgorged by the Lender for any reason (pursuant to bankruptcy proceedings, fraudulent conveyance statutes, or otherwise), the Liabilities to which the payment was applied shall for the purposes of this Mortgage be deemed to have continued in existence, notwithstanding the application, and shall be secured by this Mortgage as fully as if the Lender had not received and applied the payment. The laws of the State of Michigan shall govern the terms and conditions of this Mortgage.

27. Joint and Several Obligations. If two or more persons execute this Mortgage as the Mortgagor, the obligations and grants of liens of such persons herein shall be joint, several, and individual.

28. WAIVER OF JURY TRIAL. THE MORTGAGOR AND The Lender EACH HEREBY KNOWINGLY AND VOLUNTARILY, WITHOUT COERCION AND AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, WAIVE ALL RIGHTS TO A TRIAL BY JURY OF ALL DISPUTES BETWEEN THEM ARISING OUT OF THIS MORTGAGE, ANY OF THE LIABILITIES, OR ANY ALLEGED ACT OR NEGLIGENCE OF THE LENDER. NEITHER THE MORTGAGOR NOR THE LENDER SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THIS WAIVER OF JURY TRIAL MAY NOT BE MODIFIED IN ANY RESPECT OR RELINQUISHED BY ANY PARTY EXCEPT IN A WRITTEN INSTRUMENT EXECUTED BY ALL PARTIES.

29. Subordination to Senior Lenders. This Mortgage shall be subordinate to any mortgage or mortgages required to be granted to the Mortgagor's senior lenders and the Lender agrees to execute any reasonable subordination agreement as may be requested by the Mortgagor's senior lenders.



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