

Proposed Agenda

September 18, 2008

Honorable Mayor and
Members of the City Council
City of Jackson

Dear Mayor and City Councilmembers:

The next regular meeting of the City Council will be held on Tuesday, September 23, 2008, at 7:00 p.m. in the City Council Chambers. The following items will appear on Tuesday's agenda.

1. Call to Order.
2. Pledge of Allegiance – Invocation by Kenneth E. Gaiser, 4th Ward City Councilmember.
3. Roll Call.
4. Adoption of Agenda.
5. **Presentations/Proclamations.**
 - A. Presentation by Vic Cooperwasser, Tetra Tech, regarding federal and state requirements for storm water management and permitting, and comments from Glenn Chinavare, Department of Public Services Director.
6. **Citizen Comments. (3-Minute Limit)**
7. **Consent Calendar.**
 - A. Approval of the minutes of the regular City Council meeting of September 9, 2008.
 - B. Approval of the request from the Jackson High School Student Government to close Brown Street from Michigan Avenue to Wildwood, and Wildwood from Daniel Road to Lydia Street, to hold their annual Homecoming Parade on Friday, October 17, 2008, with police assistance, beginning at 6:00 p.m. (Approval recommended by the Police, Fire, and Traffic Engineering Departments. Proper insurance coverage received.)
 - C. Approval of the request from the Downtown Development Authority on behalf of the American Cancer Society to hold the, "Making Strides Against Breast Cancer Walk," at the Riverwalk Amphitheater on Saturday, October 11, 2008, (event 6:00 a.m. until 2:00 p.m.). (Approval recommended by Police, Fire, Traffic Engineering, Parks & Forestry, Public Services Departments, the Amphitheater Review Committee and the Downtown Development Authority. Proper insurance coverage has been received.)
 - D. Approval of the request from the Downtown Development Authority on behalf of St. John the Evangelist Church to hold America Needs Fatima at the Riverwalk Amphitheater on Sunday, October 12, 2008, (event 12:00 p.m. until 2:00 p.m.). (Approval recommended by the Police, Fire, Traffic Engineer, Parks & Forestry, Public Services Departments, the Amphitheater Review Committee and the Downtown Development Authority. Proper insurance coverage has been received.)

- E. Approval of Traffic Control Order (TCO) Nos. 1985 and 1986, for stop sign record keeping at the intersection of Leroy and Seymour streets rescinding existing TCO No. 1534, and the intersection of Fourth and High Streets rescinding TCO Nos. #PR091 and #1147 respectively, in accordance with the recommendation of the City Engineer.
- F. Receipt of the City of Jackson's summary of revenue and expenditures for one (1) month ended, August 31, 2008.
- G. Receipt of the City Treasurer's quarterly report for the last two quarters ending June 30, 2008.
- H. Receipt of the Dangerous Building Report through August 31, 2008.
- I. Receipt of the Community Development Department CDBG Financial Summary through August 31, 2008
- J. Establishment of October 7, 2008, at the City Council meeting as the time and place to hold a public hearing on an application for an Industrial Facilities Exemption Certificate filed by Crankshaft Machine Group, 314 N. Jackson Street.

8. **Committee Reports.**

9. **Appointments.**

- A. Approval of the Mayor's recommendation to appoint Dawn Feldpausch, to fill a current vacancy on the Citizens Advisory Council for Community Development, beginning immediately and ending December 31, 2009.
- B. Approval of the Mayor's recommendation to appoint James Cyphers to fill the current vacancy on the Jackson Transportation Authority beginning immediately, and ending March 1, 2009.
- C. Approval of the Mayor's recommendation to reappoint Gregory Shack to the Jackson Housing Commission for a five year term beginning October 31, 2008, and ending October 30, 2013.

10. **Public Hearings.**

- A. Public hearing to receive citizen comment on the City's performance in administering 2007-2008 Community Development Block Grant (CDBG) and HOME Programs.
 - 1. Authorization to submit the Consolidated Annual Performance and Evaluation Report (CAPER) to the U.S. Department of Housing and Urban Development (HUD) by the deadline of September 30, 2008.
- B. Public hearing on the request from the City of Jackson to vacate a 16-foot wide alley running east and west, situated south of Lots 1 through 12 and north of Lots 18 through 29, Block 7, Jackson Land and Improvement Company's subdivision of Blocks 2 and 7 and parts of Blocks 1, 3, 4, 5, 6, 11 and 12 of Francis Street Addition. (City Planning Commission recommends approval of the alley vacation.)
 - 1. Resolution approving the vacation of the alley.

11. **Resolutions.**

- A. Consideration of a resolution regarding the request from St. Luke's Clinic that they be recognized as a nonprofit organization operating in the community for the purpose of obtaining charitable gaming licenses.
- B. Consideration of a resolution approving the cost agreements with the Michigan Department of Transportation for shared maintenance work on an existing traffic signal at the intersection of M-50 (Main) @ M-124 (Wamplers Lake) (Brooklyn),

and authorization for the Mayor and City Clerk to execute the appropriate document(s), in accordance with the recommendation of the City Engineer.

- C. Consideration of a resolution authorizing the Mayor to execute a Brownfield Cooperative Agreement with the U.S. Environmental Protection Agency (EPA), in the amount of \$1,000,000.00, and authorization for staff to make minor modifications to the agreement, in accordance with the recommendation of the Community Development Director.
- D. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4167 for delinquent miscellaneous General Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.
- E. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4168 for delinquent miscellaneous Community Development Block Grant Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.
- F. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4169 for delinquent miscellaneous Wastewater Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.
- G. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4170 for delinquent miscellaneous Water Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.
- H. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4171 for delinquent miscellaneous Public Works Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.
- I. Consideration of a resolution establishing October 21, 2008, at the City Council meeting as the time and place to hold a public hearing on Special Assessment Roll No. 4172 for delinquent miscellaneous Building Department Fund accounts receivable and directing the City Assessor to prepare the roll, in accordance with the recommendation of the City Clerk.

12. **Ordinances.**

- A. Final adoption of Ordinance No. 2008.12, amending Chapter 28, Section 28.183, City Code, rezoning property located at 500 and 505 N. Jackson, 216-224 Trail, and 523 Blackman Streets from PUDD (planned unit development district) to C-4 (general commercial district).

13. **Other Business.**

14. **New Business.**

- A. Consideration of the proposal from Goodwill Industries of Central Michigan's Heartland, to transfer the recycling center from its current location on Louis Glick Highway to the Goodwill Industries site, and authorization for the City Manager to take the appropriate action to complete the transfer, or consideration of alternative sites. (Delayed at September 9, 2008, Council meeting.)

- B. Consideration and approval of updated by-laws for:
 - 1. The Brownfield Redevelopment Authority
 - 2. The Local Development Finance Authority
 - C. Consideration of the request to purchase four patrol vehicles, utilizing the Macomb County Purchasing Contract, from Signature Ford, Perry and Owosso, Michigan, with a total purchase price of \$81,444.00, in accordance with the recommendation of the Chief of Police.
 - D. Consideration of the request to approve the Second Addendum to the Purchase Agreement for 212 West Michigan Avenue, and authorization for the Mayor and City Clerk to execute the appropriate document(s), and authorization for staff to make minor modifications if needed, in accordance with the recommendation of the City Attorney.
 - E. Consideration of the Development Agreement between the City of Jackson and Hotel Hayes Development, LLC, for redevelopment of the former Hayes Hotel building, 228 W. Michigan Avenue.
15. **City Councilmembers' Comments.**
16. **City Manager's Comments.**
17. **Executive Session to discuss legal opinion.**
 - A. Consideration of direction to City staff regarding locations of electronic signs within the City of Jackson.
18. **Return to Open Session.**
19. **Adjournment.**

Respectfully submitted,



William R. Ross
City Manager

JACKSON CITY COUNCIL MEETING

MINUTES

SEPTEMBER 9, 2008

CALL TO ORDER.

The Jackson City Council met in regular session in City Hall and was called to order at 7:00 p.m. by Mayor Jerry F. Ludwig.

PLEDGE OF ALLEGIANCE – INVOCATION.

The Council joined in the pledge of allegiance. Councilmember Greer gave the invocation.

ROLL CALL.

Present: Mayor Jerry F. Ludwig and Councilmembers Carl L. Breeding, Daniel P. Greer, Kenneth E. Gaiser, Andrew R. Frounfelker and John R. Polaczyk—6. Absent with excuse: Councilmember Robert B. Howe—1.

Also Present: City Manager William R. Ross, City Attorney Julius A. Giglio and City Clerk Lynn Fessel.

AGENDA.

Motion was made by Councilmember Greer and seconded by Councilmember Gaiser to remove Item 9.C. under Appointments from the agenda. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Frounfelker to add an action item regarding 212 W. Michigan Avenue to the agenda. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to adopt the agenda, as amended above. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.

PRESENTATIONS/PROCLAMATIONS.

A. PRESENTATION BY CHARLES REISDORF, REGION 2 PLANNING COMMISSION EXECUTIVE DIRECTOR, REGARDING THE METRO FIRE STUDY.

Mr. Reisdorf explained that the purpose of the study was to determine whether a metropolitan fire authority could be established to serve the area of the City of Jackson and Blackman, Leoni and Summit Townships and to analyze the impacts of such an arrangement on effectiveness, efficiency and costs. Mr. Reisdorf discussed study constraints, geography, demographics, property valuation, fire and emergency service calls, mutual aid, equipment, staffing, fire station locations, fire protection costs and financing alternatives. He concluded the presentation by reviewing a set of recommendations.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to receive the study. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.

CITIZEN COMMENTS.

Thomas Nicholls, 7240 Cement City Road, discussed the Nicholls Electric Car Company and the advantages of owning an electric vehicle.

Ron Andrews, 915 W. Washington Avenue, discussed adult home care businesses in residential areas. He asked if there is a statute or a court decision that says residential home care businesses, with paid employees, are subject to the exclusive jurisdiction of the State of Michigan. If there is no statute or court decision, doesn't the City have something to say about these businesses in residential areas? He also inquired as to how many of these homes are in the City and where they are located.

Thomas Smith, 917 W. Ganson Street, suggested that we take the citizens, families and neighborhoods into consideration first, instead of special interest groups and private enterprise. He also suggested that adult home care businesses be located in commercial areas, close to public transportation, health centers and shopping malls.

Eileen Rawlins, 509 Hibbard Avenue, discussed complaints with the adult care home located at 1001 W. Ganson Street, including noise and lack of supervision.

Bruce Inosencio, 740 W. Michigan Avenue, explained to Council that the development agreement for the Hotel Hayes, LLC is satisfactory from his perspective and requested a six-month extension of the agreement for 212 W. Michigan Avenue. Parking is a key issue. He also urged the Council to support the request from Allegiance Health to remove the glass art mural located in the lobby of 212 W. Michigan Avenue.

Don Nelson, representing the Grand River Environmental Action Team, announced that the Grand River clean up will be held this Saturday. He thanked the City and downtown businesses for their continued support.

Patrick LaFlamme, 100 Armory Court, spoke in support of moving the recycling center to the Goodwill Industries site.

Judith Krasnow, 100 Armory Court; Ruth Ojeda, 100 Armory Court, and Carlene Walz Lefere, 1434 Eagle Point, all expressed their objections to moving the recycling center to the Goodwill Industries site.

Jane Robinson, Armory Arts Village Director, asked the Council to postpone making a decision tonight on moving the recycling center.

David Emmons, 2100 Emmons Road, gave a brief history of his family's hauling and recycling business. He expressed his feeling that Phil Duckham's involvement in the location of the recycling center is a conflict of interest because he is a County Commissioner and also in the hauling business.

Gloria Smith, 218-220 Damon Street, asked the Council for assistance regarding zoning regulations and her duplex.

Mayor Ludwig noted that a letter was received from William Deary, Great Lakes Home Health and Hospice, objecting to moving the recycling center to the Goodwill Industries site.

CONSENT CALENDAR.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the following Consent Calendar. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.

Consent Calendar

- A. Approval of the minutes of the regular City Council meeting of August 12, 2008.
- B. Approval of the minutes of the special City Council meeting of August 13, 2008.
- C. Approval of the request from the Greater Jackson Area CROP Walk Committee to hold their annual Walk for Hunger on Sunday, October 12, 2008, beginning at 2:00 p.m. (Recommended approval received from the Police and Fire Departments, and the Downtown Development Authority. Proper insurance coverage received.)
- D. Approval of the request from the Midtown Association of Jackson requesting permission to hold a downtown sidewalk sale on Saturday, September 13, 2008, beginning at 9:00 a.m. (Recommended approval received from the Police and Fire Departments, and the Downtown Development Authority. Proper insurance coverage received.)
- E. Approval of the request from Helping All People Excel (HAPE) to hold their Families Matter Fall Festival at the Martin Luther King Center grounds, on Saturday, September 13, 2008, beginning at 12:00 noon. (Recommended approval received from the Police, Fire, Parks/Forestry and Public Services Departments. Proper insurance coverage received.)
- F. Approval of the recommendation of the Downtown Development Authority to amend the Downtown Development Authority fiscal year 2008-2009 operational budget to include a carryover amount of \$15,000.00 for the Façade Loan program from the 2007-2008 fiscal year.
- G. Approval of payment of the Region 2 Planning Commission invoice, in the amount of \$11,509.90, for planning services for the month of August, 2008, in accordance with the recommendation of the City Manager.
- H. Approval of Final Balancing Change Order No. 1, to the contract with The Rothenberger Company, Inc., Concord, in the amount of \$15,245.31, for the Whitney Street Water Main Replacement project, and authorization for the City Manager and City Engineer to execute the appropriate document(s), in accordance with the recommendation of the City Engineer.
- I. Approval of Traffic Control Order (TCO) No. 1984, changing parking regulations, with restrictions, on North Mechanic Street between Ganson Street and Armory Court, in accordance with the recommendation of the City Engineer.

- J. Approval of the request of the Community Development Director to disseminate the draft Consolidated Annual Evaluation and Performance Report (CAPER) for public review and begin the 15-day comment period.
- K. Approval of the request to allow the listed entities additional time to expend their Community Development Block Grant (CDBG) and HOME funding, and authorization for the Mayor and City Clerk to execute the Amended Subrecipient Agreements, in accordance with the recommendation of the Community Development Director (postponed at the August 12, 2008, meeting.)
- L. Receipt of the City of Jackson's summary of revenue and expenditures for one (1) month ended, July 31, 2008.
- M. Receipt of Dangerous Building Report through July 31, 2008.
- N. Receipt of the Community Development Department CDBG Financial Summary through July 31, 2008.

COMMITTEE REPORTS.

A. CONSIDERATION OF THE RECOMMENDATION OF THE CITY AFFAIRS COMMITTEE TO ADOPT A POLICY RELATED TO PAYMENT IN LIEU OF TAX (PILOT) APPLICATIONS AND PROCEDURES.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the recommendation as presented. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

APPOINTMENTS.

A. APPROVAL OF THE MAYOR'S REQUEST TO RECOMMEND TO JACKSON COUNTY THE REAPPOINTMENT OF COUNCILMEMBER ANDREW FROUNFELKER, TO THE JACKSON COUNTY LAND BANK AUTHORITY FOR A FOUR-YEAR TERM BEGINNING NOVEMBER 1, 2008, AND ENDING OCTOBER 31, 2012.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Gaiser to approve the Mayor's request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

B. APPROVAL OF THE MAYOR'S RECOMMENDATION TO APPOINT PATRICIA FELDPAUSCH TO THE CITIZENS ADVISORY COUNCIL FOR COMMUNITY DEVELOPMENT, FILLING A CURRENT VACANCY BEGINNING IMMEDIATELY AND ENDING DECEMBER 31, 2009.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to approve the Mayor's recommendation. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

C. APPROVAL OF THE MAYOR'S RECOMMENDATION TO APPOINT COUNCILMEMBER ROBERT HOWE TO THE CITY AFFAIRS COMMITTEE REPLACING COUNCILMEMBER CARL BREEDING.

This item was deleted when the agenda was considered.

PUBLIC HEARINGS.

A. PUBLIC HEARING ON THE REQUEST TO REZONE FROM PUDD (PLANNED UNIT DEVELOPMENT DISTRICT) TO C-4 (GENERAL COMMERCIAL), PROPERTY LOCATED AT 500 & 505 N. JACKSON, 216-224 TRAIL, AND 523 BLACKMAN STREETS. (CITY PLANNING COMMISSION RECOMMENDS APPROVAL.)

Mayor Ludwig opened the public hearing. No one spoke; the Mayor closed the public hearing.

1. CONSIDERATION OF AN ORDINANCE TO AMEND CHAPTER 28, SECTION 28.183, CITY CODE, REZONING PROPERTY LOCATED AT 500 & 505 N. JACKSON, 216-224 TRAIL, AND 523 BLACKMAN STREETS.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Frounfelker to approve the ordinance and place it on the next regular Council meeting agenda for adoption. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

RESOLUTIONS.

A. CONSIDERATION OF A RESOLUTION ADOPTING THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS) RETIREE HEALTH FUNDING VEHICLE.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to adopt the resolution. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

ORDINANCES.

None.

OTHER BUSINESS.

None.

NEW BUSINESS.

A.1. CONSIDERATION OF THE DESIGNATION OF AN OFFICIAL REPRESENTATIVE AND ALTERNATE TO CAST THE VOTE OF THE MUNICIPALITY AT THE MICHIGAN MUNICIPAL LEAGUE ANNUAL BUSINESS MEETING TO BE HELD ON OCTOBER 2, 2008, AT THE GRAND HOTEL, MACKINAC ISLAND, MI.

Motion was made by Councilmember Gaiser and seconded by Councilmember Polaczyk to designate Councilmember Greer as the official representative. The motion was adopted by the

following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to designate Councilmember Gaiser as the alternate. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

A.2. CONSIDERATION OF THE REQUEST TO APPROVE THE FOURTH YEAR RENEWAL TO THE CONTRACT WITH SYNAGRO, LANSING, AT THEIR PRICE OF \$0.0304 PER GALLON, ESTIMATED COST OF \$106,400.00, FOR HAULING AND LAND APPLICATION OF SEWAGE SLUDGE, IN ACCORDANCE WITH THE RECOMMENDATION OF THE DIRECTOR OF SEWAGE TREATMENT AND FACILITIES AND THE PURCHASING AGENT.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

B. CONSIDERATION OF THE REQUEST TO APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH BELDEN PAVING CO., INC., INCREASING THE CONTRACT AMOUNT BY \$50,000.00, FOR A TOTAL CONTRACT AMOUNT OF \$129,375.00, FOR PAVEMENT SERVICES FOR WATER MAIN PROJECTS, AND AUTHORIZATION FOR THE CITY MANAGER AND THE DIRECTOR OF PUBLIC SERVICES TO EXECUTE THE APPROPRIATE DOCUMENT(S), IN ACCORDANCE WITH THE RECOMMENDATION OF THE DIRECTOR OF PUBLIC SERVICES.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Greer, Gaiser, Frounfelker and Polaczyk—5. Nays: Councilmember Breeding--1. Absent: Councilmember Howe—1.

C. CONSIDERATION OF THE REQUEST TO APPROVE A BID AWARD TO MIDWEST MUNICIPAL INSTRUMENTATION, INC., JACKSON, (SOLE SOURCE SUPPLIER) IN THE AMOUNT OF \$22,145.00 FOR TWO FLO-DAR FLOW MONITORS, AND APPROVAL OF CHANGE ORDER NO. 2 TO THE CONTRACT WITH EARTH TECH, GRAND RAPIDS, IN THE AMOUNT OF \$9,750.00, TO INSTALL THE FLO-DAR MONITORS ON INTERCEPTOR SANITARY SEWERS AT TWO (2) LOCATIONS, AND AUTHORIZATION FOR THE CITY MANAGER, CITY ENGINEER AND DIRECTOR OF SEWAGE TREATMENT AND FACILITIES TO EXECUTE THE APPROPRIATE DOCUMENT(S), IN ACCORDANCE WITH THE CITY ENGINEER, PURCHASING AGENT, AND THE DIRECTOR OF SEWAGE TREATMENT AND FACILITIES.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

D. CONSIDERATION OF THE BID AWARD TO MICHIGAN CAT, MASON, IN THE AMOUNT OF \$140,866.00, TO PURCHASE A 2008 CATERPILLAR 928HZ FRONT END WHEEL LOADER, IN ACCORDANCE WITH THE RECOMMENDATION OF THE PURCHASING AGENT AND THE DIRECTOR OF PUBLIC SERVICES.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to approve the bid award. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

E. CONSIDERATION OF THE REQUEST TO ISSUE A PURCHASE ORDER TO THE DETROIT SALT COMPANY, DETROIT, AT THEIR BID PRICE OF \$36.72 PER TON, FOR AN ESTIMATED CONTRACT COST OF \$157,896.00, (SECOND YEAR OF THE JACKSON COUNTY ROAD COMMISSION CONTRACT) FOR 2008-2009 ROAD SALT PURCHASE FOR LOCAL AND MAJOR CITY STREETS, IN ACCORDANCE WITH THE RECOMMENDATION OF THE PURCHASING AGENT, JACKSON COUNTY ROAD COMMISSION AND THE DIRECTOR OF PUBLIC SERVICES.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Greer to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

F. CONSIDERATION OF THE REQUEST TO ISSUE A PURCHASE ORDER TO NORTH AMERICAN SALT COMPANY, OVERLAND, KANSAS, AT THEIR BID PRICE OF \$42.79 PER TON (APPROXIMATELY \$42,790.00) FOR 2008-2009 ROAD SALT PURCHASE FOR STATE TRUNK LINES (AS MANDATED BY THE MICHIGAN DEPARTMENT OF TRANSPORTATION THROUGH THE STATE OF MICHIGAN SALT PURCHASE CONTRACT) (ONE YEAR CONTRACT), IN ACCORDANCE WITH THE RECOMMENDATION OF THE DIRECTOR OF PUBLIC SERVICES, THE PURCHASING AGENT, AND THE STATE OF MICHIGAN.

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

Councilmember Polaczyk noted that the City does not have a choice, but we can buy it cheaper within the State of Michigan than the State can.

G. CONSIDERATION OF THE BID AWARD TO JDE EQUIPMENT CO., GRAND RAPIDS, AT THEIR LOW BID PRICE OF \$96,270.00, FOR A 2008 JOHN DEERE 410J BACKHOE/LOADER, IN ACCORDANCE WITH THE RECOMMENDATION OF THE PURCHASING AGENT AND THE DIRECTOR OF PUBLIC SERVICES.

Motion was made by Councilmember Frounfelker and seconded by Councilmember Polaczyk to approve the bid award. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

H. CONSIDERATION OF THE BID AWARD TO PAUL BENGAL COMPANY, IN THE AMOUNT OF \$234,000.00, FOR WATER TREATMENT PLANT IMPROVEMENTS, AND AUTHORIZATION FOR THE MAYOR AND CITY CLERK TO EXECUTE THE APPROPRIATE CONTRACT DOCUMENT(S), IN ACCORDANCE WITH THE RECOMMENDATION OF THE DIRECTOR OF PUBLIC SERVICES, JONES & HENRY CONSULTING ENGINEERS, AND THE PURCHASING AGENT.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to approve the bid award. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

I. CONSIDERATION OF THE REQUEST FROM ALLEGIANCE HEALTH TO REMOVE THE GLASS ART MURAL LOCATED IN THE LOBBY OF 212 W. MICHIGAN AVENUE AT THEIR COST, AND REMOVAL OF ANY DEBRIS CREATED FROM THE PROCESS, IN ACCORDANCE WITH THE RECOMMENDATION OF THE COMMUNITY DEVELOPMENT DIRECTOR.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Gaiser to approve the request. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

J. CONSIDERATION OF THE PROPOSAL FROM GOODWILL INDUSTRIES OF CENTRAL MICHIGAN'S HEARTLAND, TO TRANSFER THE RECYCLING CENTER FROM ITS CURRENT LOCATION ON LOUIS GLICK HIGHWAY TO THE GOODWILL INDUSTRIES SITE, AND AUTHORIZATION FOR THE CITY MANAGER TO TAKE THE APPROPRIATE ACTION TO COMPLETE THE TRANSFER.

The Clerk was asked to read the following letter.

Re: Proposal to place trash recycling center at Goodwill facility location

Gentlemen:

Due to a prior business commitment, I am out of town and cannot attend this City Council meeting. I request that this letter be read into the formal minutes of the City Council meeting.

The proposal to place the trash recycling center at the Goodwill facility location on Armory Court, on the surface, may appear to be both prudent and expedient. We suggest the proposal to be counterintuitive and short-sighted.

Please remember the goals for the Armory Arts Project and the gentrification of Cooper Street as the gateway to downtown Jackson. If we are trying to encourage development on Cooper Street, do we want a trash center fifty yards from this gateway? If the Armory Arts Project is designed to be a new jewel of our community, do we want a trash center directly adjacent and in clear line of sight to this proposed upscale retail development? How often can we expect a financially accomplished family to drive to Jackson and park their luxury car next to a trash collection center and then spend \$10,000 on a piece of art?

This area has benefited from over fifteen million dollars of redevelopment in the past three years (Armory Arts - \$10 million, Great Lakes Home Health & Hospice - \$4.5 million and the new SBAK development - \$1 million).

We should be aggressively working on opportunities to continue the beautification of this area of our community. Does a trash collection center provide synergistic compliment to upscale retail and commercial investment and development?

We believe that recycling is important. Great Lakes Home Health and Hospice invested in award winning LEED technology in the construction of our complex. We recycle paper, bottles/cans, printer cartridges and obsolete equipment. A place to continue recycling is important to our community.

We suggest that there are other more appropriate locations for the trash collection center and we call upon your wisdom to make a decision that is consistent with the goals of the immediate geography. A trash collection center is not complimentary to nor will it provide dynamic synergy to the current and future upscale retail and commercial development of this area.

We look forward to your decision to reject the placement of a trash collection center as proposed and discussed herein.

Best regards and God bless,

*William L. Deary
Chief Executive Officer
Great Lakes Home Health and Hospice*

Motion was made by Councilmember Greer and seconded by Mayor Ludwig to postpone consideration of the relocation of the recycling center, for two weeks until the next regular City Council meeting, to gather more information and make sure that all bases are covered. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

K. CONSIDERATION OF THE LOW BID AWARD TO BELDEN ASPHALT, IN THE AMOUNT OF \$150,000.00, FOR RECONSTRUCTION OF BASKETBALL AND TENNIS COURTS AT LIONS AND EXCHANGE PARKS, IN ACCORDANCE WITH THE RECOMMENDATION OF THE DIRECTOR OF PARKS, RECREATION AND GROUNDS, AND GEORGE COVALLE, ARCHITECT AND ASSOCIATES, INC.

Motion was made by Councilmember Greer and seconded by Councilmember Frounfelker to approve the low bid award. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe—1.

L. CONSIDERATION OF THE ESTABLISHMENT OF A DATE FOR A CITY COUNCIL GOAL SETTING SESSION.

It was the consensus of the Council to hold a special City Council meeting for a goal setting session on Wednesday, September 17, 2008, at 6:00 p.m.

ITEM ADDED WHEN THE AGENDA WAS ADOPTED.

Motion was made by Councilmember Polaczyk and seconded by Councilmember Gaiser to extend the purchase agreement and continue to negotiate the development agreement for 212 W. Michigan Avenue and direct the City Attorney to prepare a document that reflects the action the Council took regarding the glass art mural and that action not affect the agreement and that also includes a first right of refusal and has an ending date of March 9, 2009. The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Greer, Gaiser, Frounfelker and Polaczyk—5. Nays: Councilmember Breeding—1. Absent: Councilmember Howe—1.

CITY COUNCILMEMBERS' COMMENTS.

Councilmember Greer announced that the City has lost a very valuable employee, Deborah Stuart, to the Michigan Economic Development Corporation. She began in the Downtown Development Authority and most recently worked as the Economic Development Project Manager. She is wished the very best and will be missed.

Councilmember Gaiser thanked the Region 2 Planning Commission for all of their hard work in preparing the Metro Fire Study. He is excited about the opportunity to save over \$1M and encourages all parties involved to work hard and save the million. He also referred to an article in the Citizen Patriot that lists the City of Jackson among the top 10 for affordable homes. It is a good thing and a bad thing. Hopefully, we can work on our curb appeal, our infrastructure and our future.

Councilmember Polaczyk wished Councilmember Frounfelker a happy birthday. It was also noted that it was Fire Chief Bosell's birthday.

Mayor Ludwig discussed street improvements and stated his desire to look into concrete instead of asphalt.

CITY MANAGER'S COMMENTS.

The City Manager announced that the State is going to mill and overlay and repair curb and gutter on N. Francis and N. Cooper Streets. Repair work will be done at three intersections on Washington Avenue, two by the State and one by the Department of Public Works. He also noted that the weather has delayed reconstruction on First Street.

ADJOURNMENT.

No further business being presented, a motion was made by Councilmember Polaczyk and seconded by Councilmember Greer to adjourn the meeting. The motion was adopted by unanimous voice vote and the meeting adjourned at 8:50 p.m.

Lynn Fessel
City Clerk



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

September 17, 2008

TO: William R. Ross, City Manager
FROM: Angela Arnold, Deputy City Clerk *Angela*
RE: Jackson High School Homecoming Parade

The Jackson High School Student Government is requesting permission to conduct their homecoming parade on Friday, October 17, 2008, beginning at 6:00 p.m., with Police Department assistance and closure of Brown Street from Michigan Avenue to Wildwood and Wildwood from Daniel Road to Lydia Street.

Recommended approvals have been received from the Police, Fire and Traffic Engineering Departments. Proper insurance coverage has been received.

Please place this request on the Council's September 23rd consent calendar for their consideration.

Attachment



JACKSON HIGH SCHOOL

544 WILDWOOD AVENUE • JACKSON, MICHIGAN 49201 • PHONE: 517-841-3700

August 22, 2008

Jackson City Council
161 W. Michigan Avenue
Jackson, Michigan 49201

Honorable Mayor Jerry Ludwig
Members of the City Council:

The Jackson High School Student Government would like to hold this year's Homecoming Parade on Friday, October 17, 2008 at 6:00 p.m. The parade will consist of cars and floats. The Jackson High School band will lead the parade. The route for the parade, which begins at Immanuel Lutheran Church (Brown and Michigan Ave), is explained on the enclosed map.

We would like your permission and the assistance of the Jackson City Police Department to lead the parade and block off the necessary intersections along the route. The parade will begin at 6:00 p.m. from Brown Street and will travel north to Wildwood Avenue. The entire parade will take about 30 minutes.

Thank you very much for considering this request and please let me know if you desire any additional details.

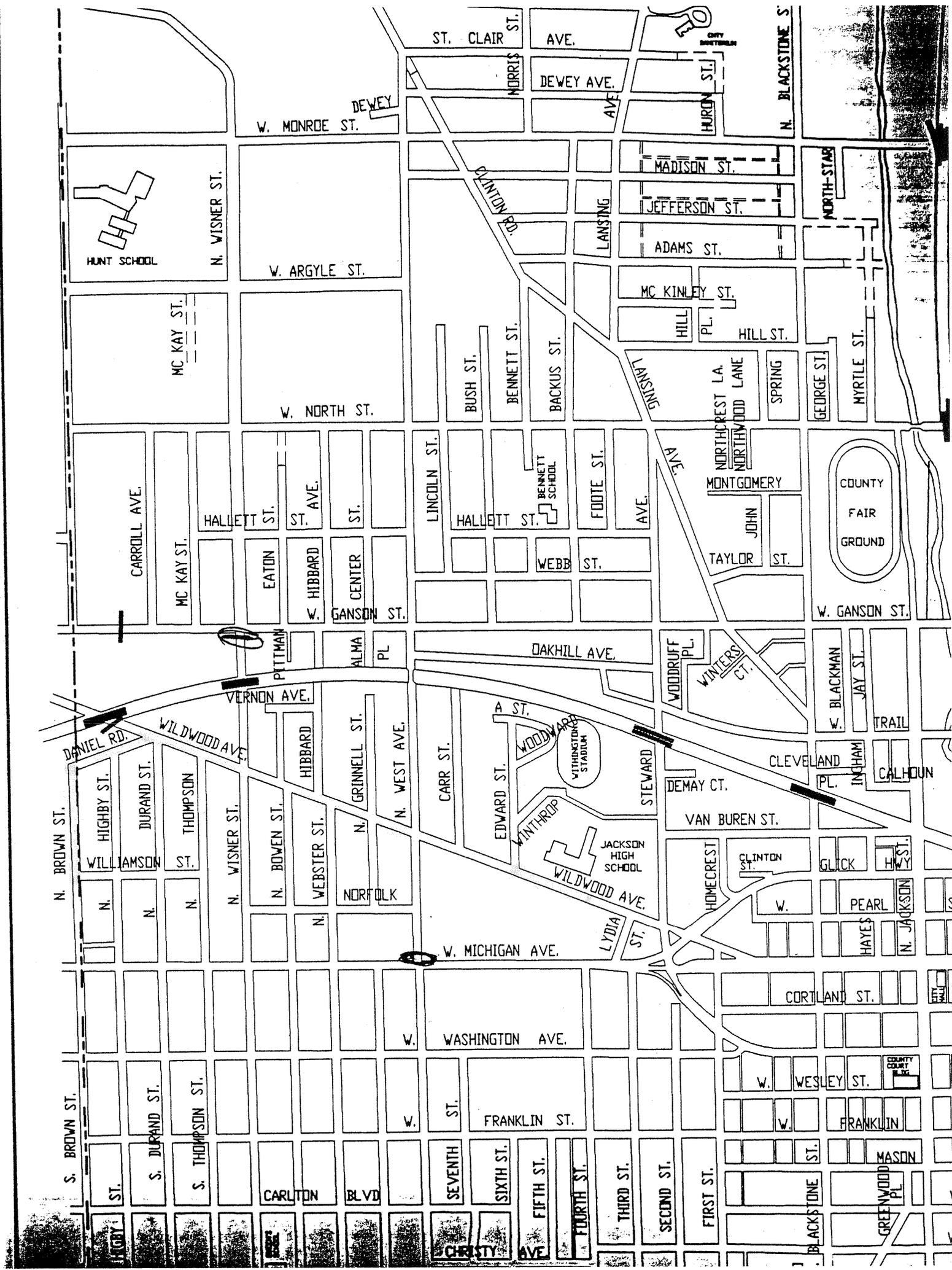
Sincerely,

Barbara Baird-Pauli
Principal

BBP/nfn

Enclosure: Parade Route

CC: Chief of Police Matthew Heins
Angela Arnold, Deputy City Clerk



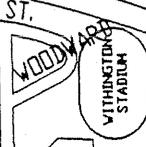
HUNT SCHOOL



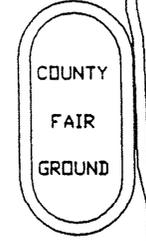
BENNETT SCHOOL



JACKSON HIGH SCHOOL



WITHERINGTON STADIUM



COUNTY FAIR GROUND



KEY

CITY OF JACKSON
SPECIAL EVENT APPLICATION – Page 3
City Clerk's Office * 161 W. Michigan Avenue * Jackson, MI 49201
(517) 788-4025

Event Title: Jackson High School Homecoming Parade – Friday, October 17, 2008

DEPARTMENTAL USE ONLY: Please contact applicant directly with any questions or concerns. Sign and return to the City Clerk's office, as soon as possible.

Approvals noted below by departments, indicate they have been made aware of the request and the responsibility of their department has been met.

Police Dept: <u>C. Simpson</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>
Fire Dept.: <u>L. Bosell</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>-0-</u>
Traffic Eng.: <u>R. Dietz</u>	Recommend Approval: <u>YES</u> NO	Est. Economic Impact: \$ <u>195.52</u>
Public Serv. Dept.: <u>N/A</u>	Recommend Approval: YES NO	Est. Economic Impact: \$ <u>N/A</u>
Parks/Forestry: <u>N/A</u>	Recommend Approval: YES NO	Est. Economic Impact: \$ <u>N/A</u>
DDA: <u>N/A</u>	Recommend Approval: YES NO	Est. Economic Impact: \$ <u>N/A</u>

Have businesses been notified for street closures?: YES NO

Reason for disapproval: _____

Any special requirements/conditions:

Insurance/Indemnification Received: 9/04//2008 Insurance Approved: 9/05/2008

City Council Approved: _____ Denied: _____ Approval/Denial Mailed: _____



Downtown Development Authority

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4355 — Facsimile: (517) 788-6367

May 20, 2008

TO: William R. Ross, City Manager

FROM: Jill Yehl, Downtown Projects Manager *JY*

RE: Amphitheater Event Request – Making Strides Against Breast Cancer Walk

The Downtown Development Authority is currently working as the coordinator for the Riverwalk Amphitheater site and will be processing applications to use the venue through the Amphitheater Review Committee, City Departments, and City Council.

The American Cancer Society is requesting to use The Riverwalk Amphitheater on Saturday, October 11, starting at 6am until 2pm.

Recommended approvals have been received from the Police Department, Fire Department, Traffic Department, Department of Public Services, DDA, and Parks & Forestry Department. Proper insurance coverage has been received.

Please place this request on the Council's September 23 consent calendar for their consideration.

Thank you.

Attachment

DIRECTIONS: Complete this application in accordance with the City of Jackson Amphitheater Events Policy, and return it to the Downtown Development Authority's office at least 21 calendar days before the starting date of the event.

Sponsoring Organization's
Legal Name American Cancer Phone 517-787-0382
Organization Address 4400 Page Ave Michigan Center 49254
Organization's Agent Brenda C. Pilgrim Phone 517-787-0382
Contact Phone during event (prefer mobile) 517-262-6113

Agent's Title Area Executive Director

Agent's Address _____

Event Name Making Strides Against Breast Cancer

Event Date(s) 10-11-08 Alternative Date(s) _____

Event Time 8:30 Set-up Time 6:00 A.M

Event Purpose/ Brief Description:
a 5K Walk to raise money for breast cancer research

- TYPE OF EVENT: This event is:
 City Operated Event City Co-sponsored Event
 Other Non-Profit Event Other For-Profit Event

- ANNUAL EVENT: Is this event expected to occur next year? Yes No

If Yes, you can reserve a date for next year with this application. To reserve dates for next year, please provide the following information:

Normal Event Schedule _____
(e.g., third weekend in July):

Next year's specific dates _____

- EVENT MAP: Please complete the attached map showing the location of vendors, tables, and temporary fencing.

4. VENDORS: Food Concessions? Yes__ No Other Vendors? Yes__ No
If Yes, verify steps taken to obtain license and insurance requirements:

5. ALCOHOL: Do you plan to have alcohol served at this event? Yes __ No
If yes, have you obtained the necessary extension of the Liquor Control License and City Permit? _____

6. EVENT SIGNS: Will this event include the use of signs? Yes No ____

7. SOUND AMPLIFICATION: Will you be using a sound system? Yes No__

If yes, please identify who will be connecting the sound equipment to the City's sound system and specify what assistance they will need:

8. CLEAN UP: The entire site must be clean up within two hours of the ending of the event. Garbage cans can be provided by the City, but event organizer will be required to empty them during the event.
Do you need the City to provide extra garbage cans? Yes No ____

9. SECURITY: Adequate security is required and will be reviewed by the City Police Department.

Expected Attendance 1,100

Do you have special requirements for security (fire, ambulance, etc.)? _____

Not at this time but will inform as event gets closer

10. APPLICATION FEE: Attach your application fee in the amount of \$25.00 made payable to the Downtown Development Authority.

11. COSTS: Costs for unusual services will be billed directly to the organization.

12. OTHER REQUESTS: _____

If needed, please attach a letter indicating all requests for City Services.

13. CERTIFICATION AND SIGNATURE: I understand and agree on behalf of the sponsoring organization that
- a. a Certificate of Insurance must be provided which names the City of Jackson and CMS Energy as an additional named insured party on the policy.
 - b. event sponsors and participants will be required to sign Indemnification Agreement forms.
 - c. all food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City with a Certificate of Insurance which names the City of Jackson as an additional named insured party on the policy.
 - d. the approval of this event may include additional requirements or limitations, based on the City's review of this application, in accordance with the City's Amphitheater Event Policy. The event will be operated in conformance with the Written Confirmation of Approval.
 - e. the sponsoring organization will pay for the estimated fees as may be required by the City, and will promptly pay any final billing for City services, which may be rendered.

As the duly authorized agent of the sponsoring organization, I hereby apply for approval of this Event, affirm the above understandings, and agree that my sponsoring organization will comply with the terms of the Written Confirmation of Approval, all other City requirements, ordinance, and other laws which apply to this Event.

2-25-08 *Brenda C. Pelgrin*
 Date Signature of Sponsoring Organization's Agent

RETURN THIS APPLICATION
 at least twenty (21) days before the first day of the event to:
 Deborah Weid, Director, Downtown Development Authority
 161 W. Michigan Avenue, 14th Floor
 Jackson, MI 49201

For office use only:

Date	By	
_____	_____	Approval of Amphitheater Committee
_____	_____	License for alcohol
_____	_____	Insurance Certificates Provided
_____	_____	Approval of City Departments
_____	_____	Forwarded to City Clerk with Memo for Council Approval
_____	_____	Approval of City Council

- PAINTER TOTTIES

- Registration Tent

- Parking

- Wall of hope

- Path to Registration

- Survivor Tent

- Store/Merchandise

- Refreshment Tent

EXHIBIT 1

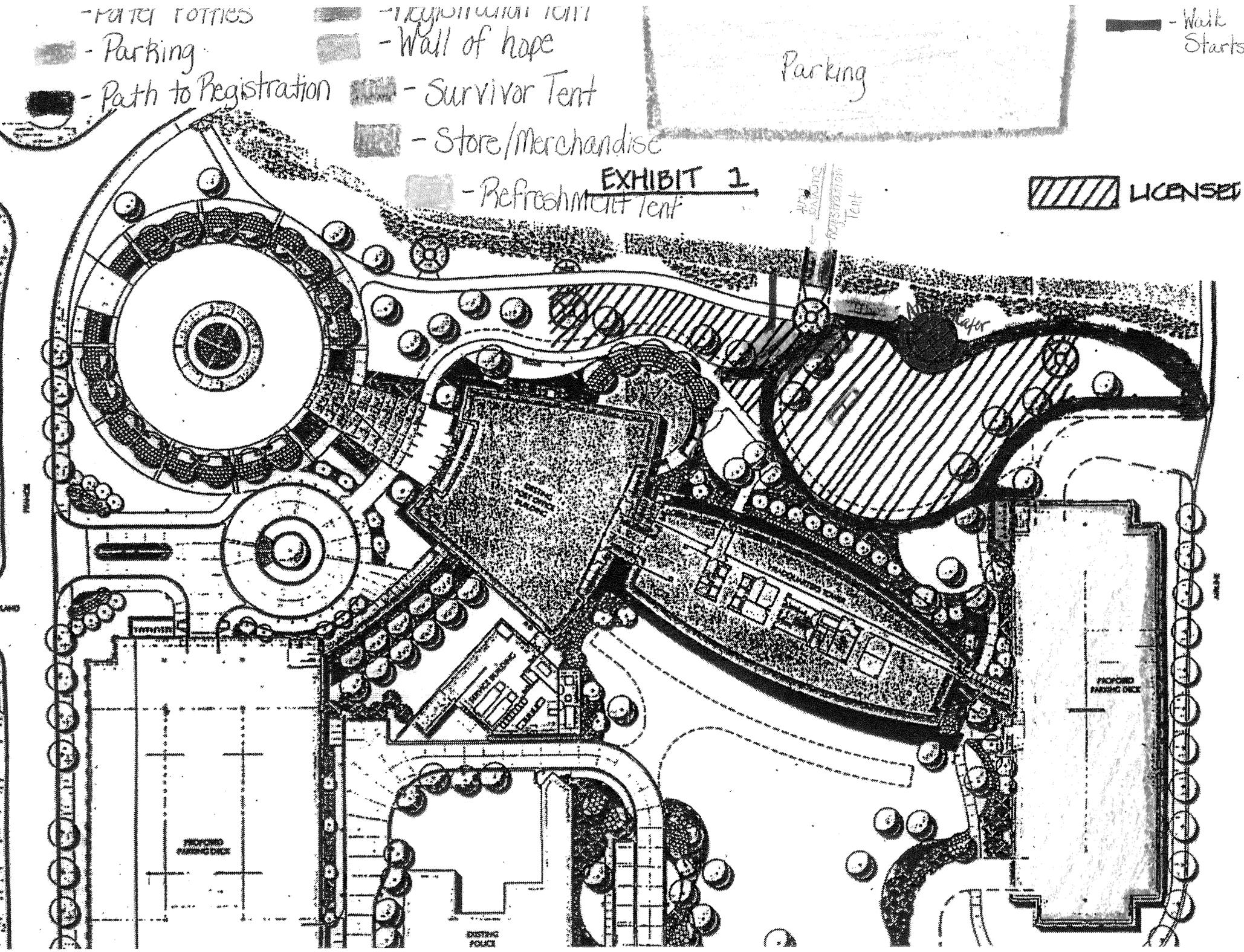
- Walk Starts

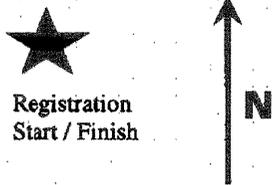
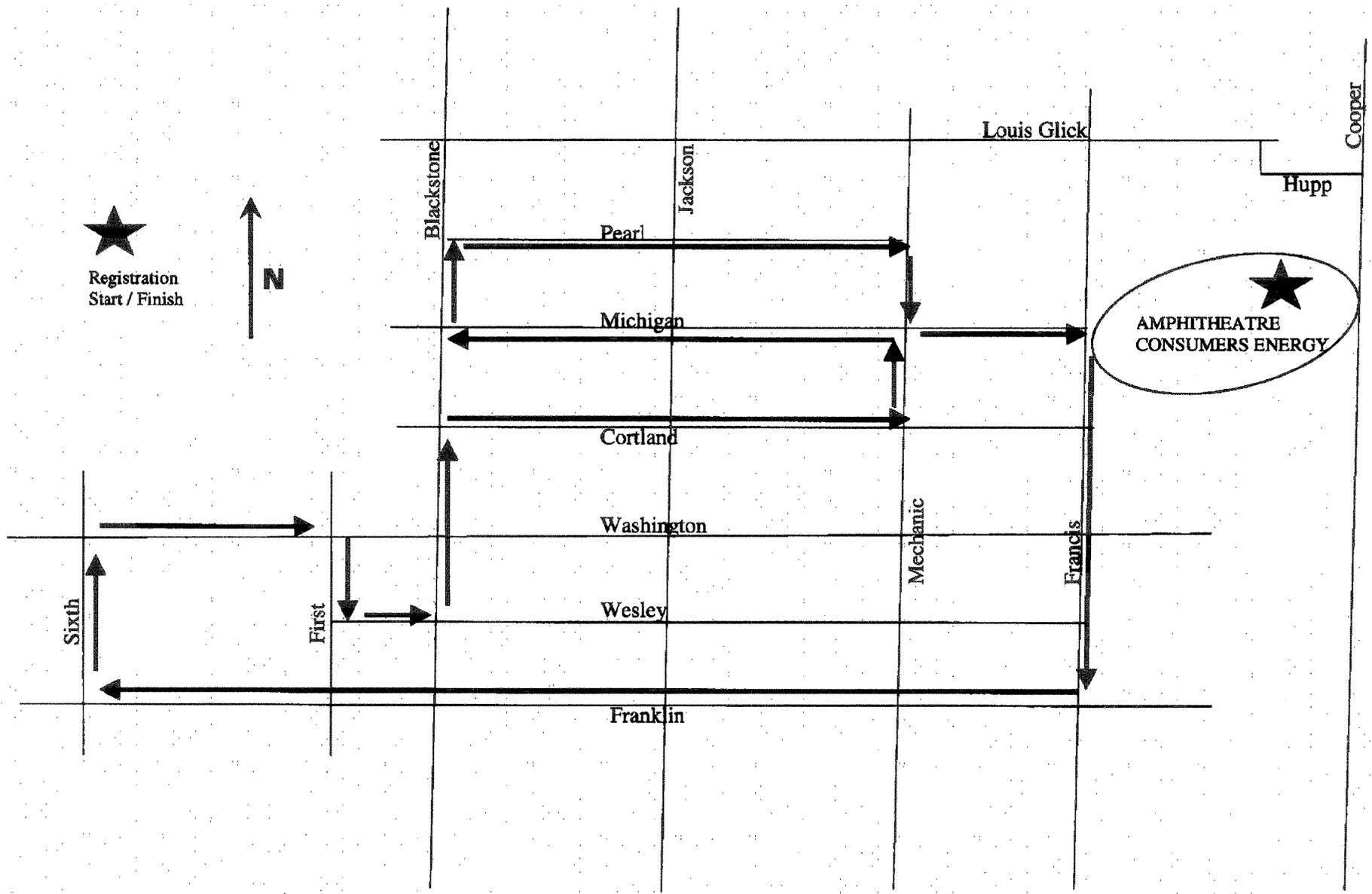
LICENSEE

Parking

Registration Tent

Cafe





AMERICAN CANCER SOCIETY
MAKING STRIDES AGAINST BREAST CANCER
OCTOBER 11, 2008



MAKING STRIDES
 Against Breast Cancer®
American Cancer Society



ROUTE DIRECTIONS
October 11, 2008

After leaving the Riverwalk Amphitheater go:
South on Francis
West on Franklin
North on Sixth
East on Washington
South on First
East on Wesley
North on Blackstone
East on Cortland
North on Mechanic
West on Michigan
North on Blackstone
East on Pearl
South on Mechanic
East on Michigan returning to the Riverwalk Amphitheater

Client#: 150499

AMERICAN

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 06/10/2008
PRODUCER Wachovia Insurance Serv-AT, GA 4401 Northside Pkwy, Suite 400 Atlanta, GA 30327-3078 770 850-0050	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED American Cancer Society, Great Lakes Division, Inc. 1755 Abbey Road East Lansing, MI 48823	INSURERS AFFORDING COVERAGE INSURER A: Travelers Property Casualty Co of Am INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # 25674

COVERAGES
 THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDL INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	TC2JGLSA487D6449	09/01/07	09/01/08	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$2,500 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$25,000,000 PRODUCTS - COMP/OP AGG \$1,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	TC2JCAP487D6450	09/01/07	09/01/08	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	TC2JUB487D622806	09/01/07	09/01/08	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Certificate holder is included as Additional Insured, but only with respect to liability arising from negligence of American Cancer Society, Great Lakes Division, Inc. during Making Strides Against Breast Cancer - Downtown Jackson, October 11, 2008

CERTIFICATE HOLDER City of Jackson and CMS Energy 161 West Michigan Avenue Jackson, MI 49201	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE For W/S by: <i>Walter Jedd Zuercher</i>
--	--

*6/12/08
 ok w/notation that
 need another cut to cover
 Oct 11, 2008 upon renewal (sgm)*

Client#: 150499

AMERICAN

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 09/16/2008
PRODUCER Wachovia Insurance Serv-AT, GA 4401 Northside Pkwy, Suite 400 Atlanta, GA 30327-3078 770 850-0050	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED American Cancer Society, Great Lakes Division, Inc. 1755 Abbey Road East Lansing, MI 48823	INSURERS AFFORDING COVERAGE INSURER A: Travelers Property Casualty Co of Am INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # 25874

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	TC2JGLSA487D6449TI	09/01/08	09/01/09	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$2,500 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$25,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	TC2JCAP487D6450TIL	09/01/08	09/01/09	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ GARAGE LIABILITY <input type="checkbox"/> ANY AUTO AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	TC2JUB487D622808	09/01/08	09/01/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Certificate holder is included as Additional Insured, but only with respect to liability arising from negligence of American Cancer Society, Great Lakes Division, Inc. during Making Strides Against Breast Cancer, Riverwalk Amphitheater, October 11, 2008.

CERTIFICATE HOLDER

City of Jackson and CMS Energy
 161 West Michigan Avenue
 Jackson, MI 49201

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
 For WIS by: *J. V. [Signature]*



Downtown Development Authority

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4355 — Facsimile: (517) 788-6367

September 17, 2008

TO: William R. Ross, City Manager

FROM: Jill Yehl, Downtown Projects Manager *JY*

RE: Amphitheater Event Request – America Needs Fatima

The Downtown Development Authority is currently working as the coordinator for the Riverwalk Amphitheater site and will be processing applications to use the venue through the Amphitheater Review Committee, City Departments, and City Council.

St. John the Evangelist Church is requesting to use The Riverwalk Amphitheater on Sunday, October 12, starting at 12pm until 2pm.

Recommended approvals have been received from the Police Department, Fire Department, Traffic Department, Department of Public Services, DDA, and Parks & Forestry Department. Proper insurance coverage has been received.

Please place this request on the Council's September 23 consent calendar for their consideration.

Thank you.

Attachment

DIRECTIONS: Complete this application in accordance with the City of Jackson Amphitheater Events Policy, and return it to the Downtown Development Authority's office at least 21 calendar days before the starting date of the event.

Sponsoring Organization's
Legal Name St. John the Evangelist Phone 784-0553

Organization Address _____

Organization's Agent Cindy Smith Phone 937-6786

Contact Phone during event (prefer mobile) 937-6786

Agent's Title parishioner

Agent's Address 8515 Lansing Ave

Event Name America Needs Fatima

Event Date(s) 10/12/08 Alternative Date(s) 10/11/08

Event Time 2:00 pm Set-up Time 12:00 pm

Event Purpose/ Brief Description:
Public Prayer

1. TYPE OF EVENT: This event is:

- City Operated Event
- City Co-sponsored Event
- Other Non-Profit Event
- Other For-Profit Event

2. ANNUAL EVENT: Is this event expected to occur next year? Yes No

If Yes, you can reserve a date for next year with this application. To reserve dates for next year, please provide the following information:

Normal Event Schedule Sunday closest to Oct 13th
(e.g., third weekend in July):

Next year's specific dates Oct 11th ? Sunday

3. EVENT MAP: Please complete the attached map showing the location of vendors, tables, and temporary fencing.

Pd \$25
Cash

4. VENDORS: Food Concessions? Yes ___ No Other Vendors? Yes No ___

If Yes, verify steps taken to obtain license and insurance requirements:

The Catholic Shop

5. ALCOHOL: Do you plan to have alcohol served at this event? Yes ___ No

If yes, have you obtained the necessary extension of the Liquor Control License and City Permit? _____

6. EVENT SIGNS: Will this event include the use of signs? Yes No ___

7. SOUND AMPLIFICATION: Will you be using a sound system? Yes No ___

If yes, please identify who will be connecting the sound equipment to the City's sound system and specify what assistance they will need:

Need info about system Kathy Kryst
St John's Youth Choir

8. CLEAN UP: The entire site must be clean up within two hours of the ending of the event. Garbage cans can be provided by the City, but event organizer will be required to empty them during the event.

Do you need the City to provide extra garbage cans? Yes ___ No

9. SECURITY: Adequate security is required and will be reviewed by the City Police Department.

Expected Attendance 200-~~300-400~~

Do you have special requirements for security (fire, ambulance, etc.)? NO

10. APPLICATION FEE: Attach your application fee in the amount of \$25.00 made payable to the Downtown Development Authority.

11. COSTS: Costs for unusual services will be billed directly to the organization.

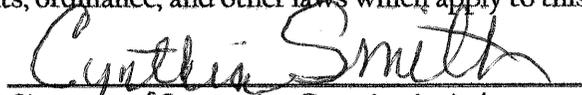
12. OTHER REQUESTS: NONE

If needed, please attach a letter indicating all requests for City Services.

13. **CERTIFICATION AND SIGNATURE:** I understand and agree on behalf of the sponsoring organization that
- a. a Certificate of Insurance must be provided which names the City of Jackson and CMS Energy as an additional named insured party on the policy.
 - b. event sponsors and participants will be required to sign Indemnification Agreement forms.
 - c. all food vendors must be approved by the Jackson County Health Department, and each food or other vendor must provide the City with a Certificate of Insurance which names the City of Jackson as an additional named insured party on the policy.
 - d. the approval of this event may include additional requirements or limitations, based on the City's review of this application, in accordance with the City's Amphitheater Event Policy. The event will be operated in conformance with the Written Confirmation of Approval.
 - e. the sponsoring organization will pay for the estimated fees as may be required by the City, and will promptly pay any final billing for City services, which may be rendered.

As the duly authorized agent of the sponsoring organization, I hereby apply for approval of this Event, affirm the above understandings, and agree that my sponsoring organization will comply with the terms of the Written Confirmation of Approval, all other City requirements, ordinance, and other laws which apply to this Event.

8/13/08
Date


Signature of Sponsoring Organization's Agent

RETURN THIS APPLICATION
at least twenty (21) days before the first day of the event to:
 Deborah Weid, Director, Downtown Development Authority
 161 W. Michigan Avenue, 14th Floor
 Jackson, MI 49201

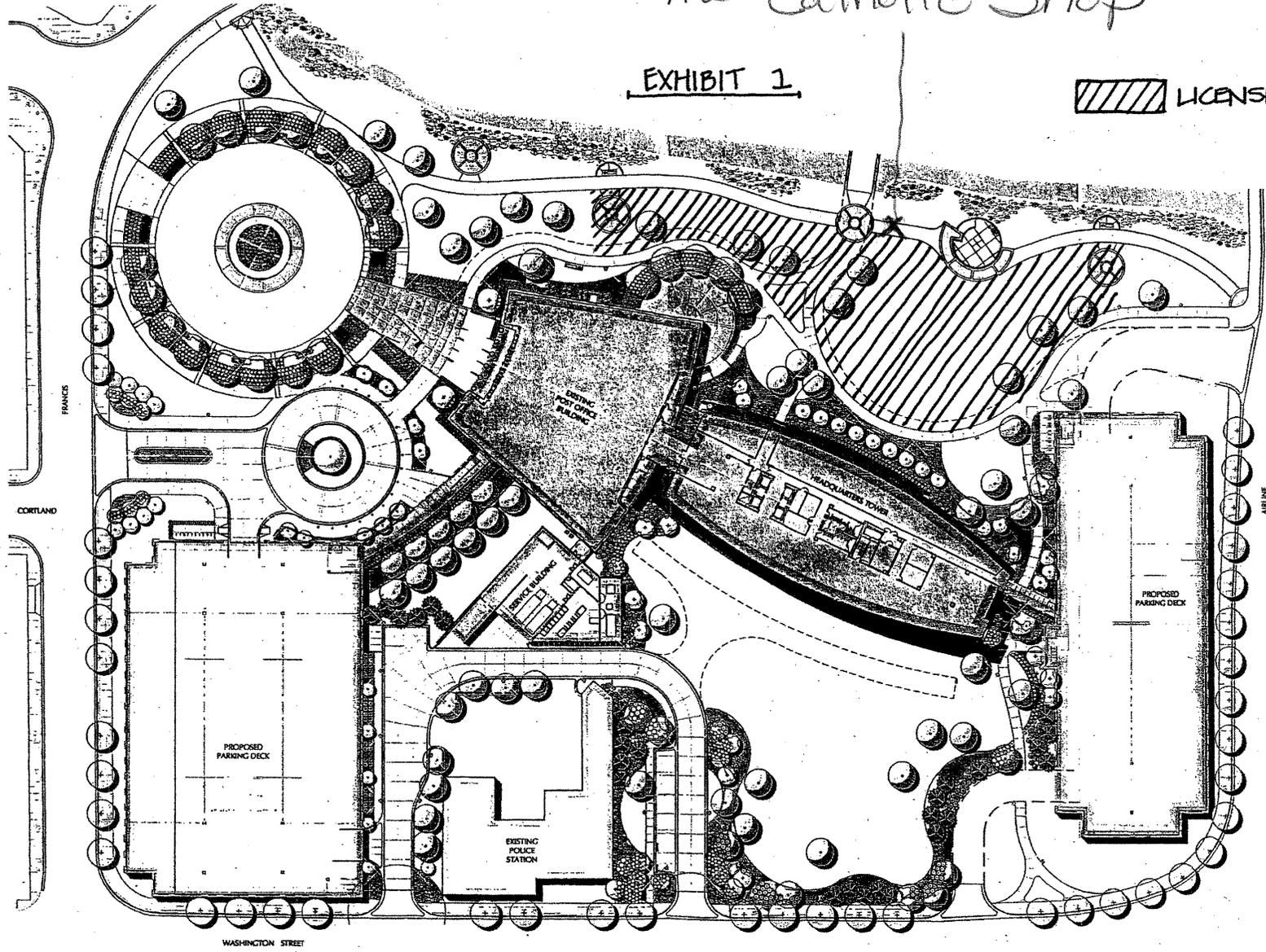
For office use only:

Date	By	
_____	_____	Approval of Amphitheater Committee
_____	_____	License for alcohol
_____	_____	Insurance Certificates Provided
_____	_____	Approval of City Departments
_____	_____	Forwarded to City Clerk with Memo for Council Approval
_____	_____	Approval of City Council

1 Vendor
The Catholic Shop

EXHIBIT 1

 LICENSED PREMISES



ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE
09/16/2008

PRODUCER
Arthur J. Gallagher & Company of Michigan
161 Ottawa N.W. Suite 112

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

Grand Rapids MI 49503-2799

INSURERS AFFORDING COVERAGE

INSURED
Michigan Catholic Conference
510 S. Capitol Ave.

INSURER A: PRINCETON EXCESS & SURPLUS LINES CO.

INSURER B: SAFETY NATIONAL

INSURER C:

INSURER D: **LIMITS ARE INCLUSIVE OF

INSURER E: DEFENSE & INSURED RETENTION**

Lansing MI 48933-

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	R2-A3-FF-0000009-05	07/01/08	07/01/09	EACH OCCURRENCE \$ 10,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire) \$
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$
					PERSONAL & ADV INJURY \$
					GENERAL AGGREGATE \$
					PRODUCTS - COMP/OP AGG \$
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					
	AUTOMOBILE LIABILITY		/ /	/ /	COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
<input type="checkbox"/> NON-OWNED AUTOS					
	GARAGE LIABILITY		/ /	/ /	AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
	EXCESS LIABILITY		/ /	/ /	EACH OCCURRENCE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
					\$
					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	SP2G58-MI	07/01/08	07/01/09	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$
					E.L. EACH ACCIDENT \$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
A	OTHER DIR. & OFF. COUNSELORS E&O	R2-A3-FF-0000009-05	07/01/08	07/01/09	E.L. DISEASE - POLICY LIMIT \$ 1,000,000
					OCCURRENCE 3,000,000
					CLAIMS MADE

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
CERTIFICATE HOLDER NAMED ADDITIONAL INSURED REGARDING GENERAL LIABILITY FOR PARTICIPATION IN "COMMUNITY PRAYER" AT RIVERWALK AMPHITHEATER ON OCTOBER 12, 2008. LOCATION: ST JOHN CATHOLIC CHURCH & SCHOOL, JACKSON, MI. MS

CERTIFICATE HOLDER

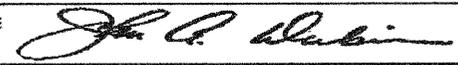
ADDITIONAL INSURED; INSURER LETTER: _____

CANCELLATION

() - () -
CITY OF JACKSON & DOWNTOWN 5116
DEVELOPMENT AUTHORITY
AND CMS ENERGY
JACKSON MI 49201-

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



ACORD 25-S (7/97)

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INS025S (9910) 02

ELECTRONIC LASER FORMS, INC. - (800)327-0545

Page 1 of 2



161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4160 — Facsimile: (517) 788-4639

DATE: September 16, 2008
TO: William R. Ross, City Manager
FROM: Jon H. Dowling, P.E., City Engineer
RE: TCO 1985 and 1986, Stop Sign Record Keeping

As a matter of housekeeping, the Department of Engineering is submitting two TCOs to establish a record for existing four-way stops.

TCO 1985 is for existing four way stop at the intersection of Leroy and Seymour Streets. This action shall rescind existing TCO #1534.

TCO 1986 is for the existing four way stop at the intersection of Fourth and High Streets. This action shall rescind existing TCOs #PR091 and #1147.

With your concurrence, I request the attached TCO be submitted to Council for their approval. If you have any questions, please do not hesitate to contact me.

JD:tjs

c: Matt Heins, Chief of Police
Lynne Fessel, Clerk
Randy McMunn, P.E., Assistant City Engineer

CITY OF JACKSON, MICHIGAN
TRAFFIC ENGINEERING DIVISION
Traffic Control Order No. 1985

LOCATION: Leroy and Seymour Streets

DATE: September 12, 2008

ASSIGNED TO: Engineering

TCO DESCRIPTION

As a matter of housekeeping create Traffic Control Order for existing four way stop at Leroy and Seymour Streets.

BY JON H. DOWLING, P.E.

RECOMMENDATION

All traffic approaching the intersection of Leroy and Seymour Streets shall be required to stop prior to entering the intersection. This action shall rescind existing Traffic Control Order #1534.

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 No. 1986

LOCATION: Fourth and High Streets

DATE: September 12, 2008

ASSIGNED TO: Engineering

TCO DESCRIPTION

As a matter of housekeeping create Traffic Control Order for existing four way stop at the intersection of Fourth and High Streets.

BY JON H. DOWLING, P.E.

RECOMMENDATION

All traffic approaching the intersection of Fourth and High Streets shall be required to stop prior to entering the intersection. This action shall rescind existing Traffic Control Order #PR091 and #1147.

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 Financial Statements

As of and For the 2 Months Ended August 31, 2008
(Unaudited)

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All Other Funds - Expenditure Summary	3-4
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Notes to Revenue & Expenditure Summaries	7

City of Jackson, Michigan
General Fund Expenditure Summary
As of and For the 2 Months Ended August 31, 2008
(Prepared on the Adopted Budget - Basis)

Function Department	2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Spent	Variance - Favorable (Unfavorable)
<u>Legislative :</u>					
101-101 City Council	91,382	15,207	20,341	22.26%	71,041
<u>Judicial:</u>					
101-103 Charter Review Committee	15,000	0	0	0.00%	15,000
101-137 Administrative Hearings Bureau	39,819	1,797	2,447	6.15%	37,372
	54,819	1,797	2,447	6.15%	52,372
<u>General Government :</u>					
101-172 City Manager	255,147	27,130	38,458	15.07%	216,689
101-192 City Clerk-Elections	168,852	41,690	45,757	27.10%	123,095
101-201 Finance	426,424	47,744	67,400	15.81%	359,024
101-209 City Assessor	423,335	48,471	66,489	15.71%	356,846
101-210 City Attorney	539,623	56,807	81,006	15.01%	458,617
101-215 City Clerk	208,224	23,657	32,040	15.39%	176,184
101-226 Personnel	358,602	31,491	46,883	13.07%	311,719
101-233 Purchasing	169,173	20,868	26,640	15.75%	142,533
101-253 City Treasurer	341,120	37,095	52,011	15.25%	289,109
101-254 City Income Tax	280,016	23,830	35,769	12.77%	244,247
101-258 Management Information Services	344,284	34,476	77,612	22.54%	266,672
101-265 City Hall & Grounds	323,258	42,073	60,066	18.58%	263,192
101-276 Cemeteries	487,796	53,097	74,260	15.22%	413,536
101-299 Unallocated	497,000	36,015	57,422	11.55%	439,578
	4,822,854	524,444	761,813	15.80%	4,061,041
<u>Police Department :</u>					
101-301 Police	8,999,923	947,398	1,347,595	14.97%	7,652,328
101-303 Police Youth Services - JPS	314,947	35,698	48,589	15.43%	266,358
101-311 JCCA Grant	0	6,369	7,061	N/A	(7,061) <i>Note 2</i>
101-313 Consortium Training	33,754	(300)	(300)	-0.89%	34,054
101-314 In-Service Training	15,450	950	950	6.15%	14,500
	9,364,074	990,115	1,403,895	14.99%	7,960,179
<u>Fire Department :</u>					
101-337 Fire Administration	289,679	33,211	47,318	16.33%	242,361
101-340 Fire Suppression	5,119,121	551,176	799,339	15.61%	4,319,782
101-341 Fire Prevention	84,145	1,606	1,613	1.92%	82,532
101-343 Fire Training	238,985	20,999	33,168	13.88%	205,817
	5,731,930	606,992	881,438	15.38%	4,850,492
<u>Other Public Safety :</u>					
101-350 Public Safety - Unallocated	1,345,312	176,010	237,017	17.62%	1,108,295
101-401 Planning	99,768	6,167	7,983	8.00%	91,785
101-426 Office of Emergency Measures	64,311	6,761	9,103	14.15%	55,208
	1,509,391	188,938	254,103	16.83%	1,255,288

(Continued -)

City of Jackson, Michigan
General Fund Expenditure Summary
As of and For the 2 Months Ended August 31, 2008
(Prepared on the Adopted Budget - Basis)

- Continued -

Function Department	2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Spent	Variance - Favorable (Unfavorable)
<u>Public Works :</u>					
101-441 Tax Property Maintenance	10,000	2,278	3,632	36.32%	6,368
101-442 Civic Affairs	73,358	7,038	11,267	15.36%	62,091
101-445 Drains at Large	72,053	5,364	8,184	11.36%	63,869
101-446 Storm Drain Construction	98,000	11,328	12,903	13.17%	85,097
101-447 Grounds Maintenance	177,108	3,291	4,550	2.57%	172,558
101-448 Sidewalk Construction	130,000	62,158	67,080	51.60%	62,920
101-450 Street Lighting	407,231	39,465	39,927	9.80%	367,304
101-455 Weed Control	23,684	3,975	5,868	24.78%	17,816
	991,434	134,897	153,411	15.47%	838,023
<u>Recreation & Culture :</u>					
101-690 Forestry	577,031	64,975	86,920	15.06%	490,111
101-692 Parks, Recreation & Grounds Admin.	761,911	115,114	155,954	20.47%	605,957
101-697 Parks & Facilities Maintenance	515,050	56,545	81,130	15.75%	433,920
101-698 Lt. Nixon Memorial Pool	165,932	60,031	75,771	45.66%	90,161
101-699 Sharp Park Swimming Pool	132,195	42,844	65,944	49.88%	66,251
101-803 Historical District	38,100	0	0	0.00%	38,100
	2,190,219	339,509	465,719	21.26%	1,724,500
<u>Health & Welfare :</u>					
101-896 Human Relations	63,043	9,809	14,192	22.51%	48,851
<u>Contributions to Other Funds:</u>					
101-999 Contributions to Other Funds:	299,663	0	0	0.00%	299,663
Total General Fund Expenditures	25,118,809	2,811,708	3,957,359	15.75%	21,161,450

City of Jackson
All Other Funds - Expenditure Summary
As of and For the 2 Months Ended August 31, 2008
(Prepared on the Adopted Budget - Basis)

Fund Type/Fund Name	2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Spent	Variance - Favorable (Unfavorable)
<u>Special Revenue Funds :</u>					
202 Major Street	6,154,159	368,957	423,645	6.88%	5,730,514
203 Local Street	1,065,972	172,614	252,110	23.65%	813,862
208 Ella W. Sharp Park Operating	757,037	133,086	184,550	24.38%	572,487
210 Land Acquisition Fund	50,000	4,528	8,430	16.86%	41,570
211 Housing Initiative Fund	47,775	67	4,282	8.96%	43,493
245 Public Improvement	1,355,583	11,328	122,997	9.07%	1,232,586
249 Building Department	528,917	45,938	64,007	12.10%	464,910
257 Budget Stabilization	65,000	0	0	0.00%	65,000
265 Drug Law Enforcement	33,024	5,583	11,088	33.58%	21,936
266 Project Safe Neighborhood Grant	0	7,716	8,534	N/A	(8,534) <i>Note 2</i>
270 LAWNET Grant	35,210	10,096	20,192	57.35%	15,018
288 Lead Hazard Control Grant	1,432,783	14,395	23,441	1.64%	1,409,342
293 Waterfront Redevelopment Grant	256,310	(5,572)	2,000	0.78%	254,310
295 2008 Brownfield Assessment Grant	300,000	145	145	0.05%	299,855
296 Recreation Activity	307,896	27,253	35,437	11.51%	272,459
297 JPS Recreation Millage Program	258,000	42,260	69,394	26.90%	188,606
<u>Debt Service Funds :</u>					
323 Mich. Urban Land Assembly D/S	144,000	12,000	24,000	16.67%	120,000
324 2003 MTF Bond D/S	279,005	263,360	263,360	94.39%	15,645
365 City Hall D/S	601,586	0	0	0.00%	601,586
368 Building Authority D/S	128,500	0	110,094	85.68%	18,406
395 2001 DDA TIF D/S	1,051,513	0	0	0.00%	1,051,513
398 2002 BRA TIF D/S	565,148	0	0	0.00%	565,148
399 2007 BRA TIF Refunding D/S	450,304	0	0	0.00%	450,304
<u>Capital Projects Funds :</u>					
401 Capital Projects Fund	415,075	19,829	31,829	7.67%	383,246
402 Water Equipment and Replacement	2,239,424	163,765	225,378	10.06%	2,014,046
404 Sanitary Sewer Maintenance Fund	501,025	40,644	121,171	24.18%	379,854
405 Sanitary Sewer Replacement	836,500	42,379	65,644	7.85%	770,856
406 Wastewater Equipment Replacement	460,000	53,455	53,455	11.62%	406,545
494 Brownfield Redevelopment Authority	1,267,763	727	727	0.06%	1,267,036
496 DDA Project	1,227,002	13,671	26,386	2.15%	1,200,616
<u>Enterprise Funds :</u>					
583 Sharp Park Golf Practice Center	83,265	13,322	16,471	19.78%	66,794
585 Auto Parking System	102,733	2,444	3,561	3.47%	99,172
586 Parking Assessment	208,643	7,012	14,217	6.81%	194,426
590 Sewer	6,620,897	536,851	817,043	12.34%	5,803,854
591 Water	8,492,452	564,225	873,294	10.28%	7,619,158
599 Parking Deck Fund	433,237	8,240	11,747	2.71%	421,490

(Continued -)

City of Jackson
All Other Funds - Expenditure Summary
As of and For the 2 Months Ended August 31, 2008
(Prepared on the Adopted Budget - Basis)

- Continued -

Fund Type/Fund Name		2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Spent	Variance - Favorable (Unfavorable)
<u>Internal Service Funds :</u>						
641	Public Works Administration	667,550	45,663	98,770	14.80%	568,780
642	Engineering Administration	338,770	31,093	49,103	14.49%	289,667
643	Local Site Remediation Revolving	300,000	0	0	0.00%	300,000
661	Motor Pool and Garage	1,719,056	83,535	112,988	6.57%	1,606,068
663	Equipment Revolving Fund	58,484	0	0	0.00%	58,484
677	Workers' Compensation	299,450	13,527	13,527	4.52%	285,923
678	Prescription Drug	950,700	72,218	72,218	7.60%	878,482
679	Health Care Deductible Reimbursement	194,300	15,937	15,937	8.20%	178,363
<u>Trust & Agency Funds :</u>						
702	County & School Tax Collection	140,000	0	0	0.00%	140,000
711	Cemetery Perpetual Maintenance	71,000	0	0	0.00%	71,000
718	Ella W. Sharp Endowment	55,000	0	0	0.00%	55,000
731	Employees' Retirement System	2,180,000	369,946	369,946	16.97%	1,810,054
732	Policemen's/Firemen's Pension	1,310,000	0	0	0.00%	1,310,000
733	Policemen's/Firemen's Pens.-345	3,350,000	531,516	915,018	27.31%	2,434,982
736	Public Employees Health Care	10,000	0	0	0.00%	10,000
<u>Special Assessment Funds :</u>						
895	Special Assessment	641,801	0	0	0.00%	641,801

City of Jackson
All Funds - Revenue Summary
As of and For the 2 Months Ended August 31, 2008

Fund/Fund Name	2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Collected
<u>General Fund :</u>				
Property Taxes	7,718,516	4,120,051	4,778,304	61.91%
Income Taxes	8,575,000	258,284	1,412,458	16.47%
Licenses & Permits	237,250	956	3,053	1.29%
Federal Grants	4,088	0	0	0.00%
State Grants	113,070	0	0	0.00%
State Revenue Sharing	5,260,054	0	30,022	0.57%
Contributions From Local Units	153,434	810	1,507	0.98%
Charges For Goods & Services	1,141,121	97,842	167,982	14.72%
Fines & Forfeits	274,500	18,924	37,183	13.55%
Investment Income	300,000	2,928	2,984	0.99%
Contributions From Other Funds	282,000	11,328	13,068	4.63%
Miscellaneous	528,755	26,397	36,626	6.93%
Total General Fund Revenues	24,587,788	4,537,520	6,483,187	26.37%
<u>Special Revenue Funds :</u>				
202 Major Street	5,994,531	2,788	2,833	0.05%
203 Local Street	962,395	0	0	0.00%
208 Ella W. Sharp Park Operating	758,000	121,259	121,259	16.00%
210 Land Acquisition Fund	28,000	32	32	0.11%
211 Housing Initiative Fund	50,000	0	0	0.00%
245 Public Improvement	1,227,000	644,147	747,468	60.92%
249 Building Inspection	529,200	26,177	47,689	9.01%
257 Budget Stabilization	65,000	3,543	3,543	5.45%
265 Drug Law Enforcement	44,905	5,136	7,111	15.84%
266 Project Safe Neighborhood Grant	0	0	0	N/A <i>Note 2</i>
270 LAWNET Grant	35,210	17,524	15,221	43.23%
288 Lead Hazard Control Grant	1,432,783	0	0	0.00%
293 Waterfront Redevelopment Grant	256,294	0	0	0.00%
295 2008 Brownfield Assessment Grant	300,000	0	0	0.00%
296 Recreation Activity	312,000	10,298	14,651	4.70%
297 JPS Recreation Millage Program	258,000	0	0	0.00%
<u>Debt Service Funds :</u>				
323 Mich. Urban Land Assembly D/S	144,000	12,000	24,000	16.67%
324 2003 MTF Bond D/S	279,005	263,360	263,360	94.39%
365 2003 City Hall D/S	584,000	310,826	366,341	62.73%
368 Building Authority D/S	128,500	0	110,094	85.68%
395 2001 DDA TIF D/S	1,051,000	0	0	0.00%
398 2002 BRA TIF D/S	565,000	0	0	0.00%
399 2007 BRA TIF Refunding D/S	450,000	0	0	0.00%
<u>Capital Projects Funds :</u>				
401 Capital Projects Fund	415,075	0	0	0.00%
402 Water Equipment and Replacement	1,775,000	146,144	287,811	16.21%
404 Sanitary Sewer Maintenance Fund	501,025	40,544	121,071	24.16%
405 Sanitary Sewer Replacement	698,000	57,268	111,268	15.94%
406 Wastewater Equip. Replacement	660,000	58,413	109,913	16.65%

(Continued-)

City of Jackson
All Funds - Revenue Summary
As of and For the 2 Months Ended August 31, 2008

- Continued -

Fund/Fund Name		2008/09 Amended Budget	Actual Month To Date	Actual Year To Date	Percent Collected
<u>Capital Projects Funds : (Continued)</u>					
494	Brownfield Redevelopment Authority	1,535,700	6,165	6,165	0.40%
496	DDA Project	1,072,326	2,801	3,551	0.33%
<u>Enterprise Funds :</u>					
583	Sharp Park Golf Practice Center	75,700	9,155	9,155	12.09%
585	Auto Parking System	111,608	1,764	3,396	3.04%
586	Parking Assessment	192,276	5,014	8,576	4.46%
590	Sewer	5,616,000	209,923	404,338	7.20%
591	Water	6,850,600	(279,506)	394,298	5.76%
599	Parking Deck Fund	281,155	1,929	1,929	0.69%
<u>Internal Service Funds :</u>					
641	Public Works Administration	668,000	37,155	125,130	18.73%
642	Engineering Administration	340,000	28,458	72,562	21.34%
643	Local Site Remediation Revolving	205,500	329	329	0.16%
661	Motor Pool and Garage	1,345,972	111,166	230,585	17.13%
663	Equipment Revolving Fund	58,484	0	0	0.00%
677	Workers' Compensation	375,600	35,021	57,624	15.34%
678	Prescription Drug	1,208,300	104,564	179,979	14.90%
679	Health Care Deductible Reimb.	437,350	44,870	76,871	17.58%
<u>Trust & Agency Funds :</u>					
702	County & School Tax Collection	140,000	5,978	5,978	4.27%
711	Cemetery Perpetual Maintenance	106,000	1,616	2,049	1.93%
718	Ella W. Sharp Endowment	55,000	0	0	0.00%
731	Employees' Retirement System	2,056,911	(782,179)	(782,179)	-38.03%
732	Policemen's/Firemen's Pension	1,261,212	0	0	0.00%
733	Policemen's/Firemen's Pension-345	6,139,716	625,329	494,660	8.06%
736	Public Employees Health Care	11,000	638	638	5.80%
<u>Special Assessment Funds :</u>					
895	Special Assessment	641,801	1,360	3,844	0.60%

City of Jackson
Notes to Revenue & Expenditure Summaries
As of and For the 2 Months Ended August 31, 2008

Note 1: Revenues do not include budgeted appropriations from fund balance. These appropriations, together with budgeted revenues, are sufficient to fund budgeted expenditures, in accordance with State law.

Note 2: Budget amendments are pending that will eliminate these variances.

09/07/08

Honorable Mayor and City Council:

It is the policy of the City of Jackson to invest funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demands of the City and conforming to all state statutes and local ordinances governing the investment of the funds. The City Manager has brought to my attention that the State Of Michigan has changed their law mandating a quarterly report to the City Council. It is my duty to report to the governing body on quarterly basis a report of those investments. Since I just learned of the new mandate, I am submitting to you the two last previous quarters; quarter ending 3/31/08 and quarter ending 6/30/08.

I am continuing to follow my acclaimed policy to keep the funds short term on a rotating 180 day basis to be able to meet the City's financial liabilities. This represents an increase in the number of days invested, in order to capture a higher interest rate. This approach enables us to cover payroll and the payables date each week and to gain the maximum amount of interest with the least amount of risk. It also ensures the availability and liquidity of the funds as needed. All investments are invested in accordance with Michigan Public Act 20 of the Public Acts of 1943, as amended.

Our policy and the Public Act of 1943 as amended, authorize many instruments of investment. Instruments we used during the last two quarters are as follows:

- Certificates of Deposit
- Repurchase Agreements
- Government Pooled Accounts
- Government Bond Fund
- Overnight Sweep Accounts from Checking Accounts
- Money Market Savings Accounts

The choice of investment instruments is made with safety and preservation of capital in mind. Our office does not use all investment vehicles at this time, but we are always listening to new ideas that may ease the tax burden of our City. The interest earned on these investments lightens the tax load on individuals and helps keep our millage rates lower. Every dollar we have is invested and earning interest daily We are **not** in the stock market with our short-term money. Our larger pension funds are kept in the market through professional management.

All institutions used by our office are given a copy of our investment policy and a certified agreement that they will comply with our terms regarding the investment of our City's funds. Any investment not conforming to our policy will be disclosed promptly. They all have pledged to exercise due diligence in informing us of all foreseeable risks associated with financial transactions conducted with their firms. The certified institutions for fiscal 07/08 are:

Citizens Bank	Major Account holder, all instruments
Flagstar Bank	Community Development and Certificates
Standard Federal	Certificates of deposit Govt.Pooled
MBIA	Govt. Pooled account

Comerica Bank	Govt. Pooled account
Fifth Third Bank	Certificates of Deposit
Salomon Smith Barney	Government Bond fund
TCF Bank	Govt. Pooled account
Michigan National	Govt. Pooled account and Certificates
County National	Certificates of Deposit
American One Fed. CU	Certificates of Deposit

We invest the County and School tax money. This covers a nine-month period. We have an agreement with the County Treasurer to keep all interest earned on the account, which ends up in our general fund. Debt service funds are invested separately as per State law and are strategically invested to come due at the time payments are due. Interest is kept in these accounts. Our Cemetery Trust Fund is managed professionally through Salomon Smith Barney and is at \$1,800,338.68 as of June 30th.

Our average general fund monthly amount invested the third quarter of our fiscal year was \$24,795,268. The interest earned covering all funds for the time period was \$308,642. The quarter between April through June saw an average of \$23,320,801 invested and \$224,235 in interest earned.

Every dollar the City takes in is invested upon deposit, in one vehicle or another. Depending on when we need the dollars available determines the length of the investment. Every penny not invested in longer-term instruments is swept into an overnight account. We are fully invested daily. The annual Comprehensive Financial Report will be distributed when the audit is finished. It will break down each account for further scrutiny. I am enclosing my monthly worksheets that point out how much is invested in each institution, interest earned and total amounts invested.

Sincerely,
 Andrew J. Wrozek, Jr.
 City Treasurer

Pooled Cash and Investments

	City of Jackson				
	Treasurer Office				
	Daily Investment Balances				
	Pooled Account		Jun-08		
			(Exclude Interest)		
		Beg	Investment	Investment	Rolled Over
		Balance	Buys	Maturities	Interest
	Investments	23,900,436.38			
	1				23,900,436.38
	2				23,900,436.38
	3				23,900,436.38
	4			500,000.00	23,400,436.38
	5				23,400,436.38
	6				23,400,436.38
	7				23,400,436.38
	8		1,167,051.32	1,167,051.32	28,792.45
	9		1,500,000.00		24,929,228.83
	10				24,929,228.83
	11				24,929,228.83
	12				24,929,228.83
	13				24,929,228.83
	14				24,929,228.83
	15				24,929,228.83
	16				24,929,228.83
	17			1,000,000.00	23,929,228.83
	18		1,077,425.45	1,077,425.45	22,707.11
	19				23,951,935.94
	20				23,951,935.94
	21				23,951,935.94
	22				23,951,935.94
	23				23,951,935.94
	24				23,951,935.94
	25				23,951,935.94
	26 TCF				3,337.11
	27 MBIA				1,064.07
	28 Smith Barney				4,580.58
	29 County National				5,860.01
	30 Citizens MM				3,712.03
	31 Comerica				0.70
			3,744,476.77	3,744,476.77	70,054.06

Pooled Cash and Investments

	City of Jackson				
	Treasurer Office				
	Daily Investment Balances				
	Pooled Account		May-08		
			(Exclude Interest)		
		Beg	Investment	Investment	Rolled Over
		Balance	Buys	Maturities	Interest
	Investments	23,320,801.86			
	1				23,320,801.86
	2				23,320,801.86
	3				23,320,801.86
	4		1,500,000.00		24,820,801.86
	5				24,820,801.86
	6				24,820,801.86
	7				24,820,801.86
	8				24,820,801.86
	9			1,000,000.00	23,820,801.86
	10		1,579,666.23	1,579,666.23	36,464.46
	11				23,857,266.32
	12				23,857,266.32
	13				23,857,266.32
	14				23,857,266.32
	15				23,857,266.32
	16				23,857,266.32
	17				23,857,266.32
	18				23,857,266.32
	19				23,857,266.32
	20		1,069,952.87	1,069,952.87	24,007.98
	21				23,881,274.30
	22				23,881,274.30
	23				23,881,274.30
	24				23,881,274.30
	25				23,881,274.30
	26	MBIA			1,128.90
	27	Smith Barney			5,063.15
	28	TCF			3,872.22
	29	Citizens MM			3,437.72
	30	County National			5,659.35
	31	Comerica			0.74
			4,149,619.10	3,649,619.10	79,634.52

Pooled Cash and Investments

	City of Jackson				
	Treasurer Office				
	Daily Investment Balances				
	Pooled Account		Apr-08		
			(Exclude Interest)		
		Beg	Investment	Investment	Rolled Over
		Balance	Buys	Maturities	Interest
	Investments	24,463,028.18			
	1				24,463,028.18
	2			1,716,772.94	22,746,255.24
	3		500,000.00		23,246,255.24
	4				23,246,255.24
	5				23,246,255.24
	6				23,246,255.24
	7				23,246,255.24
	8				23,246,255.24
	9				23,246,255.24
	10				23,246,255.24
	11				23,246,255.24
	12		1,157,781.07	1,157,781.07	28,148.72
	13				23,274,403.96
	14				23,274,403.96
	15				23,274,403.96
	16				23,274,403.96
	17				23,274,403.96
	18				23,274,403.96
	19				23,274,403.96
	20				23,274,403.96
	21				23,274,403.96
	22				23,274,403.96
	23		1,173,518.28	1,173,518.28	27,468.80
	24				23,301,872.76
	25 MBIA				1,183.89
	26 Smith Barney				5,382.94
	27 TCF				3,725.50
	28 Citizens MM				2,988.12
	29 County National				5,647.74
	30 Comerica				0.91
	31				23,320,801.86
			2,831,299.35	4,048,072.29	74,546.62

Pooled Cash and Investments

	City of Jackson				
	Treasurer Office				
	Daily Investment Balances				
	Pooled Account		Mar-08		
			(Exclude Interest)		
		Beg	Investment	Investment	Rolled Over
		Balance	Buys	Maturities	Interest
	Investments	24,747,588.59			
	1				24,747,588.59
	2				24,747,588.59
	3		1,770,172.25	1,770,172.25	46,781.05
	4				24,794,369.64
	5				24,794,369.64
	6				24,794,369.64
	7				24,794,369.64
	8				24,794,369.64
	9				24,794,369.64
	10				24,794,369.64
	11				24,794,369.64
	12				24,794,369.64
	13		1,770,728.65	1,770,728.65	46,795.75
	14				24,841,165.39
	15				24,841,165.39
	16				24,841,165.39
	17				24,841,165.39
	18			400,000.00	24,441,165.39
	19				24,441,165.39
	20				24,441,165.39
	21				24,441,165.39
	22				24,441,165.39
	23				24,441,165.39
	24				24,441,165.39
	25 TCF				4,582.09
	26 Smith Barney				5,977.19
	27 County National				6,310.95
	28 MBIA				1,375.57
	29 Citizens MM				3,616.01
	30 Comerica				0.98
	31				24,463,028.18
			3,540,900.90	3,940,900.90	115,439.59

Pooled Cash and Investments

	City of Jackson				
	Treasurer Office				
	Daily Investment Balances				
	Pooled Account		Feb-08		
				(Exclude Interest)	
		Beg	Investment	Investment	Rolled Over
		Balance	Buys	Maturities	Interest
	Investments	25,175,189.79			
	1				25,175,189.79
	2				25,175,189.79
	3				25,175,189.79
	4		1,000,000.00	1,000,000.00	23,939.73
	5				25,199,129.52
	6				25,199,129.52
	7				25,199,129.52
	8				25,199,129.52
	9				25,199,129.52
	10				25,199,129.52
	11				25,199,129.52
	12				25,199,129.52
	13		1,000,000.00	1,000,000.00	25,810.41
	14				25,224,939.93
	15				25,224,939.93
	16				25,224,939.93
	17				25,224,939.93
	18				25,224,939.93
	19			500,000.00	24,724,939.93
	20				24,724,939.93
	21				24,724,939.93
	22				24,724,939.93
	23				24,724,939.93
	24				24,724,939.93
	25 MBIA				1,508.89
	26 Smith Barney				7,206.44
	27 TCF				4,554.32
	28 Citizens MM				4,864.36
	29 County National				4,513.33
	30 Comerica				1.32
	31				24,747,588.59
			2,000,000.00	2,500,000.00	72,398.80

Pooled Cash and Investments

	City of Jackson					
	Treasurer Office					
	Daily Investment Balances					
	Pooled Account		Jan-08			
				(Exclude Interest)		
		Beg	Investment	Investment	Rolled Over	End
		Balance	Buys	Maturities	Interest	Balance
	Investments	26,488,186.40				26,488,186.40
	1					26,488,186.40
	2					26,488,186.40
	3			1,183,800.54		25,304,385.86
	4					25,304,385.86
	5					25,304,385.86
	6		1,129,645.11	1,129,645.11	25,022.41	25,329,408.27
	7					25,329,408.27
	8					25,329,408.27
	9					25,329,408.27
	10					25,329,408.27
	11					25,329,408.27
	12		1,665,882.73	1,665,882.73	43,955.13	25,373,363.40
	13					25,373,363.40
	14					25,373,363.40
	15		1,000,000.00	1,000,000.00	23,573.33	25,396,936.73
	16					25,396,936.73
	17					25,396,936.73
	18					25,396,936.73
	19					25,396,936.73
	20					25,396,936.73
	21			250,000.00		25,146,936.73
	22					25,146,936.73
	23					25,146,936.73
	24					25,146,936.73
	25					25,146,936.73
	26	MBIA			1,975.14	25,148,911.87
	27	Smith Barney			9,055.47	25,157,967.34
	28	TCF			7,042.28	25,165,009.62
	29	Citizens MM			8,082.41	25,173,092.03
	30	County National			2,096.31	25,175,188.34
	31	Comerica			1.45	25,175,189.79
			3,795,527.84	5,229,328.38	120,803.93	



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

September 17, 2008

TO: William R. Ross, City Manager
FROM: Carol L. Konieczki, Community Development Director
RE: Dangerous Building Report

Attached is the monthly Dangerous Building Report. Please add this item to the September 23, 2008 agenda as receipt of report.

CK:sc

Attachment

cc: Sheila Prater, Property Code Technician
Frank Donovan, Acting Chief Building Official



Department of Community Development

161 W. Michigan Avenue • Jackson, MI 49201-1303•
Facsimile (517) 768-5832

Administrative Services
(517) 788-4060

Building Inspection
(517) 788-4012

Rehabilitation Services & Information
(517) 788-4070

September 8, 2008

DANGEROUS BUILDING REPORT COVER SHEET

This months Dangerous Building report summarizes the current status of all dangerous or unsafe structures as referenced in Chapter 17 of the City Code of Ordinances.

Page 1	Dangerous Building Summary Sheet
Page 2	Property Address/Type/Designation/Deed Holder Illustration
Pages 3 – 4	Properties scheduled for the September 19, 2008, BCBA meeting
Pages 5	Properties granted extensions by the BCBA
Pages 6	Properties issued an Official Notice and Order and scheduled for a future BCBA meeting
Page 7 – 8	Properties tentatively scheduled for a future BCBA meeting
Page 9 – 10	Properties with outstanding Notice and Orders UPHELD, Awaiting Demolition
Page 11	Properties pending reconsideration from the BCBA
Page 12	Properties pending court action
Page 13	Properties released from BCBA

If you have any comments or would like to make any suggestions on how we can improve this report please contact Sheila Prater at (517) 788-4012.

Respectfully,

Frank Donovan
Acting Chief Building Official

FD/smp



CITY OF JACKSON
DANGEROUS BUILDING REPORT SUMMARY SHEET

	Jul-08	Aug-08	Sep-08	Nov-08	Dec-08
PROPERTIES CONDEMNED THIS MONTH	2	11			
<i>YEAR TO DATE</i>	11	22			
PROPERTIES DEMOLISHED THIS MONTH	0	1 (owner)			
<i>YEAR TO DATE</i>	7	8			
PROPERTIES SCHEDULED FOR NEXT BCBA MEETING (Page 3-4)	5	7			
<i>YEAR TO DATE</i>	5	12			
PROPERTIES GRANTED EXTENSION FROM BCBA (Page 5)	8	1			
<i>YEAR TO DATE</i>	53	54			
PROPERTIES SCHEDULED FOR A FUTURE BCBA MEETING (Page 6)	3	2			
<i>YEAR TO DATE</i>	3	5			
PROPERTIES TENTATIVELY SCHEDULED FOR FUTURE MEETING (Page 7-8)	8	12			
<i>YEAR TO DATE</i>	42	54			
PROPERTIES WITH NOTICE AND ORDER UPHELD (Page 9-10)	9	8			
<i>YEAR TO DATE</i>	42	50			
PROPERTIES PENDING RECONSIDERATION FROM BCBA (Page 11)	1	1			
<i>YEAR TO DATE</i>	8	9			
PROPERTIES PENDING COURT ACTION (Page 12)	3	2			
<i>YEAR TO DATE</i>	14	16			
PROPERTIES RELEASED FROM BCBA (Page 13)	2	4			
<i>YEAR TO DATE</i>	7	11			

PROPERTY ADDRESS/TYPE/DESIGNATION/DEED HOLDER ILLUSTRATION

1005 E Ganson St (7-0763)

Property Address and Stencil

Kimberly Powell

Deed Holder

(4 – CBDG) (Fire) – House (R)

Area/CBDG or Citywide (CW)

Complainant

Type of Structure

Designation (R) = Rental and (O) = Owner Occupied

CITY OF JACKSON

PROPERTIES SCHEDULED FOR THE SEPTEMBER 19, 2008, BCBA MEETING

Property Address/Type/Designation Deed Holder	BCBA Activity	Summary of Activities thru 8/31/08
1005 E Ganson St (7-0763) Kimberly Powell (4 – CDBG) (Fire) – House (R)	5/16/08 BCBA continued until 9/19/08 to allow owner to settle with Insurance Company and make repairs.	12/12/07 Condemned; Fire damage to living room floor; smoke damage throughout; Chapter 14 Housing Code violations. Permit Information – PB080161 5/1/08 (remodel), PP080125 5/19/08.
107 N Higby St (2-0482) Eagle Ventures (new owner 3/08) Pamela Adams (19 – CW) (Fire) – House (R)	6/20/08 BCBA continued until 9/19/08 to allow new owner time to pull permits and finish repairs	8/21/07 Condemned; Extensive fire damage to living room and porch; Extensive smoke damage throughout house. 11/15/07 owner has settled with Insurance Company and is trying to decide if she wants to repair or demolish. 11/16/07 ACT 495 Funds. 12/20/07 owner is closing on new house will be selling this one as is or demolishing. 2/15/08 property being sold, closing to take place soon. 3/28/08 new owner hoping to be finished by June. Permit Information – PB080085 3/26/08 (remodel), PE080068 3/24/08.
628 Madison St (2-2125) Meryletta Hafley (31 – CW) (Fire) – House – (O)	9/19/08 – New Case	5/5/08 Condemned; Fire, smoke and water damage throughout; Chapter 14 Housing Code violations. Permit Information – PB080255 6/6/08 (fire damage), PE080155 6/10/08 (final), PP080157 7/2/08.

CITY OF JACKSON

PROPERTIES SCHEDULED FOR THE SEPTEMBER 19, 2008, BCBA MEETING (CONTINUED)

Property Address/Type/Designation Deed Holder	BCBA Activity	Summary of Activities thru 8/31/08
=====		
==		
	Page 3	
943 Maple Ave (4-0852) Susan Shanes (34 – CDBG) (JPD) – House (O)	7/18/08 BCBA continued until 9/19/08 per inspection owner is making progress and hopes to be finished soon.	10/31/05 Condemned; open and accessible; unfit for human habitation; Chapter 14 Housing Code violations. 5/18/06 owner has applied for rehab. 7/20/06 should be finished within 3 months. 8/17/06 owner still awaiting rehab loan through Community Development. 10/19/06 owner would like 2 months 2 complete. 11/30/06 per inspector Building permit has been issued, no inspections. 4/19/07 Plumbing almost complete should be finished with everything shortly after that. 5/17/07 per Building Inspector owner is making good progress. Exterior to be completed within the next week, once finished will focus on the interior again. 8/16/07 owner has received loan to finish repairs and should be finished in about 30 days. 9/20/07 new bay window installed, bathroom and kitchen sinks installed. Roof should be finished this week, will then move onto drywall. 10/18/07 owner is hoping to be done by Christmas. 12/20/07 owner has lots of material should be finished within 90 days. 1/17/08 owner hoping to finish downstairs in 1 month and will then start on the upstairs. 2/15/08 three rooms dry walled, will schedule inspection before next meeting. 4/18/08 owner is having surgery but will try to keep sons working. Will try and get electrical permit pulled by May 1, 2008. Permit Information – PB060961 11/14/06 (remodel) expired 6/3/08, PP060437 11/13/06 expired 7/16/08, PE080119 5/9/08, PF08020 5/7/08.
1514 Plymouth St (6-0515) Nathan Brown (new owner 5/08) Entrust Great Lakes US FBO (6 – CDBG) (JPD) – House (R)	8/15/08 continued until 9/19/08 to contact owner for update.	1/30/08 Condemned; Structure open and accessible; unfit for human habitation; Chapter 14 Housing Code violations. Permit Information – PB080195 (remodel) 5/15/08.
1014 Second Ct (3-2001) Heather Hill (27 – CW) (JPD) – House (O)	9/19/08 – New Case	6/13/08 Condemned; Northeast corner of foundation damaged by vehicle.
1102 Walker St (8-2446) Matt Peck (8 – CDBG) (Fire) – House (O)	9/19/08 – New Case	5/15/08 Condemned; Fire, smoke and water damage to second floor and Chapter 14 Housing Code violations.

CITY OF JACKSON

PROPERTIES SCHEDULED FOR THE SEPTEMBER 19, 2008, BCBA MEETING (CONTINUED)

**Property Address/Type/Designation
Deed Holder**

BCBA Activity

Summary of Activities thru 8/31/08

=====

CITY OF JACKSON

PROPERTIES GRANTED EXTENSIONS BY THE BCBA

**Property Address/Type/Designation
Deed Holder**

BCBA Activity

Summary of Activities thru 8/31/08

=====

1615 Plymouth St (6-1233)
Bettie Talbert
(6 – CDBG) (Fire) – House (O)

7/18/08 BCBA continued until 10/17/08
permit pulled and contractor should be starting
repairs soon.

12/20/07 Condemned; Smoke, fire and water damage throughout.
4/18/08 owner has hired contractor and is waiting for him to finish.
Permit Information – PB080318 (remodel) 7/3/08.

CITY OF JACKSON

PROPERTIES GRANTED EXTENSIONS BY THE BCBA (CONTINUED)

**Property Address/Type/Designation
Deed Holder**

BCBA Activity

Summary of Activities thru 7/31/08

=====

**(# is CDBG Area also shows CW or CDBG)
for office use only**

(Who requested condemnation)

(Designation; (R) = Rental and (O) = Owner Occupied)

CITY OF JACKSON

PROPERTIES ISSUED AN OFFICIAL NOTICE AND ORDER AND SCHEDULED FOR A FUTURE BCBA MEETING

Property Address/Type/Designation Deed Holder	BCBA Hearing Date	Summary of Activities thru 8/31/08
1915 E Ganson St (7-1196) Stephen Lewis (7 – CDBG) (Fire) – House (O)	10/17/08	7/24/08 Condemned; West kitchen window broken out, east lower level window broken out; west wall damaged and exposed to the elements as a result of fire fighting measures.
137 W Mason St (4-0785) Eric/Laura Springborn (3 – CDBG) (Staff) – House (R)	10/17/08	6/30/08 Condemned; Structural elements in danger of collapse; interior and exterior of building are unfit; Chapter 14 Housing Code violations.

CITY OF JACKSON

PROPERTIES TENTATIVELY SCHEDULED FOR A FUTURE BCBA MEETING

Property Address/Type/Designation Deed Holder	Tentative Hearing Date	Summary of Activities thru 8/31/08
122 N Dwight St (7-1233) Mervin Halsey (7 – CDBG) (Staff) – House (O)	10/17/08 (T)	8/14/08 Condemned; Structure open and accessible, door missing, broken windows, missing basement window, unsecured back door.
916 Francis St (5-0630) Vicki Gordon (5 – CDBG) (Staff) – Garage	10/17/08 (T)	8/22/08 Condemned; Structure open and entry door; roof is rotting.
316 N Grinnell St (2-0787) Donald Kallio (19 – CW) (DPW) – House (O)	10/17/08 (T)	8/27/08 Condemned; House is deteriorated and decayed, roof is beyond salvage.
124 W Mansion St (4-1718) Robert/Rose Stitts (16 – CDBG) (Staff) - Garage	10/17/08 (T)	8/22/08 Condemned; Garage is badly deteriorated.
1223 Maple Ave (4-0939) Elisabeth McKinch (34 – CDBG) (Staff) – House (R)	10/17/08 (T)	8/18/08 Condemned; Structure open and accessible at door to basement at back of house; foundation deteriorated and decayed.
310 W Mason St (4-0331) Esther Cox (33 – CDBG) (JPD) – House (R)	10/17/08 (T)	8/14/08 Condemned; Structure open and accessible, back door open and back windows broken.
800 S Mechanic St (4-0600) Gregory Cole (3 – CDBG) (JPD) – House (R)	10/17/08 (T)	8/6/08 Condemned; Open and accessible, both doors and upper windows of unit 802 and north door of unit 803; Unfit for human habitation; need to repair floor in back bathroom on first floor and complete the wall surface repairs in unit 802. Property was previously condemned 11/6/06.
414 W Morrell St (3-2041) Hugh Hiller (33 – CDBG) (Staff) – Front Porch (R)	10/17/08 (T)	7/23/08 Condemned; Front porch is pulling away from the house at the southeast corner; southeast pillar is loose and it appears the structural support for the porch and roof assembly is insufficient to carry the load. Permit Information – PB080404 8/21/08 (demo and rebuild porch).

CITY OF JACKSON

PROPERTIES TENTATIVELY SCHEDULED FOR A FUTURE BCBA MEETING (CONTINUED)

Property Address/Type/Designation Deed Holder	Tentative Hearing Date	Summary of Activities thru 8/31/08
510-12 Oakhill Ave (2-0953) Tracy Kofflin (1 – CDBG) (Staff) – Porch	10/17/08 (T)	8/29/08 Condemned; East porch foundation and support columns are collapsing; roof in danger of falling.
518 Oakhill Ave (2-0957) Jacqueline Carter (1 – CDBG) (Staff) - Stairs	10/17/08 (T)	8/22/08 Condemned; Stairs ready to collapse.
410 N Park Ave (7-0258) Bruce Wilson (4 – CDBG) (Staff) – House (R)	10/17/08 (T)	8/7/08 Condemned; Structure open and accessible, broken 1 st floor window, basement window and unsecured door at lean to entry to house.
202-04 Third St (3-0168) Jacqueline Carter (28 – CDBG) (Staff) – House (R)	10/17/08 (T)	8/21/08 Condemned; Structure open and accessible, open doors and broken windows on first level.

CITY OF JACKSON

PROPERTIES WITH OUTSTANDING NOTICE AND ORDERS UPHELD, AWAITING DEMOLITION

Property Address/Type/Designation Upheld Deed Holder	Upheld Date	Bids Requested	Bids Received	Bids Awarded	Scheduled Demolition	Summary of Activities thru 8/31/08
939 Chittock Ave (5-0649) Trainor Financial LLC (new owner 10/07) Jackson County Treasurer (new owner 6/07) Destiny Ventures LLC (34 – CDBG) (Staff) – House (R)	3/15/07					11/8/06 Condemned; Structure open and accessible at rear door; all cooper has been striped out of house; Chapter 14 Housing Code violations. 5/4/07 – Inspection Department to inspect for updated status. 6/29/07 – Property now owned by County of Jackson, per Building Official we cannot take action on County owned properties.
220 S Dwight St (6-0904) William/Kristy Denman (11 – CDBG) (NA) – House (R)	2/15/08	3/12/08	3/24/08			10/19/07 Condemned; Open and accessible; Unfit for human habitation; Chapter 14 Housing Code violations.
704 First St (3-0023) Lamar Jackson (33 – CDBG) (Staff) – House (R)	4/18/08	5/20/08	6/5/08			1/31/08 Condemned; Lower unit open and accessible; Fire damage in upper unit; Chapter 14 Housing Code violations.
508 N Francis St (7-0070) Jeffrey/Ryan Anderson (new owner 8/07) Tracie Vierk (4 – CDBG) (JPD) – House (R)	12/14/06	1/9/07	1/24/07			7/10/06 Condemned; Structure open and accessible; trash and debris throughout; gas and electric shut off; Chapter 14 Housing Code violations. 11/16/06 ownership issues on this property. 5/4/07 Owner has been trying to contact Building Official to discuss repairs.
815 Francis St (5-0589) Christopher Robinson (new owner 3/07) Hasche LLC Etal (3 – CDBG) (Fire) – House (R)	9/20/07					3/7/07 Condemned; Smoke, fire and water damage to upper unit; water damage to lower unit; Chapter 14 Housing Code violations. No contact from owner.
107 E Ganson St (7-0134) Herbert Christopher (4 – CDBG) (Fire) – House (R)	7/18/08					10/4/07 Condemned; Fire, smoke and water damage throughout structure; Chapter 14 Housing Code violations. 2/15/08 owner is awaiting Insurance settlement. 4/18/08 owner working with attorney regarding ownership issues. 7/22/08 received ACT 495 funds.

CITY OF JACKSON

PROPERTIES WITH OUTSTANDING NOTICE AND ORDERS UPHELD, AWAITING DEMOLITION (CONTINUED)

Property Address/Type/Designation Upheld Deed Holder	Date	Bids Requested	Bids Received	Bids Awarded	Scheduled Demolition	Summary of Activities thru 8/31/08
611 W Morrell St (3-2064) John/Patricia Grzesikowski (28 – CDBG) (Fire) – House (O)	6/20/08	7/21/08				11/26/07 Condemned; Fire, smoke and water damage to interior of house. 4/18/08 waiting for Insurance Settlement before work starts.
918-20 Williams St (4-0698) Countywide Bank (34 – CDBG) (DPW) – House (R)	12/14/06	1/9/07	1/24/07			9/22/06 Condemned; Fire, smoke and water damage throughout both units; Chapter 14 Housing Code violations.

CITY OF JACKSON

PROPERTIES PENDING RECONSIDERATION FROM THE BCBA

Property Address/Type/Designation
Deed Holder

BCBA Activity

Summary of Activities thru 8/31/08

416 W North St (1-0504)
Michael Schmall (new owner 7/08)
Don Wood (new owner 3/08)
Peggy Winters
(1 – CDBG) (Staff) – House (R)

Scheduled for 9/19/08 BCBA meeting
for new owner to start repairs and
provide plan.

12/15/06 Condemned; Structure open and accessible; unfit for human habitation; Chapter
14 Housing Code violations. 6/14/07 bank will request bids for repairing and demolition.
Redemption to expire 12/6/07. 10/18/07 new listing agent trying to sell as a package with
another property. 1/17/08 property now listed for sale. 2/15/08 closing will take place
within next month. 3/28/08 hoping to be finished with all repairs by end of summer.
Permit Information – PB080410 8/25/08 (siding).

CITY OF JACKSON

PROPERTIES PENDING COURT ACTION

Property Address/Type/Designation Upheld Deed Holder	Date	Bids Requested	Bids Received	Bids Awarded	Scheduled Demolition	Summary of Activities thru 8/31/08
204 E Prospect St (5-1894.1) Golden Gibson (new owner 6/07) Federal National Mortgage Assn (new owner 7/06) Flagstar Bank (18 – CDBG) (Fire) – House (R)	1/18/07					7/5/06 Condemned; Exterior siding burned; windows broken out; door damaged; walls, ceilings and floor joists damaged; smoke and water damage throughout; gas and electric shut off; trash and debris throughout. 10/19/06 owner (Maurice Harrell) is working on redeeming house, once he does he will start repairs. 5/4/07 New owner given time by court to pull permits and repair. Permit Information – PB070167 (repair) 5/11/07, PE070258 7/25/07.
605 Williams St (4-0777) Starting Point Financial (3 – CDBG) (Fire) – House (R)	4/22/04	04/23/04	05/19/04			6/5/03 Condemned; fire damage throughout structure. 9/18/03 Notice and Order UPHELD. Demolition never done. 4/22/04 Notice and Order UPHELD – Demolition never done due to restraining order. We do have ACT 495 insurance money. 5/12/04 Restraining order filed by owner’s attorney. 6/28/04 owner pulled remodel permit. 12/13/04 Permit #13420 abandoned by owner. 1/26/05 – Injunction issued with court date of 2/18/05. Court granted extension until 4/29/05. 5/5/05 work started, good progress being made on exterior, roof finished, siding started and new electrical service. Property still in court.

CITY OF JACKSON

PROPERTIES RELEASED FROM BCBA

Property Address/Type/Designation Deed Holder	Release Date	Summary of Activities thru 8/31/08
401 Adams St (1-0586) Cornelious Wright (2 – CDBG) (Staff) – House (R)	8/15/08	Dangerous violation repaired.
1209 Chittock Ave (5-0711) Samuel Terry (34 – CDBG) (JPD) – House (O)	8/15/08	Dangerous violation repaired.
606 S Mechanic St (4-0588) Community Action Agency (new owner 4/08) Rose City Investments (3 – CDBG) (JPD) – House (R)	7/29/08	Demolished by owner.
110 N Thompson St (2-0366) Ed Yoakam (new owner 2/08) Ken Rhines/Patty Lannabary (19 – CW) (Fire) – House (O)	8/15/08	Released into open Building permit status.
1042 Walker St (8-2448) Craig Stringham (12/07) Wells Fargo Bank (new owner 8/07) Richard/Robin Wood (8 – CDBG) (JPD) – House (O)	9/2/08	Released into open Building permit status.



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

September 16, 2008

TO: William R. Ross, City Manager
FROM: Carol L. Konieczki, Community Development Director
RE: CDBG Financial Summary through August 2008

Attached is a Financial Summary for the CDBG funds through August 2008.

Please place this item for consideration on the September 23, 2008 City Council agenda.

CLK:hls

**City of Jackson
Community Development Block Grant
Monthly Financial Summary
For the Two Months Ended August 31, 2008**

	Budgeted	Expended Prior Year	Actual Month-to-Date	Actual Year-to-Date	Total Funds Expended- to-Date	Balance	Percent Spent
<u>Public Services</u>							
1 American Red Cross							
FY 2007/2008	3,000	2,033	-	-	2,033	967	68%
FY 2008/2009	2,000	-	-	-	-	2,000	0%
2 Big Brothers Big Sisters	2,000	-	-	-	-	2,000	0%
3 Center for Family Health	25,000	-	-	-	-	25,000	0%
4 Fair Housing Services (FY 2004/2005)	10,000	-	-	-	-	10,000	0%
5 Family Services & Children's Aid	5,000	-	-	-	-	5,000	0%
6 Florence Crittendon - Male Transition Program							
FY 2007/2008	4,788	3,961	-	-	3,961	827	83%
FY 2008/2009	2,500	-	-	-	-	2,500	0%
7 Florence Crittendon - Reporting Center for Youth							
FY 2007/2008	5,400	2,119	-	-	2,119	3,281	39%
FY 2008/2009	3,000	-	-	-	-	3,000	0%
8 Human Relations Comm (Cool Cities Youth Council)							
FY 2007/2008	5,000	1,739	-	-	1,739	3,261	35%
FY 2008/2009	1,000	-	-	-	-	1,000	0%
9 Jackson Affordable Housing Programs							
FY 2007/2008	29,200	24,419	-	-	24,419	4,781	84%
FY 2008/2009	30,273	-	-	-	-	30,273	0%
10 Jackson School of the Arts	1,500	-	-	-	-	1,500	0%
11 Legal Services of SE Michigan (FY 2007/2008)	1,500	128	-	-	128	1,372	9%
12 MLK Summer Program	35,000	-	-	-	-	35,000	0%
13 Neighborhood Resource Centers							
FY 2007/2008	15,000	13,326	1,305	1,674	15,000	-	100%
FY 2008/2009	12,000	-	57	57	57	11,943	0%
14 Northeast School Dental Clinic (FY 2005/2006)	25,000	24,896	-	-	24,896	104	100%
15 Partnership Park-After School Programs	5,000	-	-	-	-	5,000	0%
16 Resident Officer Program-Property Expenses (FY 2004/2005)	3,993	3,317	48	48	3,365	628	84%
17 Salvation Army - Heating Assistance							
FY 2007/2008	68,108	60,000	-	-	60,000	8,108	88%
FY 2008/2009	63,000	-	-	-	-	63,000	0%
18 United Way - 211 Services	10,000	-	-	-	-	10,000	0%
19 Administration & Planning							
FY 2007/2008	344,100	200,627	30,685	39,775	240,402	103,698	70%
FY 2008/2009	248,600	-	-	-	-	248,600	0%
<u>Other Projects</u>							
20 City Code Enforcement Division							
FY 2007/2008	532,545	416,531	54,789	73,140	489,671	42,874	92%
FY 2008/2009	500,000	-	-	-	-	500,000	0%
21 City Housing Rehabilitation Projects:							
Owner Occupied Housing Rehabilitation							
FY 2005/2006	292,000	209,612	-	33,002	242,614	49,386	83%
FY 2006/2007	59,000	-	-	-	-	59,000	0%
FY 2007/2008	309,035	-	-	-	-	309,035	0%
FY 2008/2009	158,980	-	-	-	-	158,980	0%
City Emergency Hazard Repair Program							
FY 2007/2008	50,000	11,446	10,016	17,078	28,524	21,476	57%
FY 2008/2009	75,000	-	-	-	-	75,000	0%
New Neighbor Program (FY 2005/2006)	80,000	58,755	-	-	58,755	21,245	73%
World Changers							
FY 2007/2008	45,000	32,829	1,865	2,126	34,955	10,045	78%
FY 2008/2009	38,250	-	-	-	-	38,250	0%

**City of Jackson
Community Development Block Grant
Monthly Financial Summary
For the Two Months Ended August 31, 2008**

	<u>Budgeted</u>	<u>Expended Prior Year</u>	<u>Actual Month-to-Date</u>	<u>Actual Year-to-Date</u>	<u>Total Funds Expended- to-Date</u>	<u>Balance</u>	<u>Percent Spent</u>
Spring Cleanup	5,000	4,428	-	-	4,428	572	89%
City Rehab Administration (Denied Loans)							
FY 2007/2008	1,000	331	6	94	425	575	43%
FY 2008/2009	3,000	-	-	-	-	3,000	0%
22 Downtown Development Authority - Façade Loans							
FY 2006/2007	60,000	38,000	-	-	38,000	22,000	63%
FY 2007/2008	15,000	-	-	-	-	15,000	0%
FY 2008/2009	18,000	-	-	-	-	18,000	0%
23 John George Home - building repairs	50,000	-	-	-	-	50,000	0%
24 Grace Haven - shelter repairs	18,000	-	-	-	-	18,000	0%
25 Michigan Theater - plumbing repairs	4,000	-	-	-	-	4,000	0%
26 Jackson Friendly Home - elevator	30,000	-	-	-	-	30,000	0%
27 Street Construction - Milwaukee (FY 2006/2007)	98,000	78,152	-	-	78,152	19,848	80%
28 Street Construction - High to Morrell (FY 2006/2007)	398,000	322,720	-	-	322,720	75,280	81%
29 Street Construction - Elm (FY 2006/2007)	99,400	60,953	-	-	60,953	38,447	61%
30 Rotary Park Improvements	35,000	-	-	-	-	35,000	0%
31 Public Works - curb ramps	40,000	-	-	-	-	40,000	0%
32 Tree Removal/Replacement	25,000	-	-	-	-	25,000	0%
33 Enterprise Group - Operations (FY 2006/2007)	7,500	-	-	-	-	7,500	0%
34 Job Creation Loans (FY 2006/2007)							
FY 2006/2007	30,000	-	-	-	-	30,000	0%
FY 2008/2009	34,000	-	-	-	-	34,000	0%
35 Enterprise Group-Incubator Bldg Imp (FY 2006/2007)	18,000	6,926	-	-	6,926	11,074	38%
36 Riverwalk Project (FY 2005/2006)	70,000	27,480	-	-	27,480	42,520	39%
37 Acquisition/Demolition - CAA (FY 2005/2006)	259,103	235,603	-	-	235,603	23,500	91%
38 Demolitions - Building Inspection (FY 2005/2006)							
FY 2005/2006	40,846	20,795	-	-	20,795	20,051	51%
FY 2007/2008	48,046	-	-	-	-	48,046	0%

NOTE: All funds are FY 2008/2009 allocations unless otherwise indicated



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

September 16, 2008

TO: William R. Ross, City Manager
FROM: Angela Arnold, Deputy City Clerk *Angela*
RE: Establishment of a Public Hearing on the Application filed by Crankshaft
Machine Group, 314 N. Jackson Street, for an Industrial Facilities
Exemption Certificate

Attached please find an application filed by Crankshaft Machine Group, for an Industrial Facilities Exemption Certificate for personal property for their facility located at 314 N. Jackson Street.

Requested action is for the City Council to establish a public hearing on October 7, 2008, on this application. Notification letters will be sent to the applicant and the legislative body of taxing units, which levy ad valorem taxes within the City informing them of the public hearing.

Thank you.

Attachments

C: Julius Giglio
C. Jan Markowski

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Lynda Fessel, City Clerk</i>	Date received by Local Unit <i>August 21, 2008</i>
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Crankshaft Machine Group	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 3541
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 314 N. Jackson Street, Jackson, MI 49201	1d. City/Township/Village (indicate which) Jackson
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))	1e. County Jackson 3a. School District where facility is located Jackson 3b. School Code 38170
4. Amount of years requested for exemption (1-12 Years) 12	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

See attached

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs \$501,325.00
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)		
Real Property Improvements	_____	_____	<input type="checkbox"/> Owned	<input type="checkbox"/> Leased
Personal Property Improvements	3/1/08	12/31/08	<input type="checkbox"/> Owned	<input checked="" type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. Yes No

9. No. of existing jobs at this facility that will be retained as a result of this project. 4	10. No. of new jobs at this facility expected to create within 2 years of completion. 1
--	--

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	
b. TV of Personal Property (excluding inventory)	
c. Total TV	

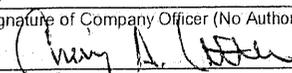
12a. Check the type of District the facility is located in:
 Industrial Development District Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) 6/28/77	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	---

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Julie Ringe	13b. Telephone Number (517) 787-3791	13c. Fax Number (517) 787-7677	13d. E-mail Address ringe.juie@crankshaft.net
14a. Name of Contact Person Julie Ringe	14b. Telephone Number (517) 787-3791	14c. Fax Number (517) 787-7677	14d. E-mail Address ringe.julie@crankshaft.net
▶ 15a. Name of Company Officer (No Authorized Agents) Craig Little			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (517) 787-7677	15d. Date 8-19-2008
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 314 N. Jackson Street, Jackson, MI 49201		15f. Telephone Number (517) 787-3791	15g. E-mail Address little.craig@crankshaft.net

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit. <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

State Tax Commission
Michigan Department of Treasury
P.O. Box 30471
Lansing, MI 48909-7971

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

**LEGAL DESCRIPTION OF THE PROPERTY ON WHICH THE EQUIPMENT
WILL BE LOCATED:**

LOTS 2, 3, 4, 5 AND 6, BLOCK 3, NR1 W (EAST OF INGHAM STREET)

List of Machinery, Equipment, Furniture and Fixtures

1. <u>Star Spirex Tool Grinding Machine UTG-1200</u>	\$ 494,325.00
Tooling (Grind Wheel)	4,000.00
Freight (Elk Rapids, MI to Jackson, MI)	1,000.00 Estimated
Rigging (Unload and Set In Place)	<u>2,000.00</u> Estimated
No Sales Tax	
Estimated Total:	\$ 501,325.00

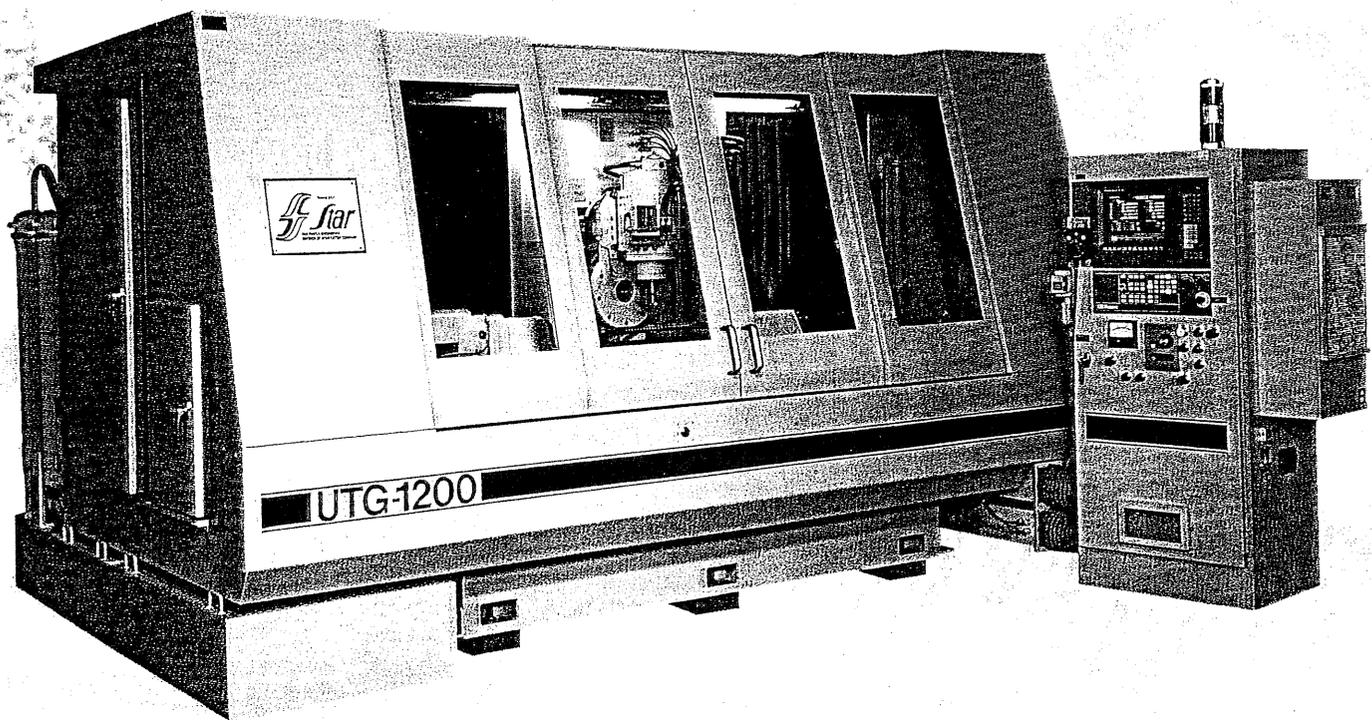
Purchase Date: March 20, 2008

Anticipated Delivery / Installation: November 4, 2008



Universal Tool and Cutter Grinders

Models: UTG-300, 600, 1200, 1800, 2400



Star Universal Tool and Cutter Grinders, capable of grinding a wide variety of tools to meet or exceed industry standards.



Quotation

March 19, 2008

U.S. Broach
Attn: Mr. Craig Little
314 North Jackson Street
Jackson, MI 49201
USA

Quote Number for UTG-1200 Tool Grinder: 70-400-9664-3

Please reference the above quotation number on all future correspondence.

Comments:

Please review the following information included with your quotation:

- Pricing Summary
- Technical Data
- Commercial Terms
- Standard Terms and Conditions

Your Regional Sales Manager is:

John Simpson, Regional Sales Manger
O: 248.766.7456
F: 248.814.0550
E-mail: jsimpson@star-su.com

Star-SU, Inc.
5200 Prairie Stone Parkway, Suite 100
Hoffman Estates IL 60192, USA
Tel: +1.847.649.1450
Fax: +1.847.649.0112
www.star-su.com

Star Cutter Company
23461 Industrial Park Drive
Farmington Hills MI 48335-2855, USA
Tel: +1.847.649.1450
Fax: +1.847.649.0112
www.starcutter.com

Star Machine Tool Division
Elk Rapids Engineering
120 Industrial Park Drive
Elk Rapids MI 49629-0728, USA
Tel: +1.231.264.5661
Fax: +1.231.264.5663



Quotation

Item	Description	Price in US Dollars	Quantity Selected	Item total in US Dollars
1.00 Machine Model				
1.11	UTG-1200 Tool Grinding Machine Fanuc Five Axis CNC Controller with Digital Servo Motors Custom Star Cutter Company software that is run on a Dell Computer with Windows XP operating Part Probing System Grinding Wheel Probing System 15,000 RPM, 10 HP Direct Drive Grinding Spindle Manual "Quick Change" HSK Wheel Pack Mounting Adjustable "A" Axis headstock for tools up to 2000 mm Absolent 1200 cfm mist collector. Grinding Spindle has a stand-alone Closed-loop Chiller to provide thermal stability. Anti-backlash Headstock with Rotary Glass Scale Positioning Glass Scales on All Linear Axes 460 Volt* / 3 Phase / 60 Hertz; other voltage will require a quote for optional transformer. Manually Actuated Tailstock Machine Set-up at Customer's Facility Electronic and printed/bound copy of the Operator's and Maintenance Manual w/ Repair Parts List and Assembly Drawings. Manufacturer's Standard Components Manuals (one time only)	\$418,000	1	\$418,000.00
2.00 Installation and Training Packages				
2.10	Machine Setup Package A Star Cutter Company representative sets up and verifies correct operation of the machine in the customer facility.		1	Included
2.11	Five-Day Training Package Star Cutter includes a Five-Consecutive Day Training Package, at our facility in Elk Rapids, Michigan, in the base price of the machine. The class includes basic operation of the UTG machine with an introduction to your custom software. Star Cutter Company recommends a maximum of three people attend. Additional Software Training Packages are available (see below). Consult with a Sales Engineer to review your software training requirements.		1	Included
2.12	3 Day Training Package at Customer Site One week training package held at the customer site after the machine is set up. This package is a continuation of basic machine and software training. May include additional software training for advanced tools. Star Cutter Company recommends a maximum of three people attend. Actual training time depends on the distance traveled by the instructor. Price includes the instructor's travel and living expenses from Elk Rapids, Michigan to and from anywhere in the 48 contiguous United States and Ontario, Canada. Travel to other locations is negotiable.	\$4,800.00	1	\$4,800.00
3.00 Software and Programming Packages				
3.11	"THRBRCH" - Flat Broaches in a Cradle Sharpen mounted in a cradle fixture, top and gullet. Does most shear angles. Star recommends at least a five-day training session.	\$3,600.00	1	\$3,600.00
3.12	"RNDBRCH" - Round Button Broaches Sharpen round spline broaches. Star recommends at least a five-day training session.	\$3,600.00	1	\$3,600.00
3.13	"SPIRAL3" - Round Spiral Broaches (Sharpening Program) Sharpen multi-section, multi-start spiral broaches. Star recommends at least a five-day training session.	\$3,600.00	1	\$3,600.00
4.00 Workholding: Magnetic Chucks				
Note: Star Cutter Company will quote special application tooling systems upon request				
5.00 Work Holding: Flat Broach Tooling Rail				
5.14	Flat Broach Tooling L-Rail This L-Rail assembly pivots to grind flat broaches.	\$5,500.00	1	\$5,500.00
5.15	Flat Broach Tooling Rail Center Required for use with above flat broach tooling rail.	\$290.00	1	\$290.00
6.00 Tool Support Options				
6.11	Rail Mounted Steady Rest This assembly mounts directly to the machine rails and comes complete with a set of four Steady Rest Vees that cover the following range of sizes: S.R. Vee 0.2" to 1.5", S.R. Vee 1" to 2", S.R. Vee 2" to 3", and S.R. Vee 3" to 4".	\$4,200.00	3	\$12,600.00
7.00 Accessory Tooling				
7.10	HSK Wheel Adapter, 1.250 Dia. Provides a quick repeatable wheel change; 1.2500 in. mounting diameter.	\$500.00	4	\$2,000.00
7.11	Grinding Wheel Spacers 1.250 LD. Set of 5 spacers fits a 1.2500 in. grinding wheel adapter: 0.1250 in., 0.1880 in., 0.250 in., 0.375 in., and 1 in. thickness.	\$150.00	4	\$600.00

Item	Description	Price in US Dollars	Quantity Selected	Item total in US Dollars
7.12	HSK Wheel Pack Set-up Fixture. Provides secure method of holding the wheel adaptor when mounting the HSK Adaptor.	\$200.00	1	\$200.00
7.13	Single Part Probe Stylus Spare part probe for probing standard tools.	\$360.00	1	\$360.00
7.14	Headstock Center Holder Center holder mounts in the machine headstock.	\$1,150.00	1	\$1,150.00
7.15	#3 Morse Taper Center Headstock Center with #3 Morse Taper	\$255.00	1	\$255.00
7.16	Driver and Dog Assembly Includes dog, driver, retainer and vec. Required for use with Headstock Center Holder for broaches within the diameter range of .390" to 1.575" (10.0mm to 40.0mm).	\$1,430.00	1	\$1,430.00
7.17	Driver and Dog Assembly Includes dog, driver, retainer and vec. Required for use with Headstock Center Holder for broaches within the diameter range of 1.575" to 2.560" (40.0mm to 65.0mm).	\$1,430.00	1	\$1,430.00
7.18	Schunk Hydraulic Chuck, .5000" Daimeter Precision manual hydraulic chuck from Schunk in 1/2" LD. includes hex-wrench.	\$1,470.00	1	\$1,470.00
7.19	Wheel Probe Stylus. Wheel probe stylus has a cube-shaped tip.	\$160.00	1	\$160.00
7.20	Crash Protection Pin. Set of 5 pins - reduces risk of damage to the probe in the event of a crash.	\$250.00	1	\$250.00
8.00 Dressers & Diamond Rolls				
8.12	Norton Wheel Dresser For standard applications and wheel types, <i>not</i> for diamond wheels. Motorized, fixed speed, Norton dresser. Includes NUMROTOplus wheel dressing software (40015637) and diamond dressing roll.	\$11,500.00	1	\$11,500.00
9.00 Coolant & Filtration Options				
Note: Star Cutter Company will quote special application coolant, filtration, and mist collection systems upon request.				
9.20	Ebbco Coolant System EBBCO Model PMF-MWF-3-623-P-T-36K. Heavy duty cast iron vessel holds 3 filter cartridges at desired micron rating. One heavy duty, filter pump. One feed pump, 30 GPM@100 psi. One 42x60"x22" carbon steel clean/dirty tank w/4 stainless steel pre-filter baskets for high speed steel applications. In tank sweeper package to keep coolant agitated. 2 pressure gauges to monitor system, 1 service beacon to indicate filter change.	\$13,495.00	1	\$13,495.00
9.21	Ebbco Chiller 36,000 BTU	\$8,000.00	1	\$8,000.00
9.22	Ebbco 5 Micron Replacement Filter	\$35.00	1	\$35.00
10.00 Grinding Wheels				
11.00 Extended Warranty				
12.00 Package & Transport				
12.10	Packing / Preparation for Transport Packing and preparation includes the following for the UTG machine and optional stand-alone equipment: cleaned, any touch-up painting that is needed is done, leveling pads pulled and tagged, PC is backed-up and packed. Tooling and documentation are verified and packaged. Stand-alone equipment is placed on a pallet with drip pans and shrink-wrapped. Shipping brackets placed to protect the machine during shipment and then shrink-wrapped. Transport: FOB Elk Rapids Engineering, Freight Collect Buyer pays & bears freight charges, buyer owns goods in transit, and files any claims.			Included
		Note: All prices are in US dollars	Grand Total	\$494,325.00

* The UTG-1200 is designed for 460/480 volt, 3 phase, 60 Hertz; optional transformer can be quoted for an additional cost.

** Special application systems from Hoffman & Transor can be quoted for an additional cost.

Warranty: Note: This warranty supersedes the warranty on the "Standard Terms and Conditions" page of this quote.

We warrant to the original purchaser that all new machines and tooling manufactured by Star SU shall be free from defects in material and workmanship for a period of twenty four (24) months from the date the machine installed and set-up in the customer's facility; a maximum of four (4) weeks allowed for installation from ship date. This warranty applies only if the equipment has been installed and operated under normal conditions and serviced in accordance with recommended maintenance procedures, as outlined in the Operator's Manual. In the event of supplier's breach of warranty with respect to the quality of any goods, the sole and exclusive remedies, therefore, shall be at supplier's option of either one (1) repair; or two (2) replacement of the faulty or damaged goods upon return of the nonconforming goods. Obviously, supplier must recognize first its liability.

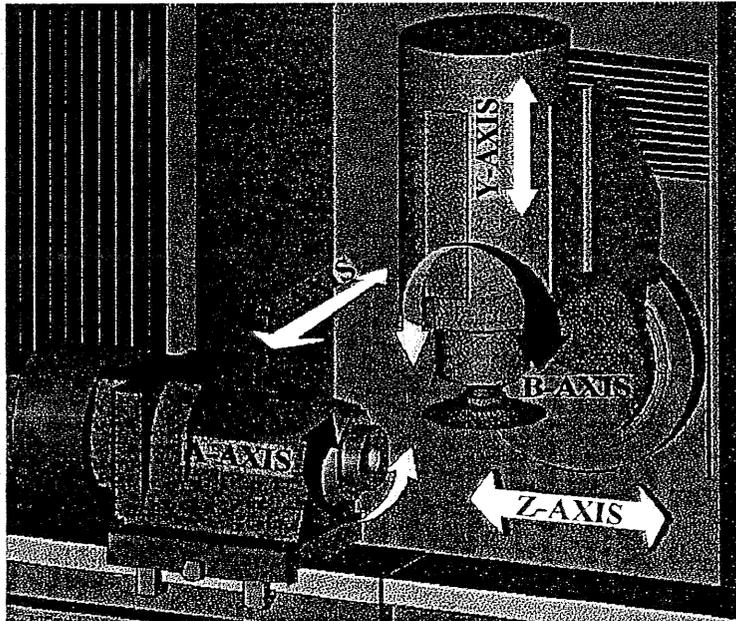
Important Note

Use of sulfur- or chlorinated-base oils will void the manufacturers' warranty. Using a water-soluble grinding coolant will limit the manufacturer's warranty for certain mechanical components (linear slides, ball screw, B-axis Rotary Pivot, etc.) for three (3) months. It is strongly suggest, for the longevity of the machine, using a good grade of fluting oil. The warranty does not cover damage to the machine as a result of rust or corrosion. Consult with Star Cutter's Sale Managers for recommended specifications.



Technical Data

UTG-1200 Machine Specifications	Metric	English
Main dimensions: base machine (L x W x H)	4.4m x 3.8m x 2.8m	14.30' x 12.50' x 9.16'
Total weight: base machine	14,000 kg	31,000 lbs
Maximum workpiece diameter	3 to 254 mm	.12 to 10.00 "
Maximum workpiece length	2000 mm	78.74 "
A - axis workhead spindle 360o rotation	1000 rpm	1000 rpm
B - axis workhead spindle swivel 0-190o		75 Degrees Per Second
X - axis radial travel work spindle slide	450 mm	17.72 "
X - axis travel speed	10 mpm	400 ipm
Y - axis vertical travel tool head slide	400 mm	15.75 "
Y - axis travel speed	10 mpm	400 ipm
Z - axial travel tool spindle column slide	1480 mm	58.27 "
Z - axis travel speed	10 mpm	400 ipm
Grinding spindle speed	10,000 rpm	10,000 rpm
Peak spindle horsepower	30.0 kw	40 hp
Maximum grinding wheel diameter	254 mm	10.00 "
Smallest programmable movement - linear	0.0001 mm	0.000004 "
Smallest programmable movement - rotary	0.0001 °	0.0001 °
Linear axis glass scale feedback resolution	0.00254 mm	0.0001 "
Rotary axis feedback resolution: A - axis	0.000068 °	0.000068 °
Rotary axis feedback resolution: B - axis	0.00000006 °	0.00000006 °
Optional high accuracy encoder	0.000005364 °	0.000005364 °





Quotation

March 19, 2008

U.S. Broach
Attn: Mr. Craig Little
314 North Jackson Street
Jackson, MI 49201
USA

Quote Number for UTG-1200 Tool Grinder: 70-400-9664-3

Total package price: \$494,325.00 USD

Warranty: Twenty four (24) months from the date the machine is installed and accepted in the customers facility
a maximum of four (4) weeks allowed for installation from ship date.

Delivery Terms: Thirty-two (32) weeks - subject to prior Sales

Freight Terms: FOB: Elk Rapids Engineering, Freight Collect

Comments:

Commissioning and Training:

The machine shall be unpacked by the customer, cleaned, pre-aligned, connected to the electric power supply, air power supply, and filled with the necessary oil. The customer shall supply the auxiliary and handling (rigging) means required for installation.

Installation and commissioning comprises a functional test and grinding of a predetermined test tool, which will be supplied by the customer. Additional training is available at additional cost upon request.

Payment Terms: 30% / 60% / 10%

Ron Peruski, Product Manager
Star-SU, LLC
E-mail: rperuski@starcutter.com

Cc: Tom Dollar
John Simpson
Hoffman Estates, IL

Star-SU, Inc.
5200 Prairie Stone Parkway, Suite 100
Hoffman Estates IL 60192, USA
Tel: +1.847.649.1450
Fax: +1.847.649.0112
www.star-su.com

Star Cutter Company
23461 Industrial Park Drive
Farmington Hills MI 48335-2855, USA
Tel: +1.847.649.1450
Fax: +1.847.649.0112
www.starcutter.com

Star Machine Tool Division
Elk Rapids Engineering
120 Industrial Park Drive
Elk Rapids MI 49629-0728, USA
Tel: +1.231.264.5661
Fax: +1.231.264.5663

Standard Terms and Conditions

All goods and services furnished by any of the affiliated companies, partnerships, and representative offices of Star-SU, LLC ("Sellers"), under any quotations, order acceptances, or sales by such Sellers, shall be conditioned on acceptance of these Standard Terms and Conditions, which cannot be varied or waived except by express written agreement signed by an officer or authorized person of the Seller.

1. EXPORT LICENSES AND EXPORT CONTROL. If an export clearance or license is required for any part of the goods or services to be furnished by Seller, a contract between Seller and Buyer will not enter into force until all such export clearances and/or licenses have been granted. If export clearances or licenses are revoked or expire before completion of performance under a contract between Seller and Buyer, the Seller shall not be held accountable for failure to perform the remainder of the contract, and Buyer shall have the right to terminate the remainder of the contract for any unfulfilled performance. If Buyer intends to export (or re-export), directly or indirectly, the products or technical information relating thereto supplied hereunder or any portion thereof, it is the responsibility of the Buyer to assure compliance with U.S. export control regulations and, if appropriate, to secure any required export licenses in its own name. At Seller's request, Buyer shall provide to Seller a Letter of Assurance and/or End-User Statement in form reasonably satisfactory to Seller.

2. FORMATION OF CONTRACT. Upon Buyer's acceptance in writing of a quotation from Seller, within any time period stated in the quotation, a contract subject to these Standard Terms and Conditions shall be formed. Purchase orders offered by Buyer shall be accepted by Seller subject to these same Standard Terms and Conditions.

3. PRICES. Prices shall be as specified in accompanying documents and are not subject to adjustment except as provided for in a valid quotation or purchase order, or as mutually agreed to in writing by Seller and Buyer. Prices reflect shipping DDP (INCOTERMS 2000), Port of Arrival, including insurance, import clearance duty, taxes and fees (USA only), and documentation. Prices also include packing, marking, and loading from Seller's shipping facility. Star SU, LLC does not pay for unloading at pier, inland freight or any other costs associated with moving the equipment from the US, Canadian or Mexican port of arrival to Buyer's final destination. Star SU, LLC will arrange for unloading at the pier and inland transportation to Buyer's facility at Buyer's request and expense.

4. DELIVERY. Delivery dates are approximate only and assume timely receipt of all necessary information, financial arrangements, and assistance that Buyer is required to provide. Shared activities of Buyer must be met on time to assure delivery dates. Seller may make partial shipment and invoice for same at Seller's reasonable discretion.

5. RISK OF LOSS. Risk of loss shall pass to Buyer on delivery to the first carrier. All shipping, loading, and storage costs subsequent to such delivery shall be Buyer's responsibility.

6. PASSAGE OF TITLE. Title to goods shall pass to Buyer upon initial delivery of the goods FCA (INCOTERMS 2000) Manufacturer's facility.

7. PAYMENT. Payment terms shall be as agreed by Seller and Buyer, provided however, payment for all delivered goods and services shall be net 30 days from date of Seller's invoices. Late payment charges are 2% per month of overdue amounts.

8. LIMITED WARRANTY. Seller warrants that all new and unused goods furnished pursuant to this contract will be free from defective material and workmanship for a period of one year measured from the date all new and unused goods are shipped from the Seller's Factory. Additional warranty periods can be provided as an option to the contract. All warranties are contingent upon (a) normal and proper usage in applications for which the goods were intended, (b) installation, use, and maintenance of the goods according to Seller's instructions, and (c) the goods still being in the possession of the original Buyer with no changes having been made in the design or function of the goods without prior authorization by Seller. SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Specifically, but not in limitation of the above, Seller makes no warranty with respect to machinery, equipment, or other goods or components, if persons other than Seller have performed any repair or rebuild work or have made any alterations thereto. Performance and production specifications with respect to all machinery or equipment are estimates only and are not warra

9. LIMITED REMEDIES. In the case of any claim based on Seller's breach of warranty or breach of any other duty with respect to the quality or performance of any goods supplied hereunder, Buyer's sole and exclusive remedy, upon return of goods freight prepaid to point of manufacture, shall be, at Seller's option, repair or replacement, Ex-Works point of manufacture, of any part or parts that Seller determines to be of defective material or workmanship. Warranty claims must be made in writing within the warranty period. SELLER SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY KIND OR UNDER ANY CIRCUMSTANCES WHATSOEVER, including, but not limited to, loss of production, lost profits, or loss of goodwill.

10. SAFETY FEATURES. Although Seller does not and shall not assume liability for any governmental or local safety and health standards that apply to Buyer's use of machinery, equipment, or tooling purchased hereunder, Seller does assure that due care will be taken that goods of Seller's own design or manufacture shall not create unreasonable hazards to safety or health if operated in a proper manner by trained personnel with all furnished safety features maintained in a functional condition.

11. CANCELLATION. This contract shall not be canceled by Buyer without written consent of Seller. No consent shall be given where the design and manufacture of goods ordered hereunder are 90% completed or scheduled for completion within 30 days. In all other cases, consent will be granted, if at all, only on the condition that Seller is fully compensated for all costs for work completed and for commitments that have been made to suppliers and contractors.

12. DESIGN CHANGES. Because of its policy of constant product improvement, Seller may make changes from time to time in machinery, equipment, and tooling of the type included in this contract. Seller is not obligated to make similar changes to products which have already been delivered or for which Seller has received orders prior to the date such changes are made effective.

13. FORCE MAJEURE. Seller shall not be liable for failure to perform under this contract if such failure is caused by impediments to performance, which are beyond the control of Seller. Such impediments include, but are not limited to, fire, flood, natural disaster, war, national emergencies, governmental action, strikes or other labor disputes, or any other circumstance beyond the control of the Seller. Buyer shall not be entitled to collect damages for any delay in delivery resulting from force majeure. In the event Seller is required to terminate the contract because of force majeure, any advance payments made by Buyer shall be reimbursed to Buyer by Seller with no additional payment of interest or fees of any kind.

Agreement to Lease Equipment

THIS AGREEMENT TO LEASE EQUIPMENT ("Lease") is made and effective _____ [Date], by and between Avis Industrial Corporation, ("Lessor") and Crankshaft Machine Company ("Lessee").

Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, certain tangible personal property.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the parties hereto agree as follows:

1. Lease. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the following described equipment (the "Equipment"): Star Spirex Tool grinder, Model UTG-1200.

2. Term. The term of this Lease shall commence on _____ [Start Date] and shall expire fifty-nine (59) months thereafter.

3. Shipping. Lessee shall be responsible for shipping the Equipment to Lessee's premises.

4. Rent and Deposit. The monthly rent for the Equipment shall be paid in advance in installments of \$9,460.62 each month, beginning on _____ [Date of First Payment] and on the first day of each succeeding month throughout the term hereof, at PO Box 548, 1909 South Main Street, Upland, IN 46989, or at such other place as Lessor may designate from time to time. Any installment payment not made by the tenth (10th) day of the month shall be considered overdue and in addition to Lessor's other remedies, Lessor may levy a late payment charge equal to one percent (1%) per month on any overdue amount. Rent for any partial month shall be prorated.

5. Use. Lessee shall use the Equipment in a careful and proper manner and shall comply with and conform to all national, state, municipal, police and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Equipment.

6. Right to Lease. LESSOR WARRANTS THAT LESSOR HAS THE RIGHT TO LEASE THE EQUIPMENT, AS PROVIDED IN THIS LEASE.

7. Repairs. Lessee, at its own cost and expense, shall keep the Equipment in good repair, condition and working order and shall furnish any and all parts,

mechanisms and devices required to keep the Equipment in good mechanical working order.

8. Loss and Damage.

A. Lessee hereby assumes and shall bear the entire risk of loss and damage to the Equipment from any and every cause whatsoever. No loss or damage to the Equipment or any part thereof shall impair any obligation of Lessee under this Lease which shall continue in full force and effect through the term of the Lease.

B. In the event of loss or damage of any kind whatsoever to the Equipment, Lessee shall, at Lessor's option:

(i) Place the same in good repair, condition and working order; or

(ii) Replace the same with like equipment in good repair, condition and working order; or

(iii) Pay to Lessor the replacement cost of the Equipment.

9. Surrender. Upon the expiration or earlier termination of this Lease, Lessee shall return the Equipment to Lessor in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof, by delivering the Equipment at Lessee's cost and expense to such place as Lessor shall specify within the city or county in which the same was delivered to Lessee.

10. Insurance. Lessee shall procure and continuously maintain and pay for:

A. All risk insurance against loss of and damage to the Equipment for not less than the full replacement value of the Equipment, naming Lessor as loss payee, and;

B. Combined public liability and property damage insurance with limits as approved by Lessor, naming Lessor as additionally named insured and a loss payee.

The insurance shall be in such form and with such company or companies as shall be reasonably acceptable to Lessor, shall provide at least thirty (30) days advance written notice to Lessor of any cancellation, change or modification, and shall provide primary coverage for the protection of Lessee and Lessor without regard to any other coverage carried by Lessee or Lessor protecting against similar risks. Lessee shall provide Lessor with an original policy or certificate evidencing such insurance. Lessee hereby appoints Lessor as Lessee's attorney in fact with power and authority to do all things, including, but not limited to, making claims, receiving payments and endorsing documents, checks or drafts necessary or

advisable to secure payments due under any policy of insurance required under this Agreement.

11. Taxes. Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances. Lessee, or Lessor at Lessee's expense, shall report, pay and discharge when due all license and registration fees, assessments, sales, use and property taxes, gross receipts, taxes arising out of receipts from use or operation of the Equipment, and other taxes, fees and governmental charges similar or dissimilar to the foregoing, together with any penalties or interest thereon, imposed by any state, federal or local government or any agency, or department thereof, upon the Equipment or the purchase, use, operation or leasing of the Equipment or otherwise in any manner with respect thereto and whether or not the same shall be assessed against or in the name of Lessor or Lessee. However, Lessee shall not be required to pay or discharge any such tax or assessment so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of Lessor to the Equipment; provided, Lessee shall reimburse Lessor for any damages or expenses resulting from such failure to pay or discharge.

12. Lessor's Payment. In case of failure of Lessee to procure or maintain said insurance or to pay fees, assessments, charges and taxes, all as specified in this Lease, Lessor shall have the right, but shall not be obligated, to effect such insurance, or pay said fees, assignments, charges and taxes, as the case may be. In that event, the cost thereof shall be repayable to Lessor with the next installment of rent, and failure to repay the same shall carry with it the same consequences, including interest at ten percent (10%) per annum, as failure to pay any installment of rent.

13. Indemnity. Lessee shall indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs, arising out of, connected with, or resulting from Lessee's use of the Equipment, including without limitation the manufacture, selection, delivery, possession, use, operation, or return of the Equipment.

14. Default. If Lessee fails to pay any rent or other amount herein provided within ten (10) days after the same is due and payable, or if Lessee fails to observe, keep or perform any other provision of this Lease required to be observed, kept or performed by Lessee, Lessor shall have the right to exercise any one or more of the following remedies:

- A. To declare the entire amount of rent hereunder immediately due and payable without notice or demand to Lessee.
- B. To sue for and recover all rents, and other payments, then accrued or thereafter accruing.
- C. To take possession of the Equipment, without demand or notice, wherever same may be located, without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession.
- D. To terminate this Lease.
- E. To pursue any other remedy at law or in equity.

Notwithstanding any repossession or any other action which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of the Lessee to be performed under this Lease. All of Lessor's remedies are cumulative, and may be exercised concurrently or separately.

15. Bankruptcy. Neither this Lease nor any interest therein is assignable or transferable by operation of law. If any proceeding under the Bankruptcy Act, as amended, is commenced by or against the Lessee, or if the Lessee is adjudged insolvent, or if Lessee makes any assignment for the benefit of his creditors, or if a writ of attachment or execution is levied on the Equipment and is not released or satisfied within ten (10) days thereafter, or if a receiver is appointed in any proceeding or action to which the Lessee is a party with authority to take possession or control of the Equipment, Lessor shall have and may exercise any one or more of the remedies set forth in Section 14 hereof; and this Lease shall, at the option of the Lessor, without notice, immediately terminate and shall not be treated as an asset of Lessee after the exercise of said option.

16. Ownership. The Equipment is, and shall at all times be and remain, the sole and exclusive property of Lessor; and the Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease.

17. Additional Documents. If Lessor shall so request, Lessee shall execute and deliver to Lessor such documents as Lessor shall deem necessary or desirable for purposes of recording or filing to protect the interest of Lessor in the Equipment including, but not limited to, a UCC financing statement.

18. **Entire Agreement.** This instrument constitutes the entire agreement between the parties on the subject matter hereof and it shall not be amended, altered or changed except by a further writing signed by the parties hereto.

19. **Notices.** Service of all notices under this Agreement shall be sufficient if given personally or mailed certified, return receipt requested, postage prepaid, at the address hereinafter set forth, or to such address as such party may provide in writing from time to time.

If to Lessor:

Avis Industrial Corporation
1909 S. Main St., PO Box 548
Upland, IN 46989

If to Lessee:

Crankshaft Machine Company
314 N. Jackson St., PO Box 1127
Jackson, MI 49201

20. **Assignment.** Lessee shall not assign this Lease or its interest in the Equipment without the prior written consent of Lessor.

21. **Headings.** Headings used in this Lease are provided for convenience only and shall not be used to construe meaning or intent.

22. **Governing Law.** This Lease shall be construed and enforced according to laws of the State of Indiana.

WITNESS THE SIGNATURES OF THE PARTIES TO THIS AGREEMENT TO LEASE EQUIPMENT:

LESSOR:

Sign: _____

Print: _____ Date: _____

LESSEE:

Sign: _____

Print: _____ Date: _____

TAX ABATEMENT AFFIDAVIT

STATE OF MICHIGAN)
) SS:
COUNTY OF JACKSON)

NOW COMES ANGELA ARNOLD, Deputy City Clerk of the City of Jackson, Michigan, and **CRANKSHAFT MACHINE GROUP**, the applicant for an Industrial Facilities Exemption Certificate, and by way of affidavit says as follows:

1. That she is the Deputy City Clerk in and for the City of Jackson, Michigan.
2. That as part of her duties, she is in charge of the Industrial Facilities Tax process at its inception for both district creation and for the final local approval involved in the issuance of a certificate by the State Tax Commission.
3. That by virtue of the above, she receives any and all fees charged for processing the tax abatement requests.
4. That a fee of \$157.00 was charged to the applicant.

Dated: 8/27/08 Angela Arnold
Angela Arnold

Subscribed and sworn to before me, this 27th day of August 2008.

Carmen A. Ryan
Notary Public, Jackson County, Michigan

My Commission Expires: 9/12/2011

CRANKSHAFT MACHINE GROUP
Company Name

Dated: 8/29/2008 By: Craig A. Latta
Applicant

Subscribed and sworn to before me, this 29 day of AUGUST 2008.

Julie Ringe
Notary Public, Jackson County, Michigan

My Commission Expires: 12-4-2011

JULIE M. RINGE
Notary Public, State of Michigan
County of Jackson
My Commission Expires Dec. 4, 2011
Acting in the County of JACKSON

INDUSTRIAL FACILITIES TAX EXEMPTION AGREEMENT

AGREEMENT made this _____ day of _____, 200__, by and between the CITY OF JACKSON, a Michigan municipal corporation, with office at 161 West Michigan Avenue, Jackson, Michigan 49201 (hereinafter "City"); and Crankshaft Machine Group a Michigan corporation, with offices located at 314 N. Jackson, City of Jackson, Jackson County, Michigan (hereinafter "Applicant").

WHEREAS, the City has received an application from Applicant for the issuance of an Act 198 Tax Exemption Certificate for its Machinery expansion (describe project) (the "Project") that was established as an Industrial Development District (the "District") by the City of Jackson on June 28, 1977; and

WHEREAS, Public Act 334 of 1993 requires a written agreement between the City and the Applicant before an Industrial Facilities Exemption Certificate can be approved by the Michigan Department of Treasury;

NOW, THEREFORE, in consideration of the approval of the Industrial Facilities Exemption Certificate, it is hereby agreed by and between the parties hereto as follows:

1. The Applicant, as a result of said improvements, shall use its best efforts to create not less than 1 new full time equivalent jobs and relocate and retain not less than 4 full time equivalent existing jobs from its current location within two years after the completion of its Project.

2. Applicant expects that the costs of the improvements proposed to be constructed on the basis of which the Industrial Facilities Exemption Certificate is issued, shall be within 10 percent (10%) of the estimated amount stated in the Applicant's application for the certificate.

3. The Applicant will not cease its operations within the District prior to the termination of the Industrial Facilities Exemption Certificate without a transfer of the certificate being approved by the City to a third party that continues adequate operations within the District or elsewhere in the City with the City's approval. Applicant will not become delinquent in payment of taxes owing under this certificate.

4. The parties agree that the City, in approving the tax abatement, has relied on the good faith of Applicant's estimates and expectations described in its application. The parties agree that exclusive jurisdiction to resolve any disputes in this Agreement shall be in Jackson County, Michigan. The City's exclusive remedy for a default shall be the right to request that the State Tax Commission either reduce the term of, or revoke, the abatement prospectively except that for a default in section 3, the Applicant shall repay the City all abated taxes which previously benefited the Applicant for disbursement proportionately to all taxing units having taxing jurisdiction over the improvements, plus all accrued interest, penalties and administration fees applicable to this exemption in the same amount as would be collected if this tax were considered delinquent and the City may, at its option, seek repayment of the taxes as allowed under section 21(2) of the tax abatement statute, MCLA 207.571(2).

The City shall not seek any remedy under this section 4 until after all of the following have occurred:

a. The City shall have given written notice to the Applicant declaring a default and specifying the manner in which the Applicant is in default. Before a default is declared, the City and the Applicant shall meet informally with appropriate representatives to discuss the claimed default and how it may be cured.

b. The Applicant has not cured that default within thirty (30) days after receiving the notice, except that if the Applicant is diligently pursuing a cure, this thirty (30) day period shall automatically be extended for an additional thirty (30) days, and further extensions of this time period may be made only upon mutual agreement of the parties.

The parties acknowledge that certain conditions beyond Applicant's control may prevent Applicant from being able to make the capital investment, create or retain jobs or comply with other conditions in this Agreement. Therefore, Applicant shall not be in default to the extent the Applicant clearly shows, to the satisfaction of the City, that the failure was caused by unfavorable economic or other business conditions, loss of business, or some other reason beyond the actual or foreseeable control of Applicant.

5. Any payments due under Paragraph 4 above may be collected by either court proceedings or by adding to the next taxes due against the Applicant's property on the next tax roll of the City.

6. It is understood that the City of Jackson encourages the Applicant to review job applications of city residents, prior to filling new jobs in its facilities. Applicant will use its best efforts to employ City residents.

7. The Applicant further agrees that it shall submit annual reports to the City and the City Assessor setting forth the progress in attaining and maintaining the requirements of this Agreement and the provisions of the application for the Industrial Facilities Exemption Certificate.

8. The Applicant further agrees that during the term of the certificate, the Applicant shall not discriminate against any person on the basis of race, creed, color, sex, religious orientation, age, or other criteria not reasonably related to any jobs created as part of the grant of this tax abatement.

9. The Applicant further agrees that if Applicant ceases its use of the Project, and another entity asks the City for a transfer of the abatement, the Applicant will cooperate with the City

regarding the transfer by advising the transferee or new owner of the terms and conditions of this Agreement and by assisting the City to obtain the signature of the authorized agent of the transferee or new owner on this Agreement or one substantively the same.

10. This Agreement contains all of the terms of the agreement between the parties with respect to its subject matter and may be amended only in writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Signed in the presence of:

CITY OF JACKSON

By _____
Jerry F. Ludwig
Its _____
Mayor

Julie King

APPLICANT
By Craig A. Little
Its V.P., GENERAL MANAGER

Applicant Name
CRANKSHAFT MACHINE GROUP

Fiscal Statement (to be completed by local unit)

- | | <u>YES</u> | <u>NO</u> |
|--|-------------------------------------|-------------------------------------|
| Is this project: | | |
| Real Property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Personal Property? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Both Real and Personal Property - New Facility? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Both Real and Personal Property - Rehabilitation Facility? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Both New and Replacement Facility? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Estimated Project Investment (not assessed value):

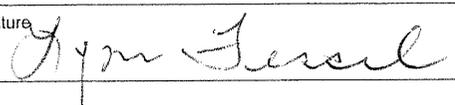
Real Property	Personal Property \$501,325.00	Total \$501,325.00
---------------	--	------------------------------

- | | <u>YES</u> | <u>NO</u> | <u>REMARKS</u> |
|--|-------------------------------------|-------------------------------------|----------------|
| 1. A. Has the proper local authority reviewed the plan? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ |
| B. Is the project located in a certified industrial park? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ |
| C. Is this a renovation or expansion of an existing building? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 2. Will this project require improvement of your road service? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 3. Will this project require improvement of your sanitary sewer services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 4. Will this project require improvement of your storm sewer services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 5. Will this project require improvement of your water services? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 6. Will this project require additional police personnel, police equipment or a need for new police building expansion? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 8. Will this project require other costs? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |
| 9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | _____ |

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

LOCAL UNIT CERTIFICATION

This is to certify that the following has been provided as accurately as possible.

Signature 	Name and Title of Local Governmental Unit Official Lynn Fessel, City Clerk
--	---

**FISCAL STATEMENT FOR TAX ABATEMENT REQUEST
SUMMARY INFORMATION**

This form is issued under authority of P.A. 198 of 1974,
as amended. Filing is voluntary.

	One Year After Construction is Done	After 5 Years	After 15 Years
Revenue			
1. Revenue from proposed property (from page 2, line 1).....	889	645	786
2. Revenue from related development (from page 2, line 2).....	0	0	0
3. TOTAL (Add lines 1 and 2).....	889	645	786
Cost			
4. Roads (from page 3, line 6).....			
5. Sewer (from page 4, line 10).....			
6. Storm Drains (from page 5, line 14).....			
7. Water Systems (from page 6, line 18).....			
8. Police Personnel (Enter "total annual cost" from page 7, line 20).....			
9. Police Equipment (from page 7, line 22).....			
10. Police Buildings (from page 7, line 24).....			
11. Fire Personnel (Enter "total annual cost" from page 8, line 26).....			
12. Fire Equipment (from page 8, line 28).....			
13. Fire Buildings (from page 8, line 30).....			
14. Other Costs (from page 9, line 31).....			
15. TOTAL COST (Add lines 4 through 14).....			

FISCAL STATEMENT FOR TAX ABATEMENT REQUEST - DETAIL

File this form with your application for a tax abatement, unless you have already filed it. Your application cannot be processed without this information.

You must complete all sections of this form. Attach additional pages whenever you need more space. Carry all results to page 1 of this form.

Estimated Average Annual Revenue

1. What is the expected annual change in revenue for your local unit because of the proposed property? Include in these figures the expected increase (or decrease) in property taxes due to the addition of the proposed property to the tax base, the change in the value of surrounding property, and in income tax revenue as a result of the proposed property.

One Year After Construction is Done	After 5 Years	After 15 Years
889	645	786

2. What is the expected annual change in revenue for your local unit because of related development expected from the proposed property? Include in these figures the expected increase (or decrease) in property taxes due to the addition of the new development to the tax base when constructed, the change in the value of surrounding property, and in income tax revenues as a result of the expected development.

One Year After Construction is Done	After 5 Years	After 15 Years
0	0	0



Office of the Mayor

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4028 — Facsimile: (517) 768-5820

September 17, 2008

TO: City Councilmembers
FROM: Jerry F. Ludwig, Mayor
RE: **Citizens Advisory Council for Community Development**

Pursuant to the November, 1974, Resolution of the City Council creating the Citizens Advisory Council (CAC) for Community Development provides for Mayoral appointment, with City Council concurrence, of officers to that body.

It is my desire, therefore, to recommend Dawn Feldpausch to fill a current vacancy on the Citizens Advisory Council for Community Development beginning immediately and ending December 31, 2009.

JFL:skh

Attn: Michelle Fulton
CAC - Project Carol



RECEIVED
SEP 08 2008

From
L. Piasch

City of Jackson Board/Commission Application

Name: Dawn Feldpausch

Address: 551 W. Pleasant St. Zip: 49202

Home Phone: 517-817-0619 Other Phone: _____

Occupation: Information and Referral Specialist

Community Involvement/Activity

Citizens Advisory Board Relay for Life
Jackson Community Picnic Lifeways Annual Conference

Are you a registered voter? Yes Ward? 3rd

Which Board or Commission(s) are you interested in?

1. Citizens Advisory Board

3. _____

List additional information you feel may be pertinent to board or commission

Completed BSW degree in May of 08.
at Spring Arbor University

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

Dawn Feldpausch
Signature of Applicant

9-4-08
Date

Please return to Mayor's Office, City of Jackson, 161 W. Michigan Avenue, Jackson, MI 49201



Office of the Mayor

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4028 — Facsimile: (517) 768-5820

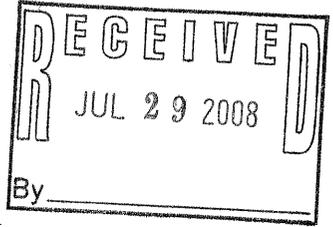
September 17, 2008

TO: City Councilmembers
FROM: Jerry F. Ludwig, Mayor
RE: **Jackson Transportation Authority**

In accordance with amended JTA Articles of Incorporation adopted on 2/15/99, Article IV (2)(c), the board shall consist of four (4) city of Jackson residents appointed by the Mayor and confirmed by City Council, who cannot be elected officers or employees of the City. Terms shall be for three (3) years and shall expire on March 1.

It is my desire, therefore, to appoint James Cyphers to fill the current vacant citizen position on the Jackson Transportation Authority beginning immediately, and ending March 1, 2009.

JFL:skh



City of Jackson Board/Commission Application

Name: James Cyphers

Address: 820 Adrian Zip: 49203

Home Phone: 788-6384 Other Phone: _____

Occupation: Independent Living Specialist

Community Involvement/Activity

Member of 1041 RECC _____

Member of LTAC _____

Are you a registered voter? yes Ward? First

Which Board or Commission(s) are you interested in?

1. City of JTA 2. _____

3. _____

List additional information you feel may be pertinent to board or commission

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

James Cyphers
Signature of Applicant

7/24/08
Date

Please return to Mayor's Office, City of Jackson, 161 W. Michigan Avenue, Jackson, MI 49201



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
MICHIGAN REHABILITATION SERVICES

KEITH COOLEY,
Director

July 15, 2008

To Whom It May Concern:

RE: Jim Cyphers

I am endorsing Jim Cyphers' application to become a member of the Board of Directors for the Jackson Transportation Authority. Jim is currently a staff member at DisAbility Connections, and in this capacity serves the needs of people with disabilities in the greater Jackson area.

Jim will bring to the Board of Directors effective leadership and a strong working knowledge of community issues and needs relating to not only people with disabilities and their transportation concerns, but also concerns expressed by the general population.

Jim possesses a leadership style characterized by consensus building and partnering with others to solve problems. Jim is very approachable and relates well with all people due to his strong listening and interpersonal skills.

In closing, Mr. Cyphers is knowledgeable about transportation concerns and needs of people with disabilities and the public in general. He is positive, possesses leadership skills, and is a team player. Mr. Cyphers will make a contributing and influential member of JTA's Board of Directors.

Sincerely,

A handwritten signature in cursive script that reads "Dorr Warner".

Dorr Warner,
Site Manager
Michigan Rehabilitation Services

DW/gp

cc

United Way of Jackson County



Executive Director
Ken Toll

Board of Directors

Deb Hallgren
President

Ruben Marquez
Vice-President

Randy Ramirez
Secretary
Labor Participation

Scott McIntosh
Treasurer

Mike Shore
Past President

Brendon Beer
Ron Griffith
Bart Hawley
R. Joseph Lathrop
Chris Lee
Linda Lowe
Chad Noble
Betty J. Overton-Adkins
Dan Phelan
Ed Piper
Kathy Schmaltz
Ray Snell
Bryanna Tapley
Pastor Mark VanValin
Andy Weeks

To Whom It May Concern;

July 15, 2008

This letter is in support of Jim Cyphers as a candidate to serve on the board of directors of Jackson Transit Authority. He is a lifelong resident of Jackson and is a homeowner in the city of Jackson. Jim would be a great representative of our handicapped citizens in this area along with everyone else that needs the transportation services in our community. I have served with Jim on many committees and find him to be well informed on current issues and always willing to listen to both sides of any concern that was raised with our groups.

Thank for your consideration of Jim Cyphers for board membership. Please feel free to contact me for any questions regarding my support of Mr. Cyphers.

Sincerely,

Margaret A. Grose
United Way
526 N. Jackson St.
Jackson, MI 49201
517-796-5121

2007-2008
disAbility Connections, Inc.

Officers:

Julie Brawner
President
Dave Fleming
Vice-President
Richard Rendell
Immediate Past President
Tom Masters
Treasurer
Mike Way
Chair of Joint Marketing
Dawn Holland
Chair of Services
JoAnn Lucas
Secretary

Directors:

Mike Barczak
Michael Baughman
Jim Beiswanger
Barb Collins
Cindy Conant
Lloyd Ganton
Mary Garcia
Lysle Hall
Jerry Herendeen
Jerry Jenkins
Michele Kuhlman
Gail Mahoney
Philip Moilanen
Ann Partridge
Thomas Swain
Bill Warren
Kaye Whitcher
Lindy Wilson
Dan Zimolzak

disAbility Connections
Foundation of
Jackson County

Officers:

Karyn Rice
President
Sandy Maes
Vice President
Jerry Jenkins
Treasurer
Jay Mansur
Chair - Joint Finance

Trustees:

William Deary, III
Brian Drummond
Lloyd Ganton
Lysle Hall
Lee Hudson
Faith Small
Monica Moser
Executive Director

A member of

DISABILITYnetwork



July 24, 2008

Honorable Mayor Jerry Ludwig
City Hall
161 W. Michigan Avenue
Jackson, MI 49201-1324

Dear Honorable Mayor Jerry Ludwig:

This letter is to announce my full support of James Cyphers to pursue his appointment to the Jackson Transportation Authority Board. As you know, disAbility Connections, Inc. is an 83 year old nonprofit serving children and adults with disabilities to become as independent as they are able and desire. My experience with Jim began when I became the director at disAbility Connections 6 ½ years ago. Jim has worked for disAbility Connections for almost 3 years now and has become an indispensable member of our team.

Jim has had an exemplary career since then assisting adults with disabilities with adjusting to their disability, gaining skills to become more independent and becoming a part of our community. Transportation is so important to people with disabilities in their efforts to become independent and because of this, Jim has been involved on the JTA's Local Transportation Advisory Council for more years than I know of. Jim has also been responsible here for our own Transportation Voucher Pilot Project in collaboration with many nonprofits as well as JTA.

Jim has the desire and drive to grow his career and really life passion for working with people with disabilities. He has the tenacity and knowledge about transit needed to be effective and compassionate as a JTA board member.

If you have any questions about Jim or would like additional information, please do not hesitate to contact me at (517) 782-6054.

Sincerely,

Monica Moser
Executive Director



Office of the Mayor

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4028 — Facsimile: (517) 768-5820

September 18, 2008

TO: City Councilmembers
FROM: Jerry F. Ludwig, Mayor
RE: **Jackson Housing Commission**

In accordance with Ordinance No. 2000.1 and resolution adopted on December 21, 1999, the Mayor is the appointing authority for all appointments, subject to City Council confirmation as required by the Charter. Terms are for 5 years with no residency requirement.

It is my desire, therefore, to reappoint Gregory Shack to the Jackson Housing Commission for a five year term, beginning October 31, 2008, and ending October 30, 2013.

JFL:skh

cc: Phillip Fracker

CITY OF JACKSON



MICHIGAN



Office of Mayor
Jerry F. Ludwig

161 W. Michigan Avenue
Jackson, MI 49201
Phone: (517) 788-4028
Fax: (517) 768-5820

City of Jackson Board/Commission Application

Name: GREGORY SHACK

Address: 910 LOWELL Zip: 49202

Home Phone: (517) 414-6998 Other Phone: _____

Occupation: MORTGAGE LOAN OFFICER

Community Involvement/Activity

PRESIDENT - JACKSON AFFORDABLE HOUSING

Are you a registered voter? YES Ward? BECKMAN TOWNSHIP

Which Board or Commission(s) are you interested in?

- Jackson Housing Commission
- _____
- _____

List additional information you feel may be pertinent to board or commission

Feel free to attach any information. (Resume, press clippings)

APPLICATION WILL BE KEPT ON FILE FOR ONE YEAR

Gregory Shack
Signature of Applicant

9/15/08
Date



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

September 17, 2008

TO: William R. Ross, City Manager

FROM: Carol L. Konieczki, Community Development Director

RE: **Public Hearing for CDBG/HOME Program Performance and Request for Authorization to Submit the Consolidated Annual Performance Evaluation Report (CAPER) to HUD**

City Council established September 23, 2008 to conduct a Public Hearing by which to obtain citizen comment on the City's performance during the 2007-2008 CDBG/HOME program year. The attached CAPER, a draft of which was submitted to Council on September 9, 2008, summarizes program performance from the past fiscal year and since 2005, the beginning of the Five-Year Consolidated Plan. The Citizens Advisory Council (CAC) will be meeting on Thursday, September 18, 2008 for CAPER review and comment, at which time it is expected they will accept the report as presented. A follow-up memo will be prepared for Council's information regarding the outcome of the CAC meeting prior to September 23, 2008.

Once the Public Hearing is closed, requested action is for authorization from City Council to submit the CAPER to HUD as written or with modifications as Council prefers. As an entitlement community, we are required by 24 CFR 91.520 to submit the CAPER to HUD within 90 days after the close of the program year. All publication and comment periods will have been met by September 24, 2008, allowing sufficient time for remittance to HUD.

Please place this item on the September 23, 2008 City Council agenda to hold the public hearing and, upon closure, authorize submission of the CAPER to HUD before September 30, 2008.

cc: Michelle L. Pultz, CD Project Coordinator
Heather L. Soat, Financial Analyst

City of Jackson, Michigan

Consolidated Annual Performance and Evaluation Report

Fiscal Year 2007
(July 1, 2007 through June 30, 2008)



Prepared by:
Community Development Department
161 West Michigan Avenue
Jackson, MI 49201
(517) 768-6436

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IDIS reports are not included with this copy as they are quite voluminous; however, a complete copy will be available in the City Clerk's office for review by the public after submission to HUD.

Executive Summary

This Consolidated Annual Performance and Evaluation Report (CAPER) will cover those Community Development Block Grant (CDBG) and Home Investments Partnership Program (HOME) activities undertaken by the City of Jackson or by one of its subrecipients during the 2007-2008 fiscal year. It will provide information regarding the program's strengths and weaknesses, as well as specific project accomplishments and ways the program can be improved.

The City of Jackson is an entitlement community and has been since the inception of the CDBG program in 1975. The City remains committed to meeting community needs of providing decent, safe, and sanitary affordable housing, improving the living conditions, and expanding the economic opportunities for low- and moderate-income persons. The City Council carefully weighs the applications for funding received every year against the ever-changing needs of the community. As many cities are similarly experiencing, the current declining economy and job market has harshly impacted the City and its citizens. By carefully selecting entities that will provide the greatest benefit to low- and moderate-income persons and families, the Council is able to sustain, and oftentimes improve, their quality of life.

Public Services

Funding was allocated to entities that provided youth counseling, mentoring, and shelter services, adult dental care, assistance for families in need of disaster relief, foreclosure prevention and homeownership training, information and referral services, legal services, and utility assistance. By supporting these agencies with CDBG funds, the low- and moderate-income persons living in the City were able to access and utilize services they may not have been able to afford on their own.

Code Enforcement and Rehabilitation

From July 1, 2007 through June 30, 2008, the Community Development Department continued its efforts to provide decent, affordable housing through its rental inspection and rehabilitation programs. In addition, enforcement of the City's blight ordinances provided a more suitable living condition in its residential neighborhoods.

The City's rental inspection program initiated 726 new inspections among its three code enforcement officers. Those initial inspections resulted in 2,039 individual units being monitored to bring them up to code. In addition, 1,690 follow up inspections were scheduled (total unit number not available). If code compliance was not achieved within 90 days of the initial inspection and the property owner was making progress but needed additional time, they had an opportunity to address the Building Code Board of Examiners and Appeals (BCBA) for an extension of time to complete repairs. Among other mitigating factors, should the property owner choose not to present their case before the BCBA, or if hazardous conditions remained, such as smoke detectors not being installed by the first reinspection, a Violation and Notice of Hearing was issued mandating they appear at the City's Administrative Hearings Bureau (AHB). During FY 2007-2008, 164 AHB involving rental housing cases were initiated.

To help alleviate blight, the City's inspectors wrote 1,648 garbage, trash, and debris citations that resulted in 62% voluntary compliance. Those properties not in compliance on reinspection were referred to the Department of Public Works for cleanup. Five hundred ninety-one

inoperable or unlicensed vehicles were cited that resulted in 81% voluntary compliance. Dead or fallen trees were cited 175 times resulting in a 46% voluntary compliance rate. The City's AHB was utilized to gain compliance; 212 blight ordinance cases were initiated during FY 2007-2008. Also, the Community Development Department funded a Spring Clean-up wherein City residents were able to bring yard debris, electronics, tires/wheels, scrap metal, and other junk and debris to a central location for disposal at no cost to the resident. Participation was greater than expected and was considered a success in helping low- and moderate-income families dispose of items cluttering their homes and yards. This Spring Clean-up occurred the Saturday after Earth Day and involved a community-wide coordination with other public and private entities sponsoring dumpsites throughout the county.

The City's Housing Rehabilitation Program completed 17 rehabilitation projects and eight emergency hazard cases during FY 2007-2008. Seven additional rehabilitation projects were started before June 30, 2008 and are currently in progress. For the eleventh consecutive year, the City hosted World Changers from July 7 through 14, 2007. During this week, over 130 junior and senior high school students from Missouri, Tennessee, Georgia, Virginia, Indiana and North Carolina completed seven roof projects, installed a handicap ramp, and painted the exterior of three homes for the City's low- and moderate-income residents.

From June 23 through 27, 2008, the City hosted for the first year a voluntary group called Mission Serve, a startup organization based on the World Changers tradition, comprised of approximately 80 junior and senior high school students and ten adults from the states of Alabama, South Carolina, Texas and Pennsylvania. During their week in Jackson, these youth began work on a very large house painting project and two large roofing projects, one of which required them to truss and shingle a flat-roof home.

**Mission Serve Project
1113 Seymour, Jackson, MI**



Before



During



After

CDBG funds were used to provide the materials while the youth and adults provided the labor. All three projects were slated to last two weeks because, on June 30, 2008, World Changers returned to Jackson for its 12th consecutive year. The Mission Serve group nearly completed two of the construction projects that only required a day's finishing touches by the World Changers group. Three other groups with Mission Serve participated in community service work while they were in Jackson, providing assistance to the Interfaith Shelter (a homeless shelter), the Martin Luther King Center which was hosting 300 to 400 low-income income children for its annual Summer Youth Program, and Goodwill Industries. In addition to finishing the construction projects started by Mission Serve, the World Changers group of approximately 100

junior and senior high students from various states completed two paint projects, five roofing projects, re-roofed one-half of one house, and assisted Habitat for Humanity.

Jobs Creation Initiative

The Community Development Department continued to market the Jobs Creation Initiative Program for new development projects throughout 2007-2008. Staff had received numerous inquiries about the program, but development of the projects did not occur within the fiscal year; however, it is anticipated loans will be processed for approval within the 2008-2009 fiscal year. Community Development staff also monitored three loans that were closed in previous years (Ambs Message Service, Daryl's Downtown, and Anesthesia Business Consultants) and is pleased to report that Ambs Message Service exceeded its projected job creation and was able to discharge its loan a year prior to the deadline.

Other Projects

CDBG funds were utilized to assist the Downtown Development Authority's Façade Improvement Loan program. A large façade project began at the end of May 2008 updating the former J. C. Penney storefront, which had long been used by Comerica Bank located next door. Comerica Bank had leased the first two floors and mezzanine to the Jackson Symphony Orchestra (JSO) for 14 years and used the upper floors for commercial lending and executive offices. In July 2007, Comerica vacated the upper floors of this building and deeded the facility to JSO. The JSO will use the facility for rehearsals, education programs, performances, community outreach activities, and collaborations with area non-profits. The façade project was completed in July 2008.



1952



2008

In addition, the John George Home, a home for 35 elderly, indigent men, received funding to perform rehabilitation work, which included improving accessibility for the disabled. The City's Parks and Recreation Department was able to resurface the parking lots and basketball/tennis courts at the Martin Luther King Center, which provides a recreational center for the 76% to 89% low- and moderate-income families in the area.

Summary of Resources and Distribution of Funds

During the reporting period of July 1, 2007 through June 30, 2008, the following funds were made available from the U.S. Department of Housing and Urban Development (HUD) to the City of Jackson:

Community Development Block Grant	\$1,652,638
Entitlement Grant B-07-MC-26-0021	\$1,422,034
Program Income	\$126,405
Reprogrammed Funds	\$104,199
HOME Investment Program	\$339,837
Entitlement Grant M07-MC260214	\$338,709
Reprogrammed Funds	\$1,128
Total:	<u>\$1,992,475</u>

CDBG funds were allocated as follows:

Activity	Amount	Approx. %
Public Services	\$196,996	11.92%
Administration & Planning	344,100	20.82%
Code Enforcement	532,545	32.22%
Rehabilitation	478,451	28.95%
Interim Assistance	5,000	0.30%
Economic Development	7,500	0.45%
Acquisition/Demolition	48,046	2.91%
Other	<u>40,000</u>	<u>2.43%</u>
Total:	<u>\$1,652,638</u>	<u>100.00%</u>

HOME funds were allocated as follows:

Activity	Amount	Approx. %
Rehab Assistance	\$119,796	35.25%
CD Administration	33,800	9.95%
Downpayment Assistance	40,741	11.99%
CHDO Operating Costs	12,000	3.53%
Acquisition/Rehab/Resale	77,500	22.81%
Administration (JAHC)	6,000	1.77%
Habitat for Humanity	<u>50,000</u>	<u>14.70%</u>
Total:	<u>\$339,837</u>	<u>100.00%</u>

Budget amendments made during the reporting period allowed for the redistribution of funds from entities that had not expended all allocated funds for their projects and allowed the City to assist other CDBG or HOME eligible activities. Those budget amendments were as follows:

CDBG

Date	Description	Amount
12/11/07	Budget excess program income from Years 30 and 31, and reallocate unspent public service funds from Years 31 and 32:	
	Code Enforcement (Year 33)	\$48,045
	Salvation Army Heating Assistance (Year 33)	8,108
	Demolition (Year 33)	48,046
4/22/08	Reallocate owner-occupied rehabilitation funds (Year 33) City-wide Cleanup (Year 33)	\$5,000
6/10/08	Reallocate owner-occupied rehabilitation funds (Year 33) World Changers (Year 33)	\$15,000

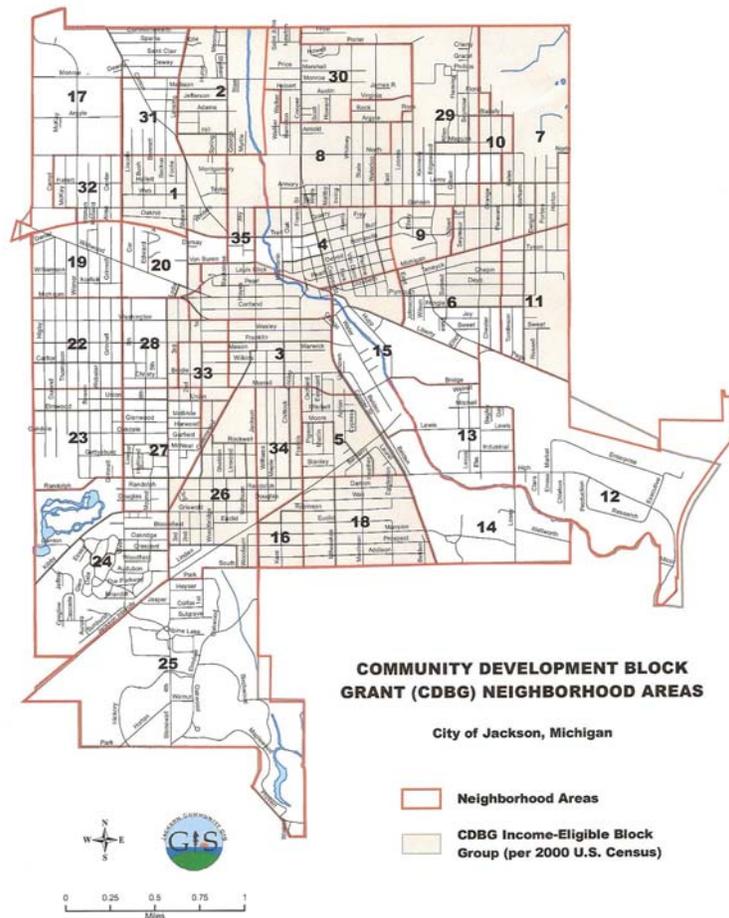
HOME

Date	Description	Amount
3/11/08	Reallocate CHDO New Construction (Year 32) CHDO Acquisition/Rehab/Resale (Year 32)	\$30,000
3/11/08	Reallocate PJ New Construction (Year 32) Rehabilitation – Community Action Agency	\$75,000
4/8/08	Reallocate various funds from Years 30, 31 and 32 Rehabilitation Assistance Program Downpayment Assistance Program	\$387 741

A complete listing of the funds committed during the reporting period and the total amount expended appears below.

Agency Receiving Funds	Allocated	Expended	Percentage
CDBG			
American Red Cross	\$ 3,000	\$ 2,033	67.76%
Big Brothers/Big Sisters	2,500	2,500	100.00%
Center for Family Health	25,000	25,000	100.00%
Neighborhood Resource Center	15,000	13,326	88.84%
Partnership Park Neighborhood Ass'n	5,000	5,000	100.00%
Family Services and Children's Aid	2,500	2,500	100.00%
Florence Crittenton – Transitional Program	4,788	4,788	100.00%
Florence Crittenton – Reporting Center	5,400	2,119	39.24%
Human Relations Commission Youth Council	5,000	1,739	34.78%
Jackson Affordable Housing – Homeowner Training	1,500	1,500	100.00%
Jackson Affordable Housing – Foreclosure Prevention	27,700	22,919	82.74%
Legal Services of Southern Michigan	1,500	128	8.53%
The Salvation Army	68,108	48,173	70.73%
MLK Center Summer Program	25,000	25,000	100.00%
United Way 211 Call Center	5,000	5,000	100.00%
Community Development - Code Enforcement	532,545	418,100	78.51%

Agency Receiving Funds	Allocated	Expended	Percentage
Community Development - Rehabilitation	413,451	37,840	9.15%
Downtown Development Authority	15,000	0	0.00%
Enterprise Group	7,500	0	0.00%
John George Home	50,000	50,000	100.00%
Parks & Recreation – resurface lots and courts at MLK Center	40,000	40,000	100.00%
Spring Cleanup	5,000	4,428	88.56%
Acquisition/Demolition	48,046	0	0.00%
HOME			
Jackson Affordable Housing - CHDO Reserve	\$77,500	0	0.00%
Jackson Affordable Housing - CHDO Operating Costs	12,000	12,000	100.00%
Jackson Affordable Housing – Down Payment Assistance	40,741	27,354	68.39%
Jackson Affordable Housing – Administration	6,000	6,000	100.00%
Community Development – Rehabilitation	119,796	2,731	2.29%
Community Development – Administration	33,800	0	0.00%
Habitat for Humanity	50,000	50,000	100.00%



General CAPER Narratives

Assessment of the Five-Year Goals and Objectives

An excerpt from the Strategic Plan contained in the City's 5-Year Consolidated Plan submitted and approved by HUD in 2005 identifies the four major goals of the Community Development Department's program to expend CDBG and HOME funding:

- 1) Provide safe, decent and affordable housing by preserving the existing housing stock and developing opportunities for the addition of affordable homeownership units.
- 2) Encourage an economic climate that supports businesses providing livable-wage jobs in economic sectors likely to remain in strong demand for the foreseeable future by creating permanent jobs, undertaking long-term economic development efforts through entrepreneurial training, enhancing skills through education and training, and providing supportive services to enable access to these employment opportunities.
- 3) Prevent and eliminate blight by improving public facilities whose primary beneficiaries are residents with low- and moderate-incomes.
- 4) Provide an adequate level of human services that satisfies basic social, physical, mental, emotional, and economic needs of all residents, especially those with low- and moderate-incomes.

Examining each goal separately, information is provided below:

Goal 1

Rehabilitation/Emergency Hazard/World Changers

In November 2005, the City of Jackson hired a new director for its Community Development Department. She and her rehabilitation staff members have diligently worked to retool the rehabilitation program and streamline the process. While it is still a work in progress, policies and procedures have been updated and adopted, new software to track cases has been implemented, and the rehabilitation staff strives to increase its production even while funding has declined and the division is short staffed. Since 2005, the City has completed 64 rehabilitation projects, funded as follows:

Year	No. Cases	CDBG Funds		HOME	Total
		Reg. Rehab	Emerg. Hazard		
31	16	\$65,974	\$ 44,434	\$ 32,585	\$142,993
32	23	46,890	49,834	151,014	247,738
33	25	44,279	101,861	286,490	432,630
	Total:	\$157,143	\$196,129	\$470,089	\$823,361

As of June 30, 2008, the City had an additional seven rehabilitation projects in process, which will be completed early in the 2008-2009 fiscal year.

As stated previously, the City of Jackson has had the privilege of hosting the youth service organization "World Changers," sponsored by the North American Mission Board, for twelve consecutive years. Since 2005, the City has provided \$65,522 in CDBG funds for materials, and the attending youth and adults provided the labor to install 21 new roofs, six new handicap ramps, and painted the exterior of 10 homes. Had a contractor completed all of these projects, labor would have cost an estimated \$194,500. One project in particular completed in 2007 was for a homeowner who is deaf and mute and the doors to her house were not secure. She was terrified of someone entering without her knowledge, so new steel doors with deadbolts and entry locks, and new storm doors with locks were installed for her. The youth also completed some minor interior repairs, such as patching plaster and minor paint. In addition, Mission Serve came to Jackson for the first time in 2007-2008 and nearly completed a large roofing project and large paint project, and began a second large roof project. The week after Mission Serve was in Jackson, World Changers came in and spent a day finishing the nearly completed projects and was able to finish the other large roof project in addition to taking on several other construction jobs. Each summer World Changers comes to Jackson, they enjoy community-wide encouragement and support from local churches and businesses providing lunch meals, current and past residents who were recipients of their services, and the general public who often perform "random acts of kindness" by dropping off water, Gatorade, homemade cookies, and other treats at the project sites.

New Construction

According to the 2000 Census, 59% of the City of Jackson's housing stock was built in 1939 or earlier with at least 50% of the overall housing stock in need of repair. While housing conditions have improved in CDBG areas as a result of public and private investment, the amount of rehabilitation needed for some existing homes is not cost-effective. The City has partnered with Jackson Affordable Housing Corporation (its CHDO), Community Action Agency, and Habitat for Humanity to provide funding for construction of new, modest housing to replace homes beyond repair. Four new homes were constructed in the City during fiscal year 2007-2008.

Down Payment Assistance/Foreclosure Prevention/Homeownership Counseling

Jackson Affordable Housing Corporation (JAHC) receives HOME funding to provide Down Payment Assistance and CDBG funding for Foreclosure Prevention and Homeownership Counseling and Training. A total of 626 households received homeownership information and referrals. Of these, 95 households were extremely low-income, 97 very low-income, and 434 were low-income. In addition, 34 households closed mortgages with assistance from JAHC. Fourteen of the new homeowners were very low-income, 13 were low-income and seven moderate- to high-income, and were made up of 27 white families, five black/African-American, and two Hispanic or Latino.

Goal 2

Jobs Creation Initiative

The City's first Jobs Creation Initiative loan was extended to Ambs Message Service, who invested over \$600,000 to nearly triple the size of its facility and create 33 full time equivalent jobs over five years. Ambs Message Service exceeded its projected job creation and was able to discharge its loan a year prior to the deadline.

A second loan to was extended to Anesthesia Business Consultants (ABC) to redevelop the former Jacobson's Department Store in downtown Jackson, which had been vacant for eight years. Together with other economic development incentives, ABC invested over \$3.5 million in the building. Under the City's guidelines, the amount of ABC's loan would require the creation of 20 full time equivalent positions, however, ABC promised to create 50 or more new jobs within five years.



Finally, on October 4, 2005, the Jackson City Council approved a Jobs Creation Initiative loan to Lindar, LLC with the intent to assist in the redevelopment of a 5,660 square foot banquet facility at Daryl's Downtown Restaurant. Lindar was required to invest more than \$600,000 of private equity and create 16 new full time equivalent jobs. As of November 2006, \$765,00 had been invested and 14 jobs created by June 30, 2007.

The City's Economic Development Project Manager continues to present this economic development incentive to eligible businesses and has received numerous inquiries about the program. It is anticipated loans will be processed for approval within the 2008-2009 fiscal year. The City is also exploring the use of CDBG funds to implement economic development incentives for eligible businesses and persons to help overcome the declining economy and job market in the City. The *Jackson Citizen Patriot* recently reported Jackson County's unemployment rate is at 9.7%, an increase of 1.4% from the same time in 2007. The last time Jackson County saw unemployment at 9.7% was January 1993. Neighboring counties also have dismal rates of 12.7% in Hillsdale and 11.2% in Lenawee. A second recent article in the paper reported more than 22,000 Jackson County residents were living in poverty in 2007, having grown by nearly 1,400 since 2005. During that time, the county's population and median income decreased while the number of people living in poverty increased 15%. It was further reported that local leaders blame the increase in poverty on "high unemployment rates fueled by the downsizing of the automotive industry and rising costs of food and transportation."

Goal 3

Elimination of Blight

City inspectors continued with blight ordinance enforcement activity, citing violating homeowners for garbage, trash and debris; inoperable or unlicensed vehicles; dead, dying or dangerous trees; and front yard parking. Homeowners voluntarily complied with the citations

and removed or eliminated the violations, requiring no further action from the City, 62% of the time for garbage, 81% of the time for inoperable or unlicensed vehicles, and 46% of the time with tree or brush issues. When violations remained at reinspection, those matters were brought before the City's Administrative Hearings Bureau (AHB) where final resolution was achieved through eventual compliance or with the homeowner being defaulted. Further, the Administrative Hearings Officer assessed fines and costs in most instances as penalty for not bringing the code violations into compliance voluntarily. During the past three years, inspectors annually averaged citing 162 tree violations, 979 vehicle violations and 1,609 garbage violations.

In addition to the City's normal blight enforcement activities, on April 26, 2008, the City sponsored a centrally located site wherein approximately 300 City residents were able to dispose of trash and debris at no cost to them. Community Development, Public Works and Engineering provided voluntary staff for the event, and the ward's Councilmember also participated in assisting residents unload their unwanted items. Several other sites throughout the City and the County of Jackson held similar events on the same day, sponsored by other entities, as a result of intergovernmental and business owner cooperation. The City-sponsored site hauled 39 tons of garbage, 80 yards of yard waste, 800 tires, and 60 cubic yards of scrap metal. Even though lines were long, citizens expressed their appreciation for providing this service.



City-Sponsored dump site on Saturday, April 26, 2008

Further efforts to eliminate blighted areas of the City included sidewalk replacement in the Partnership Park area, streetscaping in the downtown, street and water main replacements,

beautification efforts by replacing diseased, dead or dying trees, construction of a new pocket park, and significant improvements to existing parks. The Downtown Development Authority provided five-year deferred loans to businesses in the district, which was designated a slum and blight area by the Jackson City Commission in April 1997.

Goal 4

Public Services

The City of Jackson's youth were provided counseling and mentoring programs due to CDB funding. Such services included:

- BIGS in School – a one-to-one mentoring program by Big Brothers/Big Sisters for children both during and after school.
- FAST – a family-oriented prevention service with goals of enhancing family functioning, avert children from experiencing failures in school, substance abuse awareness by the children and family, and stress reduction between parents and children from daily life situations.
- Partnership Park Downtown Neighborhood Association – homework assistance, conflict resolution skills, and life skills training in addition to recreational activities.
- Florence Crittenton – provided both shelter services for homeless youth and counseling.
- Martin Luther King Center Summer Recreation Program – in addition to arts and crafts, swimming lessons and other sports clinics and camps, the youth were given peer pressure practice, life skills training and cultural diversification trips.

Low- and moderate-income adults were provided such services as:

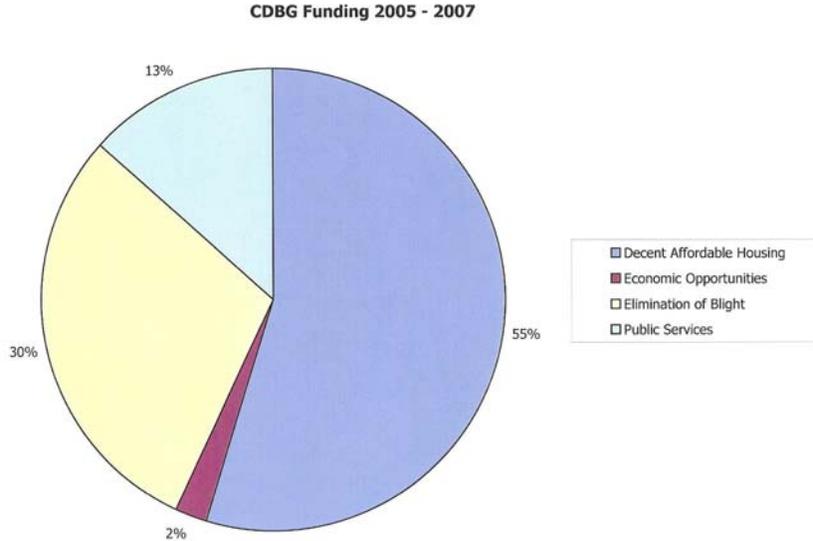
- Dental care through the Center for Family Health.
- Foreclosure prevention and homeowner training and counseling through Jackson Affordable Housing Corporation.
- Utility shutoff prevention through The Salvation Army.
- Service of process for personal protection orders through Legal Services of South Central Michigan.
- Disaster relief through the American Red Cross.
- Information and referral services through the United Way's 211 Call Center.

The City of Jackson received \$4,811,388 in CDBG funding since 2005 and has allocated said funds to attain its stated goals as follows:

Goal 1 – Decent, affordable housing	\$1,074,951
Goal 2 – Economic Development	87,500
Goal 3 – Elimination of Blight	2,409,121
Goal 4 - Public Services	553,546

Through budget amendments reallocating funds from projects that came in under budget or from subrecipients that were unable to successfully spend down their funding, the City was able to provide additional funding towards its goals as follows:

Goal 1 – Decent, affordable housing.....	\$ 328,954
Goal 2 – Economic Development	180,000
Goal 3 – Elimination of Blight	1,026,208
Goal 4 - Public Services	104,608



Of the entities listed on Pages 5 and 6 that have not yet expended their 2007-2008 funding, the City provides the following information:

Subrecipient	Balance	Plans to Rectify
CDBG		
American Red Cross	\$ 967	Requested extension to expend funds.
Neighborhood Resource Center	1,674	Remaining funds carried over to FY 2008-09.
Florence Crittenton – Reporting Ctr	3,281	Received word all funds were expended but reimbursement request not received yet.
Human Relations Commission	3,261	Requested extension to expend funds. City is providing intensive technical assistant to help understand program guidelines.
Jackson Affordable – Foreclosure Prev.	4,781	Requested extension to expend funds.
Legal Services	1,372	Requested extension to expend funds
Salvation Army	19,935	Substantial reimbursement request received after June 30, 2008; requested extension to expend balance funds
Community Development - Code Enforcement	114,445	Continuing to spend down prior year funding; remaining funds carried over to FY 2008-09.
Community Development - Rehabilitation	375,611	Continuing to spend down prior year funding; remaining funds carried over to FY 2008-09.
Downtown Development Authority	15,000	One façade project will be completed early in FY 2008-09 which will spend down \$15,000; requested extension to expend balance of funds
Enterprise Group	7,500	
Spring Cleanup	572	

Subrecipient	Balance	Plans to Rectify
CDBG		
Acquisition/Demolition	48,046	\$22,103 was reallocated to Community Action Agency to demolish two structures; balance will be carried forward to FY 2008-09
HOME		
Jackson Affordable Housing – CHDO Reserve	\$77,500	Requested extension to expend funds.
Jackson Affordable Housing – Down Payment Assistance	13,387	Remaining funds carried over to FY 2008-09
Community Development – Rehabilitation	116,678	Continuing to spend down prior year funding; remaining funds carried over to FY 2008-09.
Community Development – Administration	33,800	Continuing to spend down prior year funding; remaining funds carried over to FY 2008-09.

Due to the hardships the City's low- and moderate-income residents are facing, Community Development staff will continue to evaluate its programs. The rehabilitation staff will be continuing to update its program guidelines for rehabilitation projects. As homeowners are unable to afford a housing upgrade by moving to a new home, the rehabilitation staff has experienced a significant increase in applications from residents who want to improve the home they currently own but are unable to meet the expense. The economic development staff will be researching ways to incorporate more opportunities to create jobs, such as funding microenterprises or providing Section 108 loans. Finally, staff will be examining options for foreclosure intervention to help mitigate future homelessness.

Affirmatively Furthering Fair Housing

The City of Jackson enforces its fair housing ordinance, Chapter 14, Article IV, Sections 14-131 through 14-140, City of Jackson Code of Ordinances, to prohibit discrimination in sale, lease or rental of real property because of an individual's religion, race, color, national origin, age, sex, marital status, handicap or source of income. Provisions are made in each CDBG Subrecipient Agreement or HOME Contract that the recipient must comply with fair housing and equal opportunity laws.

Community Action Agency (CAA) provided four workshops to the general public and local government, serving 34 people. Two people received individual counseling regarding equal access and credit issues. On October 18, 2007, CAA conducted a Fair Housing and Predatory Lending Conference in which 53 people attended.

Some of the impediments to fair housing include:

- Inadequate number of decent, safe, affordable housing units.
- High costs associated with lead-based paint.
- Large concentrations of vacant or abandoned homes in areas of high minority and low-income concentrations.
- Limited housing choice available for low-income residents.
- Stringent qualification standards of existing programs making it difficult to purchase a home.

Actions taken to overcome effects of impediments to fair housing include:

- ✓ Completed four new construction projects to be sold to low- and moderate-income persons to address infill housing.
- ✓ Offered emergency hazard loans of up to \$10,000 on a 20-year, zero percent interest deferred loan to individuals with limited income.
- ✓ Offered rehabilitation loans of up to \$20,000 on a 20-year, zero percent interest deferred loan to assist property owners.
- ✓ Offered lead-hazard control loans and grants; for owner-occupied residences, a \$20,000 grant; for rental units, \$8,000/unit grant plus \$7,000/unit five-year, zero percent interest deferred loan.
- ✓ Worked in cooperation with local organizations to develop infill housing projects.
- ✓ Offered credit counseling, foreclosure prevention, and homebuyer education programs.

The City of Jackson's Fair Housing Analysis of Impediments is severely outdated and has been designated a priority for completion during the upcoming fiscal year. The Human Relations Commission (HRC) and CAA are developing a collaboration wherein the HRC will take fair housing complaints and conduct testing, while CAA will continue with its education and outreach programs.

Affordable Housing

Foster and Maintain Affordable Housing

During fiscal year 2007-2008, the City funded two housing agencies, each serving a different financial level of homebuyers. Habitat for Humanity markets its new or rehabilitated homes to those persons whose income is less than 50% of area median income while JAHC concentrates its efforts on those persons whose income is less than 80% of area median income. The City's Community Development Department provides a rehabilitation program for owner-occupied, low-income households who are unable to access home improvement loans through traditional lenders for repairs. Emergency hazard loans of up to \$10,000 are made available to qualifying households to repair an immediate, urgent need, such as a furnace in the winter, a roof during the rainy season, etc. All of the above programs offer loans, rather than grants, ensuring that future funding from program income will be available to another low-income family.

Preserving Decent, Affordable Rental Units

In order to protect the health, safety and welfare of area tenants, our Code Enforcement program takes a proactive stance on the City's rental housing by systematically inspecting all rental units in a designated area. After an initial inspection by a Code Enforcement Officer, landlords are given no less than 30 days nor more than 90 days within which to bring any non-emergency violations noted up to code per Chapter 14 of the City of Jackson Code of Ordinances. The Building Code Board of Examiners and Appeals may extend the time limit set for correction of violations if the owner can show a good faith effort to comply with the repair order. Non-compliance cases are prosecuted through the City's Administrative Hearings Bureau. Ideally, rental units should be subject to re-inspection at the expiration of the two-year certificate of compliance; however, due to the annual reduction of CDBG funds from HUD, the Community Development Department is severely understaffed. Currently, it is estimated once a rental unit is put into compliance, inspectors will not be back in the designated area for six to eight years.

Eliminate Barriers to Affordable Housing

In its efforts to eliminate barriers to affordable housing, the City provided CDBG funding to JAHC for its foreclosure prevention program, and homeownership counseling and training. In addition, HOME funds were allocated to JAHC to provide down payment assistance to new homebuyers. Both JAHC and Habitat for Humanity receive HOME funds for acquisition, rehabilitation, resale, and/or new construction.

Address Accessibility Needs of Persons with Disabilities

On August 15, 2006, the Jackson City Council took action to waive the inspection fees for work performed by local non-profit charitable organizations, specifically for handicap-accessible ramps. Since that time, 12 ramps have been installed for disabled homeowners by disAbility Connections, the Rotary Club, and World Changers. Seven of those ramps were constructed during fiscal year 2007-2008.



Continuum of Care

The City of Jackson supports the Jackson County Continuum of Care (JCCC), which receives Emergency Shelter Grant funding to address the needs of the homeless. A City staff member attends the monthly JCCC meetings comprised of approximately 20 members of other community leaders. The ongoing meetings are utilized to provide consistency and support for those invested in addressing homelessness programming and resources. The City continues to work with the community and non-profit agencies to coordinate resources to prevent and eliminate homelessness.

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

Grace Haven	30 beds (homeless)
Interfaith Shelter	80 beds (homeless)
AWARE Shelter	19 beds at shelter (abused women); 48 transitional
CAA	12 TBRA vouchers, 159 transitional beds, 12 permanent supportive housing
Training & Treatment Innovations	27 permanent supportive housing
MPRI	50 transitional beds (prisoner re-entry)

Florence Crittenton received an allocation for its Transitional Program for Youth wherein it provided housing in a semi-independent living environment and supportive services such as outreach, case management, advocacy, independent living skills development, transportation, emergency assistance, and treatment groups to both male and female homeless youth. Regrettably, Florence Crittenton closed its shelter in July 2008 due to financial problems and does not foresee reopening any time in the future. United Way, Community Action Agency, and other non-profit agencies are working together to fill the gap left by the closure of Jackson's only residential program for troubled youth.

The City did not obtain funds from the Homeless SuperNOFA.

Other Actions

Address Obstacles to Meeting Underserved Needs

Many factors continue to need to be addressed to meet underserved needs. For instance, more jobs need to be made available for low- and moderate-income persons in which the potential employee may be able to perform but is lacking the required experience. Lack of transportation also contributes to continued unemployment in several ways:

- Unable to afford public transportation or no routes established near work place;
- Unable to afford proper insurance, registration and licensing for own vehicle;
- Unable to afford vehicle maintenance and repairs.

More affordable housing units are needed in the community, as many landlords are reluctant to take Section 8 vouchers. While this remains a high priority to the City when allocating its CDBG and HOME funds, the state and local economy has continued a downward trend with no significant recovery in the foreseeable future.

Among other of the City's homeless shelters, the Interfaith Shelter provides shelter, housing, food, advocacy services, referral services, and budgeting assistance for those persons seeking help. The Interfaith Shelter averages nearly 6,800 meals served and provides shelter to approximately 88 adults and 25 children on a monthly basis.

Overcome Gaps in Institutional Structures and Enhance Coordination.

The City of Jackson Community Development Department administers CDBG and HOME funds. Funded activities are carried out either by City departments or through written agreements with primarily non-profit agencies. In an effort to increase Community Development staff capacity to effectively administer its programs, training was completed as follows:

- **Basically CDBG** (HUD February 6 – 8, 2008) – 2 staff members
- **Certified HOME Specialist – Regulations** (HUD March 18 – 20, 2008) – 3 staff members; 2 received their Certificate
- **MCDCA Spring Conference** (MCDCA, SEMCOG, HUD & MSHDA April 3, 2008) – 1 staff member
- **CDBG for Economic Development** (MEDA April 18, 2008) – 1 staff member
- **Monitoring HOME: Ensuring Program Compliance** (COSCOA June 10 – 11, 2008) – 1 staff member

The City of Jackson supports citizen involvement in all phases of its program and encourages collaborations between for-profit and non-profit entities, and local government departments. In some instances, Community Development involvement is more of a way to channel open communication between agencies to reduce duplicative efforts and to aid in locating other sources of funding or other assistance. The City works closely with the Region II Planning Commission regarding planning and zoning issues, and with The Enterprise Group for economic development.

Improve Public Housing and Resident Initiatives

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA). The JHC manages 545 units of public housing in seven developments and a Section 8 program of 475 participants. 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. The JHC has updated and rewritten its Admissions and Continued Occupancy Plan, Dwelling Lease, and Grievance procedures to comply with all Quality Housing and Work Responsibility Act (QHWRA) of 1998. The JHC has established a minimum rent of \$25 and has conducted market rate surveys to establish reasonable flat rents.

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. Proceeds from sales will be used for good supporting housing purposes to include, but not be limited to, development of low-income housing.
- Jointly addressed with the local police and fire departments to develop fire safety and crime prevention programs that adequately meets the needs of its residents.
- Developed an agency-wide Pet Policy that allows any family to have a pet if they follow a set of rules.
- 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.
- Certified that it has and will continue to adhere to all Civil Rights requirements and will affirmatively further fair housing.

The waiting list for Section 8 housing is quite extensive with 98% of total families on the list being extremely low-income (less than or equal to 30% area media income). Unfortunately, the waiting list for Section 8 housing has been closed for two years and only experiences a 22% turnover rate. Public Housing generally experiences a 28% to 30% turnover rate, which will allow approximately 50% of those families on the waiting list to attain public housing. Extremely low-income families also make up 98% of Public Housing's waiting list.

Evaluate and Reduce Lead-Based Paint Hazards

The City of Jackson and the Jackson County Health Department are actively involved with environmental concerns regarding lead-based paint (lead was banned from residential paint in 1978). Based on 2000 Census Data, of the 15,241 housing units located in Jackson, it is estimated that 14,225 were built before 1978. According to HUD data, more than three-fourths of pre-1978 homes contain lead-based paint, meaning approximately 10,670 homes in the City of Jackson contain lead-based paint. Of the total number of homes potentially containing lead-based paint, it is estimated that 3,308 (31%) of the households occupying such homes are very low-income (0 - 50% MFI), and 1,921 (18%) are low-income (51 - 80% MFI).

The City of Jackson Community Development staff conducts visual inspections for defective paint surfaces. During routine inspections of properties involved in rehabilitation, homeowners are given educational materials about the dangers of lead-based paint. Women, Infants and Children (WIC) participants are advised of the availability of lead-based blood tests offered through the Jackson County Health Department. City of Jackson inspectors are trained on the requirements of the HUD Lead Safe Housing Rule (24 CFR 35, as amended 6/21/04) and ensure that lead-based paint problems are properly resolved in all City funded housing rehabilitation projects.

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 rate, making it more and more difficult to have a significant impact on the housing in the community. Because of the age of the housing stock, the homes of virtually all applicants for rehabilitation assistance must be tested for lead-based paint.

Over the years, the City has utilized a number of certified companies to provide lead risk assessments and clearance reports for its projects. The City also maintains a list of approved area general contractors certified by the State of Michigan to utilize lead-safe work practices, interim controls, and lead-based paint hazard abatement to housing rehabilitation projects. Jackson is fortunate to have an experienced rehabilitation staff with over 50 years of combined rehabilitation experience with the City. All have received training in implementation of HUD Lead-Based Paint Regulations under the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992, and are able to conduct housing inspections, integrate and incorporate the findings of a lead risk assessment and paint inspection, and prepare construction specifications for City rehabilitation projects to address both issues.

IS YOUR CHILD SAFE FROM LEAD POISONING?



The City of Jackson was awarded a two million dollar HUD Office of Healthy Homes Lead Hazard Control Grant. The purpose of this funding is to provide funds to low- and moderate-income families living in the City of Jackson and Jackson County to accomplish the national initiative to eliminate childhood lead poisoning. The program offers testing for lead paint hazards in the home, testing of young children under age 6 for elevated blood lead levels, and funding to remediate the lead paint hazards from the home. The

program offers up to \$20,000 of assistance to eligible homeowners and up to \$15,000 per unit of assistance to eligible rental properties with families of low- and moderate-income living in the unit. The City has partnered with the Community Action Agency, Jackson County Health Department, and the Center for Family Health to promote and implement the program within the City of Jackson and throughout Jackson County. Lead program staff has received specialized training in the areas of lead risk assessment, lead paint testing, and lead clearance testing. The grant runs until June 2009 or while funds last.

Ensure Compliance With Program and Comprehensive Planning Requirements

The Community Development Project Coordinator is responsible for oversight of the administration of CDBG/HOME funds, which includes, but is not limited to:

- Receiving applications for funding and reviewing same for eligibility.
- Preparing reports for the Mayor and City Council.
- Performing environmental reviews.
- Preparing the One-Year Action Plan for submission to HUD.
- Preparing Subrecipient Agreements to those entities receiving an allocation.
- Preparing the CAPER.
- Monitoring subrecipients: quarterly desk reviews and annual on-site reviews.
- Reviewing reimbursement requests for eligibility.
- Conducting site visits to projects while in progress.
- Conducting Davis-Bacon interviews on construction sites for Labor Standards compliance.
- Maintaining files and records relating to the overall administration of the programs.

The Department's Financial Analyst supervises the Project Coordinator and, in addition to assisting in some of the responsibilities listed above, is in charge of meeting all aspects of HUD's financial reporting requirements, such as summary of accomplishments report, financial summary report, summary of activities, rehabilitation activities, draw downs and close outs.

Reduce the Number of Persons Living Below the Poverty Level

According to the 2000 Census, 19.6% of all persons in the City of Jackson are below the poverty level. Approximately the same percentage of families (23%) were at or below the poverty level.

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, the City provides funding to public service agencies that assist households at or below the poverty level. As this CAPER was being written, the U.S. Census Bureau released updated information regarding poverty levels in 2007. The local high unemployment rate, fueled by the downsizing of the automotive industry and rising costs of food and transportation, led to an increase of the number of people living in poverty. While the reported numbers are for Jackson County, it is reasonable to assume the City has experienced the same, if not worse, increase. The statistics also revealed the majority of those living in poverty were women, with the highest concentration being between ages 18 and 24. In addition, one of five children live in poverty, and nearly 60% of those children live in homes without a father. Local agencies that offer assistance to low-income individuals have seen the number of people who seek help rise, but their allocations to serve those people remain the same or are reduced. The State has made

drastic budget cuts and people who used to donate to food pantries and other charitable organizations are being forced to cut back due to high gas and food costs.

Leveraging Resources

Subrecipients have been successful in leveraging CDBG or HOME funds with grants from foundations, lenders, private donations, and other state and federal grant and loan programs. The United Way funds many worthwhile organizations that address the high priority needs of the community's low-income residents. The City continues to support agencies and developers in applying for other federal, state and public funds.

As stated above, the City of Jackson is also a recipient of a multi-year \$2,000,00 HUD Office of Healthy Homes Lead Hazard Control grant that works in conjunction with the City's rehabilitation program to improve the current housing conditions and create a healthier living environment throughout the community. The City's CDBG and HOME funds do not require matching funds, but consideration is taken regarding the amount of other funds leveraged in a project when making allocation decisions.

Citizen Comment

Citizen input is actively solicited through publication of notifications in the *Jackson Citizen Patriot*, the area's daily newspaper, and *The Jackson Blazer*, a weekly newspaper. The public is informed of meetings and public hearings and given the opportunity to comment on CDBG/HOME applications received by the City, the Action Plan, how funding is being disseminated before the Request for Release of Funds, and also the CAPER. Copies of the Action Plan and CAPER are provided for public review at the Community Development Department, main branch of the Jackson District Library, Habitat for Humanity office, and the Southside Neighborhood Resource Center. No citizen comments were received from any of the publicized notices.

Citizen participation is also encouraged through the use of the Citizens Advisory Council (CAC), which is comprised of a cross-section of the community with at least 51% representation of low- and moderate-income persons residing in CDBG Areas, as well as protected classes, elderly, and disabled citizens. The Mayor recommends new or re-appointments of CAC members to the Jackson City Council, which then takes action to accept or reject the recommendation.

Self-Evaluation

Decent Affordable Housing

The City of Jackson continues to fund activities to sustain the availability and affordability to housing for low- and moderate-income persons. These activities include down payment assistance, foreclosure prevention, homeownership counseling and training, new construction, and rehabilitation. Community Development rehabilitation staff has been implementing new policies and procedures to streamline its program, which includes the use of a new software package to track the rehab cases. Staff will continue to review policies and procedures over the next year to modify its program where necessary to provide an efficient and beneficial service to its recipients.

Economic Opportunities

The City of Jackson has provided successful economic opportunities to businesses in the form of its Jobs Creation Initiative. With the bleak outlook for a positive, quick turn around in the City's,

County's and State's economy and unemployment rate, Community Development staff will be pursuing implementation of CDBG funds to provide more job opportunities for the City's low- and moderate-income residents.

Elimination of Slum/Blight

The City of Jackson has done much to improve the look of the City, from infrastructure repair, façade improvements to the downtown to make it more inviting, and helping keep neighborhoods clean through ordinance enforcement. As areas are cleared of blight, pride is restored to the community. Although it is an ongoing effort to maintain the cleanliness, the City has instituted procedures to deal with habitual offenders. The Spring Clean Up held in April 2007 was an enormous success in assisting low- and moderate-income residents to rid their homes of unwanted trash and debris. Being that it was the first event of its kind that was staffed by volunteers mainly from Community Development and Engineering, quite a bit was learned on how to provide a more efficient and prompt drop off service, which will be carried over to the next event should the City determine one would be needed.

Public Services

The need for non-profit and charitable agency services for low- and moderate-income persons has risen sharply as the economy and job market has diminished. In future public service allocations, the City will be looking more closely at those services that provide assistance for basic needs – health, food and shelter. Until the City and State of Michigan are in an economic recovery, the City will continue to support agencies that provide the most beneficial basic needs to the community.

Monitoring

The City of Jackson requires its subrecipients to submit quarterly Direct Benefits Activity Reports to remotely monitor each subrecipient's performance. If performance is not up to expectations, City staff contacts the subrecipient to provide any technical or other assistance to help them meet program regulations, achieve their performance goals, improve service being delivered, and assure timely delivery of benefits to low- and moderate-income persons. Reimbursement requests are meticulously reviewed to assure proper documentation is received to verify activities as being both eligible and meeting a National Objective. At least once yearly, the Community Development Department's Financial Analyst and Project Coordinator make an on-site visit to thoroughly review the subrecipient's overall program administration as well as individual project files.

Program Narratives

CDBG Program

The goals of using CDBG funds in the City of Jackson are to provide safe, decent, affordable housing to low- and moderate-income persons, encourage an economic climate, prevent or eliminate slum and blight, and make available certain public services to meet the basic needs of the low- and moderate-income residents. To accomplish these goals, CDBG funds are allocated for each goal as follows:

Goal 1 – Safe, Decent and Affordable Housing

Code Enforcement Community Development Dept.	Funding \$484,500 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved rental properties (see also Goal 3 for blight citations)	Planned Units	Actual Units 2,039 rental units inspected

Rehabilitation Community Development Dept.	Funding \$418,451 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved housing conditions for owner-occupied residences	Planned Units 25	Actual Units 4 Residential Rehab projects 8 Emergency Hazard projects 12 World Changers projects

Rehabilitation John George Home	Funding \$50,000 CDBG	Target Area CT000400, BG5
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved accessibility to the building	Planned Units 1	Actual Units 1

Goal 2 – Encourage an Economic Climate

Small Business Incubator The Enterprise Group	Funding \$7,500 CDBG	Target Area CT000200, BG2
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provide business consulting and research for City residents	Planned Units 1	Actual Units 0

Goal 3 – Prevent and Eliminate Blight

Code Enforcement Community Development Dept.	Funding \$484,500 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved neighborhoods (see also Goal 1 for rental housing info)	Planned Units	Actual Units 1,648 garbage citations written 591 Inoperable/Unlicensed Vehicle citations written 175 Dead Trees written

Façade Loan Program Downtown Development Authority	Funding \$15,000 CDBG	Target Area CT000600, BG1
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved overall appearance of the downtown	Planned Units 2	Actual Units 0

Resurface Lots/Courts at King Center Parks & Recreation Dept.	Funding \$40,000 CDBG	Target Area CT001100, BG1, 2 & 3
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Improved quality of recreation center	Planned Units 1	Actual Units 1

Goal 4 – Public Services

Emergency Services American Red Cross	Funding \$3,000 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided emergency services to low-income clients due to a disaster-related emergency	Planned Units 15 people served	Actual Units 15 people served

BIGS in School Big Brothers Big Sisters of Jackson County	Funding \$2,500 CDBG	Target Area CT000600, CT001100, CT000400, CT000900, CT000100
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided one-to-one mentoring services to children during and after school	Planned Units 23	Actual Units 39

Emergency Adult Dental Care Center for Family Health	Funding \$25,000 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided affordable oral health care	Planned Units 650	Actual Units 586 (4 th qtr report not available at time of this writing)

Neighborhood Resource Center Community Development Dept.	Funding \$15,000 CDBG	Target Area CT001100, BG2
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Food commodity distribution, senior activities, neighborhood meeting place	Planned Units 500	Actual Units (information not available at time of this writing)

Partnership Park After School Program Partnership Park Neighborhood Association	Funding \$5,000 CDBG	Target Area CT000600, BG1
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Assisted youth in obtaining educational and social skills	Planned Units 20	Actual Units 17

Families and Schools Together Family Service & Children's Aid	Funding \$2,500 CDBG	Target Area CT001300, BG3; CT001000, BG4; CT000600, BG1
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided counseling for students and their families to enhance family functioning, prevent student failure, prevent alcohol/drug abuse, and reduce family stress	Planned Units 7-12	Actual Units 30

Transitional Program for Youth Florence Crittenton	Funding \$4,788 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Proving housing and supportive services for homeless adolescents	Planned Units 12	Actual Units 19

Community Reporting Center Florence Crittenton	Funding \$5,400 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Reduced juvenile delinquent recidivism	Planned Units 36	Actual Units 27 (4 th qtr report not available at time of this writing)

Jackson Area Youth Council Human Relations Commission	Funding \$5,000 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Allowed youth to develop confidence, social and leadership skills, and civic responsibility	Planned Units 700	Actual Units (information not available at time of this writing)

Homeownership Counseling & Training Jackson Affordable Housing Corp.	Funding \$1,500 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided information and training to prospective homeowners	Planned Units 270	Actual Units (information not available at time of this writing)

Foreclosure Prevention Jackson Affordable Housing Corp.	Funding \$27,700 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Assisted LMI families through a one-time financial crises	Planned Units 5	Actual Units (information not available at time of this writing)

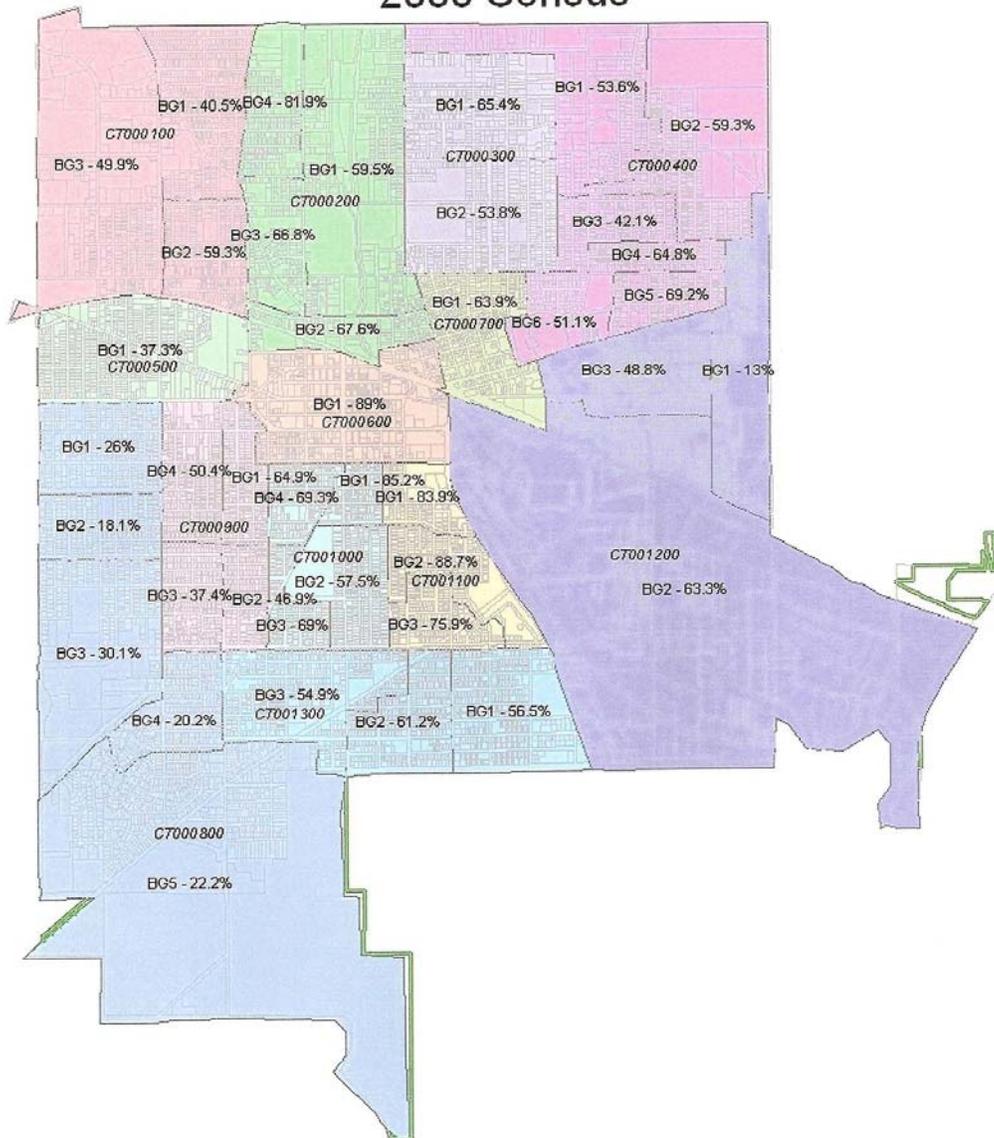
Service of Process Legal Services of Southern Michigan, Inc.	Funding \$1,500 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provides service of process for personal protection orders	Planned Units 48	Actual Units 19

MLK Summer Youth Program Parks & Recreation Dept.	Funding \$25,000 CDBG	Target Area CT001100, BG1, 2 & 3
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provided staff and operating expenses for summer enrichment program for youth	Planned Units 500	Actual Units (information not available at time of this writing)

Utility Assistance The Salvation Army	Funding \$60,000 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Allowed families to keep their power and heat on	Planned Units 180	Actual Units 599

2-1-1 Call Center United Way of Jackson County	Funding \$5,000 CDBG	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Provide an information and referral service	Planned Units 3,000	Actual Units 8,979

City of Jackson, Michigan
Census Tracts - Block Groups - LowMod Percentage
2000 Census



Use of CDBG Funds for National Objectives

All CDBG funds received were allocated to meet National Objectives, specifically targeted to the City's low- and moderate-income residents, eliminating slum/blight, or meeting urgent needs.

Anti-Displacement and Relocation

No projects were funded that involved demolition of occupied property. Relocation was not necessary on any of the rehabilitation projects.

The City of Jackson and/or its funding recipients provide for reasonable benefits to any person involuntarily and temporarily or permanently displaced as a result of the use of CDBG or HOME funds for acquisition or rehabilitation of residential property. The City intends to cause no displacement to persons receiving assistance from the CDBG or HOME programs but recognizes that situations may arise wherein displacement, relocation or temporary relocation are the only viable methods for providing assistance. Because the City's approved contractors have extensive experience, they are able to isolate various rooms in the home to perform lead hazard control work during rehabilitation. Once that area has been addressed, the contractor then moves to another section of the home and again isolates the area to do the rehabilitation and lead hazard work. Each area is completed in expedited fashion, without exposure of the family to lead-based paint hazards. Should extensive work be necessary, the budget includes relocation costs.

Low/Mod Job Activities

The City of Jackson implemented its Jobs Creation Initiative Loan Program in 2003 as an economic development loan to expand business and create jobs for low- and moderate-income residents. Training would be provided as needed for any job created that would require special skills. Ambs Message Center received the first loan in 2004, followed by Anesthesia Business Consultants in 2005, and Daryl's Downtown Restaurant in 2006. The policy adopted by the City Council is as follows:

City of Jackson Jobs Creation Initiative Loan Program (Initiated 11/25/03)

Eligibility Requirements:

- 1) The business must be located within a CDBG eligible area of the City of Jackson and must not have received federal funds through any current or previous City, DDA, or MSHDA Program.
- 2) The business must make a minimum investment of \$500,000 in construction or building improvements within two (2) years.
- 3) The business must create at least one (1) full-time income job for a low-moderate income individual for each \$5,000 of CDBG funds within three to five (3 – 5) years.
- 4) The business must agree to a Promissory Note and Development Agreement.
- 5) The business must be current on taxes and special assessments
- 6) The business must not have any active code violations cited.

The job growth requirement is monitored through implementation of the Development Agreement. Job growth report as of June 30, 2008 is as follows:

Job Creation Initiative Loan Job Growth Activity			
	Ambs Message Service	Anesthesia Business Consultants	Daryl's Downtown Condominium
Year Loan Closed	2004	2005	2006
Number of Jobs at Closing (includes FT & FTE)	14	220	64
Number of Jobs Created (includes FT & FTE)	37	24	5
Number of New Hires- Low/Mod Income	19	10	14
Total Jobs Retained Plus Created	51	244	69
Racial Makeup	New hires: 38 White, Non-Hispanic; 12 African American, Non-Hispanic; 4 Hispanic	Information currently not available	New hires: 9 White, Non-Hispanic; 5 African American, Non-Hispanic

Program Income Received

Program Income Type	Amount
CDBG	
Sale of Real Property	\$ 30
Economic Development Loan Repayments	40,750
Deferred Loan Repayments	17,999
MSHDA PIP Loan/Inspection Fees	1,600
HOME Administration	31,023
Accounts Receivables, Permits, Code Enf., etc.	48,109
Subordination Fees	547
MSHDA Administration Fees	<u>15,000</u>
Total CDBG Program Income:	<u>\$155,058</u>
HOME	
HOME Program Loan Repayment	\$ <u>15,000</u>
Total HOME Program Income:	<u>\$15,000</u>

Loans and Other Receivables

As of June 30, 2008, the City of Jackson has the following open outstanding loans:

No. of Loans	Type	Balance
96	CDBG Rehab (repayable)	\$1,405,017.08
27	CDBG Lead (forgivable)	101,793.94
38	CDBG Emergency Hazard (repayable)	194,505.84
81	HOME Rehab (repayable)	1,391,393.44
35	HOME Lead (forgivable)	190,134.22
1	Section 108 (repayable)	830,000

The City of Jackson implemented a Deposit Loan program in the early 1980s when mortgage and home improvement loan interest rates were 17% - 20%. It was originally a lump sum deposit and the bank interest earned was used to subsidize the high interest on home improvement loans to between 4% and 8%. As interest rates improved, there was no longer a need for this program; however, the City's agreement with Flagstar Bank required sufficient funds remain in the account to cover the outstanding principal on existing Title I loans. Over time, as the loans have been repaid and less and less interest was needed to subsidize existing loans, the unneeded interest was declared as program income and reused in other block grant eligible activities.

No. of Loans	Type	Balance
4	Deposit Loan (repayable)	\$1,291,875.00

The City of Jackson has the following properties for sale that were improved using CDBG funds and are available to sale to low- and moderate-income persons:

Tax ID No.	Address
5-0591	208 E Morrell
5-0539	905 Orchard
5-1090	140 Stanley
5-1345	115 Damon
4-0654	941 S Jackson
5-0683	1043 Chittock
8-2248	826 Wells
6-1104	1906 Plymouth
7-1194	1911 E Ganson

JAHG and Habitat for Humanity have the following properties for sale:

Tax ID No.	Address
4-0394	326 W Mason
7-0229	814 Homewild
7-0187	1022 Homewild
5-0223	114 E Biddle
5-1615	324 E Robinson

HOME Program

Rehabilitation Assistance Community Development	Funding \$119,409 HOME	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Increased availability of improved housing units	Planned Units	Actual Units 14 Units

Down Payment Assistance Jackson Affordable Housing Corp.	Funding \$40,000 HOME	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Increased homeownership opportunities	Planned Units 8	Actual Units 18

Acquisition/Rehab/Resale Jackson Affordable Housing Corp.	Funding \$77,500 HOME	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Increased availability of improved housing units	Planned Units 2	Actual Units 0

New Construction Greater Jackson Habitat for Humanity	Funding \$50,000 HOME	Target Area City-wide
	Planned Beneficiaries Low- and Moderate-Income Clientele	
Outcome Increased availability of new or improved housing units	Planned Units 7	Actual Units 4

The goal of using HOME funds in the City of Jackson is to provide decent, affordable housing to low- and moderate-income persons, which is of highest priority. To accomplish this goal, HOME funds are allocated for new construction; acquisition, rehabilitation, and resale; and down payment assistance. With the downturn in the real estate market, the City's Community Housing Development Organization (CHDO), JAHC, has not been able to turn over housing units identified in their applications for HOME funding during the past two years. Staff will be monitoring JAHC's performance very closely and will be ardently encouraging JAHC to take on projects to spend the funds. Additional or alternate CHDOs may need to be considered in the future to ensure the City is meeting HUD's performance measurement requirements. JAHC is currently negotiating the purchase of a home to rehabilitate.

The City of Jackson does not use HOME funds for rental housing, so no on-site inspections of rental units were conducted of HOME funded rental housing, and no affirmative marketing was required. A recent monitoring visit by HUD CPD representatives shed light on the fact the City's procurement procedures need to be tightened up to comply with 24 CFR 85.36. Community Development staff is working with the City's Purchasing Department to review its purchasing policy procedures, including strengthening the City's outreach to minority business enterprises (MBE) and women business enterprises (WBE). One WBE contractor is on the City's Approved Rehabilitation and Lead Hazard Contractor's List.

No HOME match is required to be paid by the City of Jackson for FY2007 and FY2008 as HUD determined the City is in severe fiscal distress. Forms HUD-40107 (HOME Program Annual Performance Report) and HUD-40107-A (HOME Match Report) are attached to the CAPER as required.

Housing Opportunity for People with Aids (HOPWA) Program

The City of Jackson does not receive HOPWA funding.

Emergency Shelter Grants (ESG) Program

The City of Jackson does not receive ESG funding.

Annual Performance Report HOME Program

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(exp. 8/31/2009)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (C/MI) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

Submit this form on or before December 31.	This report is for period (mm/dd/yyyy)		Date Submitted (mm/dd/yyyy)
Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7176, 451 7th Street, S.W., Washington D.C. 20410	Starting 07/01/2007	Ending 06/30/2008	09/29/2008

Part I Participant Identification

1. Participant Number M07-MC260214	2. Participant Name City of Jackson		
3. Name of Person completing this report Michelle L. Pultz		4. Phone Number (Include Area Code) 517-768-6436	
5. Address 161 W Michigan Avenue	6. City Jackson	7. State MI	8. Zip Code 49201

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

1. Balance on hand at Beginning of Reporting Period \$9,165	2. Amount received during Reporting Period \$6,047	3. Total amount expended during Reporting Period \$11,955	4. Amount expended for Tenant-Based Rental Assistance 0	5. Balance on hand at end of Reporting Period (1 + 2 - 3) = 5 \$3,257
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Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period.

	a. Total	Minority Business Enterprises (MBE)			f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	
A. Contracts					
1. Number	14	0	0	0	14
2. Dollar Amount	\$286,490	0	0	0	\$286,490
B. Sub-Contracts					
1. Number	0	0	0	0	0
2. Dollar Amount	0	0	0	0	0
	a. Total	b. Women Business Enterprises (WBE)	c. Male		
C. Contracts					
1. Number	14	1	13		
2. Dollar Amount	\$286,490	\$44,265	\$242,225		
D. Sub-Contracts					
1. Number	0	0	0		
2. Dollar Amounts	0	0	0		

Part IV Minority Owners of Rental Property

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

	a. Total	Minority Property Owners			f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	
1. Number	0	0	0	0	0
2. Dollar Amount	0	0	0	0	0

Part V Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

	a. Number	b. Cost
1. Parcels Acquired	0	0
2. Businesses Displaced	0	0
3. Nonprofit Organizations Displaced	0	0
4. Households Temporarily Relocated, not Displaced	0	0

Households Displaced	a. Total	Minority Business Enterprises (MBE)			f. White Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	
5. Households Displaced - Number	0	0	0	0	0
6. Households Displaced - Cost	0	0	0	0	0

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

Instructions for the HOME Match Report

Applicability:

The HOME Match Report is part of the HOME APR and must be filled out by every participating jurisdiction that incurred a match liability. Match liability occurs when FY 1993 funds (or subsequent year funds) are drawn down from the U.S. Treasury for HOME projects. A Participating Jurisdiction (PJ) may start counting match contributions as of the beginning of Federal Fiscal Year 1993 (October 1, 1992). A jurisdiction not required to submit this report, either because it did not incur any match or because it had a full match reduction, may submit a HOME Match Report if it wishes. The match would count as excess match that is carried over to subsequent years. The match reported on this form must have been contributed during the reporting period (between October 1 and September 30).

Timing:

This form is to be submitted as part of the HOME APR on or before December 31. The original is sent to the HUD Field Office. One copy is sent to the

Office of Affordable Housing Programs, CGHF
Room 7176, HUD, 451 7th Street, S.W.
Washington, D.C. 20410.

The participating jurisdiction also keeps a copy.

Instructions for Part II:

1. **Excess match from prior Federal fiscal year:** Excess match carried over from prior Federal fiscal year.
2. **Match contributed during current Federal fiscal year:** The total amount of match contributions for all projects listed under Part III in column 9 for the Federal fiscal year.

3. **Total match available for current Federal fiscal year:** The sum of excess match carried over from the prior Federal fiscal year (Part II. line 1) and the total match contribution for the current Federal fiscal year (Part II. line 2). This sum is the total match available for the Federal fiscal year.
4. **Match liability for current Federal fiscal year:** The amount of match liability is available from HUD and is provided periodically to PJs. The match must be provided in the current year. The amount of match that must be provided is based on the amount of HOME funds drawn from the U.S. Treasury for HOME projects. The amount of match required equals 25% of the amount drawn down for HOME projects during the Federal fiscal year. Excess match may be carried over and used to meet match liability for subsequent years (see Part II line 5). Funds drawn down for administrative costs, CHDO operating expenses, and CHDO capacity building do not have to be matched. Funds drawn down for CHDO seed money and/or technical assistance loans do not have to be matched if the project does not go forward. A jurisdiction is allowed to get a partial reduction (50%) of match if it meets one of two statutory distress criteria, indicating "fiscal distress," or else a full reduction (100%) of match if it meets both criteria, indicating "severe fiscal distress." The two criteria are poverty rate (must be equal to or greater than 125% of the average national family poverty rate to qualify for a reduction) and per capita income (must be less than 75% of the national average per capita income to qualify for a reduction). In addition, a jurisdiction can get a full reduction if it is declared a disaster area under the Robert T. Stafford Disaster Relief and Emergency Act.

5. **Excess match carried over to next Federal fiscal year:** The total match available for the current Federal fiscal year (Part II. line 3) minus the match liability for the current Federal fiscal year (Part II. line 4). Excess match may be carried over and applied to future HOME project match liability.

Instructions for Part III:

1. **Project No. or Other ID:** "Project number" is assigned by the C/MI System when the PJ makes a project setup call. These projects involve at least some Treasury funds. If the HOME project does not involve Treasury funds, it must be identified with "other ID" as follows: the fiscal year (last two digits only), followed by a number (starting from "01" for the first non-Treasury-funded project of the fiscal year), and then at least one of the following abbreviations: "SF" for project using shortfall funds, "PI" for projects using program income, and "NON" for non-HOME-assisted affordable housing. Example: 93.01.SF, 93.02.PI, 93.03.NON, etc.

Shortfall funds are non-HOME funds used to make up the difference between the participation threshold and the amount of HOME funds allocated to the PJ; the participation threshold requirement applies only in the PJ's first year of eligibility. [§92.102]

Program income (also called "repayment income") is any return on the investment of HOME funds. This income must be deposited in the jurisdiction's HOME account to be used for HOME projects. [§92.503(b)]

Non-HOME-assisted affordable housing is investment in housing not assisted by HOME funds that would qualify as "affordable housing" under the HOME Program definitions. "NON" funds must be contributed to a specific project; it is not sufficient to make a contribution to an entity engaged in developing affordable housing. [§92.219(b)]

2. **Date of Contribution:** Enter the date of contribution. Multiple entries may be made on a single line as long as the contributions were made during the current fiscal year. In such cases, if the contributions were made at different dates during the year, enter the date of the last contribution.
3. **Cash:** Cash contributions from non-Federal resources. This means the funds are contributed permanently to the HOME Program regardless of the form of investment the jurisdiction provides to a project. Therefore all repayment, interest, or other return on investment of the contribution must be deposited in the PJ's HOME account to be used for HOME projects. The PJ, non-Federal public entities (State/local governments), private entities, and individuals can make contributions. The grant equivalent of a below-market interest rate loan to the project is eligible when the loan is not repayable to the PJ's HOME account. [§92.220(a)(1)] In addition, a cash contribution can count as match if it is used for eligible costs defined under §92.206 (except administrative costs and CHDO operating expenses) or under §92.209, or for the following non-eligible costs: the value of non-Federal funds used to remove and relocate ECHO units to accommodate eligible tenants, a project reserve account for replacements, a project reserve account for unanticipated increases in operating costs, operating subsidies, or costs relating to the portion of a mixed-income or mixed-use project not related to the affordable housing units. [§92.219(c)]
4. **Foregone Taxes, Fees, Charges:** Taxes, fees, and charges that are normally and customarily charged but have been waived, foregone, or deferred in a manner that achieves affordability of the HOME-assisted housing. This includes State tax credits for low-income housing development. The amount of real estate taxes may be based on the

post-improvement property value. For those taxes, fees, or charges given for future years, the value is the present discounted cash value. [§92.220(a)(2)]

5. **Appraised Land/Real Property:** The appraised value, before the HOME assistance is provided and minus any debt burden, lien, or other encumbrance, of land or other real property, not acquired with Federal resources. The appraisal must be made by an independent, certified appraiser. [§92.220(a)(3)]
6. **Required Infrastructure:** The cost of investment, not made with Federal resources, in on-site and off-site infrastructure directly required for HOME-assisted affordable housing. The infrastructure must have been completed no earlier than 12 months before HOME funds were committed. [§92.220(a)(4)]
7. **Site preparation, Construction materials, Donated labor:** The reasonable value of any site-preparation and construction materials, not acquired with Federal resources, and any donated or voluntary labor (see §92.354(b)) in connection with the site-preparation for, or construction or rehabilitation of, affordable housing. The value of site-preparation and construction materials is determined in accordance with the PJ's cost estimate procedures. The value of donated or voluntary labor is determined by a single rate ("labor rate") to be published annually in the Notice Of Funding Availability (NOFA) for the HOME Program. [§92.220(6)]
8. **Bond Financing:** Multifamily and single-family project bond financing must be validly issued by a State or local government (or an agency, instrumentality, or political subdivision thereof). 50% of a loan from bond proceeds made to a multifamily affordable housing project owner can count as match. 25% of a loan from bond proceeds made to a single-family affordable housing project owner can count as match. Loans from all bond proceeds, including excess bond match from prior years, may not exceed 25% of a PJ's total annual match contribution. [§92.220(a)(5)] The amount in excess of the 25% cap for bonds may carry over, and the excess will count as part of the statutory limit of up to 25% per year. Requirements regarding

bond financing as an eligible source of match will be available upon publication of the implementing regulation early in FY 1994.

9. **Total Match:** Total of items 3 through 8. This is the total match contribution for each project identified in item 1.

Ineligible forms of match include:

1. Contributions made with or derived from Federal resources e.g. CDBG funds [§92.220(b)(1)]
2. Interest rate subsidy attributable to the Federal tax-exemption on financing or the value attributable to Federal tax credits [§92.220(b)(2)]
3. Contributions from builders, contractors or investors, including owner equity, involved with HOME-assisted projects. [§92.220(b)(3)]
4. Sweat equity [§92.220(b)(4)]
5. Contributions from applicants/recipients of HOME assistance [§92.220(b)(5)]
6. Fees/charges that are associated with the HOME Program only, rather than normally and customarily charged on all transactions or projects [§92.220(a)(2)]
7. Administrative costs



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

September 17, 2008

TO: William R. Ross, City Manager

FROM: Angela Arnold, Deputy City Clerk *Angela*

RE: Public hearing on the request from the City of Jackson, to vacate a 16 foot wide alley running east and west, situated south of Lots 1 through 12 and north of Lots 18 through 29, Block 7, Jackson Land and Improvement Company's subdivision of Blocks 2 and 7 and parts of Blocks 1, 3, 4, 5, 6, 11, and 12 of Francis Street Addition

The City Planning Commission (CPC) considered the above-mentioned request at a public hearing held on September 3, 2008. No one spoke in favor or in opposition to the alley vacation. After the public hearing was held, the CPC passed a motion to recommend approval of the alley vacation request.

Attached please find a memo and supporting documents from Grant Bauman, R2PC Principal Planner. Also attached, you will find a resolution that will vacate the alley, if adopted.

Please place this item on the Council's September 23rd agenda for adoption, after the public hearing is held.

Thank you.

Attachments

c: Grant Bauman
Glenn Chinavare
Jon Dowling
Julius Giglio
Jan Markowski

RESOLUTION

BY THE CITY COUNCIL:

WHEREAS, a petition has been filed by all of the persons, firms, corporations, and entities owning property abutting on or located in, under or over a alley in the City of Jackson, Michigan, for the vacation of said alley, more particularly described as:

A 16 FOOT WIDE ALLEY RUNNING EAST AND WEST, SITUATED SOUTH OF LOTS 1 THROUGH 12 AND NORTH OF LOTS 18 THROUGH 29, BLOCK 7, JACKSON LAND AND IMPROVEMENT COMPANY'S SUBDIVISION OF BLOCKS 2 AND 7 AND PARTS OF BLOCKS 1, 3, 4, 5, 6, 11, AND 12 OF FRANCIS STREET ADDITION, CITY OF JACKSON, JACKSON COUNTY, STATE OF MICHIGAN

WHEREAS, it is determined that all persons, firms, corporations, and entities who will be affected by said vacation have filed with the City Council their written consent to the same, and that it is necessary for the health, welfare, comfort, and safety of the people of the City to vacate and discontinue such alley;

NOW, THEREFORE, BE IT RESOLVED that the above-described alley be, and the same is hereby vacated, and the land shall revert to the abutting property free from any claim or right on the part of the public and, except as otherwise provided herein, all public claims and rights in and to said alley are hereby forever barred.

BE IT FURTHER RESOLVED that the vacation of the above-described alley is upon the condition that title to all water, sewer, gas, electric, and communication poles, wires, conduits, cables, pipes, lines, and their respective appurtenances and facilities now or hereafter in, under or over said alley are reserved to and shall remain in the respective owners thereof and their successors or assigns, together with an easement and continued right to occupy said alley within the previous right-of-way thereof for public utility purposes, with present and additional facilities, and to operate, repair, maintain, replace or remove the same to the same effect and in the same manner as if said alley remained a public way.

BE IT FURTHER RESOLVED that any abutting property owner, and their respective successors, heirs or assigns who wish to erect any structure on, or cause construction to, or otherwise modify or improve the now vacated right-of-way, shall first obtain the written permission of any utility owner who retains a right of occupancy and easement in said vacated right-of-way. Said written permission is required to ensure noninterference with the utility owner's easement and right of occupancy.

* * * * *

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 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereunto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

NEW BUSINESS.

A. CONSIDERATION OF AN ALLEY VACATION PETITION FOR EXCHANGE PARK (PUBLIC PROPERTY), AND AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENT(S).

Motion was made by Councilmember Greer and seconded by Councilmember Polaczyk to authorize the City Manager to execute the appropriate document(s). The motion was adopted by the following vote. Yeas: Mayor Ludwig and Councilmembers Breeding, Greer, Gaiser, Frounfelker and Polaczyk—6. Nays: 0. Absent: Councilmember Howe--1.



The foregoing is an excerpt from the
City Council Proceedings of
May 13, 2008

 Lynn Fessel, City Clerk

OFFICE OF THE CITY CLERK

Lynn Fessel, City Clerk
161 W. Michigan Avenue, Jackson, MI 49201
(517) 788-4025

MEMORANDUM

July 16, 2008

TO: Chuck Reisdorf, R2PC Executive Director

FROM: Angela Arnold, Deputy City Clerk


Petition to vacate a 16-foot wide alley running east and west, situated south of Lots 1 through 12 and north of Lots 18 through 29, Block 7, Jackson Land and Improvement Company's subdivision of Block 2 and 7 and part of Blocks 1, 3, 4, 5, 6, 11 and 12 of Francis Street Addition

Attached please find a copy of the subject petition circulated by William Ross and received by the City Council at their June 24th meeting. The City Attorney and Assessor have reviewed it and the petition is ready for your investigation.

Please place this item on the next agenda for the consideration of the City Planning Commission.

Thank you.

Attachment

c: Bill Ross
Jan Markowski
Julius Giglio
Glenn Chinavare
Jon Dowling



City Planning Commission

Staffed by the Region 2 Planning Commission
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 768-6711 • Fax (517) 788-4635

MEMORANDUM

To: Honorable Mayor and City Council
c/o Angela Arnold, Deputy City Clerk

From: Grant E. Bauman, AICP
R2PC Principal Planner

Date: September 23, 2008

Subject: PC 08-14 – Alley vacation request

PETITION TO VACATE A 16-FOOT WIDE ALLEY RUNNING EAST AND WEST, SITUATED SOUTH OF LOTS 1 THROUGH 12 AND NORTH OF LOTS 18 THROUGH 29, BLOCK 7, JACKSON LAND AND IMPROVEMENT COMPANY'S SUBDIVISION OF BLOCK 2 AND 7 AND PART OF BLOCKS 1, 3, 4, 5, 6, 11 AND 12 OF [THE] FRANCIS STREET ADDITION.

The City Planning Commission (CPC) held a public hearing on the proposal to vacate the alley described in the above petition at its meeting on September 3, 2008. Staff presented its recommendation to approve the request. The City Planning Commission then passed a resolution recommending approval of the vacation request.

Enclosed, please find the staff report, the notice of public hearings, and the minutes of the September 3, 2008 meeting of the CPC. Should you have any questions about the vacation request, please do not hesitate to contact me at 768-6711 or gbauman@co.jackson.mi.us.



City Planning Commission

Staffed by the Region 2 Planning Commission (R2PC)
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 788-4426 • Fax (517) 788-4635

Wednesday, September 3, 2008
PC 08-14 — Alley Vacation Staff Report

General Information

Applicant:

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

Request:

PETITION TO VACATE A 16-FOOT WIDE ALLEY RUNNING EAST AND WEST, SITUATED SOUTH OF LOTS 1 THROUGH 12 AND NORTH OF LOTS 18 THROUGH 29, BLOCK 7, JACKSON LAND AND IMPROVEMENT COMPANY'S SUBDIVISION OF BLOCK 2 AND 7 AND PART OF BLOCKS 1, 3, 4, 5, 6, 11 AND 12 OF [THE] FRANCIS STREET ADDITION.

Note:

This petition was submitted by the City of Jackson as a result of a conditional use permit (CUP) amendment request for Exchange Park (PC 08-07) considered by the City Planning Commission (CPC) on April 2, 2008. The City became aware of the alley described above, which bisects Exchange Park north and south, when considering the CUP amendment request.

Alley Description:

The undeveloped alley extends east to west from Merriman Street a north-south alley which parallels Milwaukee Street. Euclid and Mansion Streets are located to the north and the south, respectively. ***The alley bisects Exchange Park.***

City Departments and Public Utility Review:

Notification was sent to City Departments and Public Utilities:

- **Department of Public Works** — The DPW stated that there are no water or sewer system conflicts and approved of the vacation, “especially since it’s the ‘entire’ alley.”
- **Consumers Energy** — Consumers Energy stated no need to reserve rights for gas/electric facilities.

- **AT&T Michigan** — AT&T indicated “no conflicts where this alley is located.”

Surrounding Land Uses/Zoning:

North	Land Use – Exchange Park, Euclid Avenue, and a residential neighborhood Zoning – R-1 (one-family residential)
South	Land Use – Exchange Park, Mansion Street, and a residential neighborhood Zoning – R-1
East	Land Use – Merriman Street and a residential neighborhood, including a church Zoning – R-1
West	Land Use – North-south alley, residential development , and Milwaukee Street Zoning — R-1

Staff Analysis

The alley is undeveloped. The right-of-way bisects Exchange Park, a municipal recreation facility, and a playground, tennis and basketball courts, and a ball field currently straddle the paper alley. No City department or public utility reported any facilities located within the right-of-way.

Staff Recommendation

Based on these factors, staff recommends **APPROVAL** of the alley vacation request.





City Planning Commission

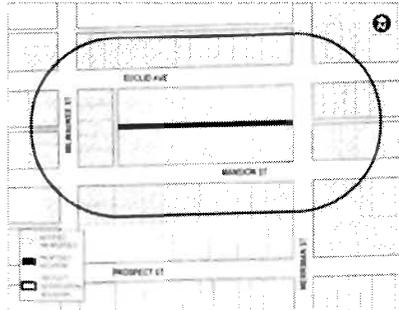
Staffed by the Region 2 Planning Commission (R2PC)
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 788-4426 • Fax (517) 788-4635

PC 08-14 Notice of Public Hearing

The Jackson City Planning Commission and Jackson City Council will hold public hearings to consider the vacation petition for the alley described as follows:

"A 16-foot wide alley running east and west, situated south of Lots 1 through 12 and north of Lots 18 through 29, Block 7, Jackson Land and Improvement Company's subdivision of Block 2 and 7 and part of Blocks 1, 3, 4, 5, 6, 11 and 12 of [the] Francis Street Addition."

A right-of-way still exists when a street/alley is closed, even if the street or alley is physically removed. When an alley/street is vacated, the right-of-way is split down the middle and legally returned to the properties along its border.



The request was made by:

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

You are invited to attend the public hearings to be held on:

City Planning Commission -- Wednesday, September 3, 2008 at 7:00 pm
City Council -- Tuesday, September 23, 2008 at 7:00 pm

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

If you have questions or comments about the proposed alley vacation, please contact Grant Bauman by phone -- (517) 768-6711 -- or e-mail -- gbauman@co.jackson.mi.us.

By: Grant E. Bauman AICP
R2PC Principal Planner



City Planning Commission

Staffed by the Region 2 Planning Commission (R2PC)
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 768-6711 • Fax (517) 788-4635

DRAFT MEETING MINUTES

Wednesday, September 3, 2008
Council Chambers, City Hall

- Members present:** Lola Dodge; Jeanne Kubish; Jerry Ludwig, Mayor; Clyde Mauldin, Chairperson; John Polaczyk; and William Ross, City Manager
- Members absent:** John Guidinger and Richard Lawson
- Staff present:** Grant Bauman, R2PC Principal Planner, and Susan Murphy, Deputy City Attorney; Charles Reisdorf, R2PC Executive Director

Item 1 Call to order
Chairperson Mauldin called the meeting to order at 7:00 p.m.

Item 2 Pledge of allegiance
Those in attendance rose for the pledge of allegiance.

Item 3 Consideration of approval for the meeting minutes of August 6, 2008
A motion was made by Comm. Polaczyk, and supported by Comm. Dodge, to approve the minutes of the August 6, 2008 meeting of the City Planning Commission.

The motion passed by unanimous voice vote.

Item 4 PC 08-15 – Consideration of a rezoning request from the Residential and Low-Intensity Office District (R-6) and the One-Family Residential District (R-1) to Neighborhood Commercial (C-1) for properties owned by the Immanuel Lutheran Church located at 1505 W. Michigan Avenue.

The staff recommendation of approval of the rezoning was presented to the Planning Commission.

Chairman Mauldin opened the public hearing.

Mary Garcia, representing Immanuel Lutheran Church, and Eric Johnson, Pastor of the church, spoke in favor of the request. The rezoning would enable the church to erect an electronic message board sign on the property. Joe and Gerald Rand, 1410 W. Washington Ave., and Mike Brezenski, 1406 W. Washington Ave., expressed their opposition to the request.

The public hearing was closed by Chairman Mauldin.

The Planning Commission considered alternatives, including rezoning all of the parcels owned by the church, and also a rezoning of only the parcel currently zoned R-6, which includes the church building. Commissioners also discussed the possibility of amending the Sign Ordinance.

A motion was made by Comm. Ross, and supported by Comm. Polaczyk, to table the rezoning request for further consideration and to consider a possible amendment to the Sign Ordinance allowing electronic message board signs in the R-6 zoning district.

The motion passed by the following vote: Yeas – 6 (Dodge, Kubish, Ludwig, Mauldin, Polaczyk and Ross); Nays – 0, Absent – 2 (Guidinger and Lawson).

Item 5 PC 08-14 – Consideration of a request for an alley vacation for an undeveloped alley bisecting Exchange Park in the block bounded by Euclid Ave., and Merriman, Mansion, and Milwaukee Streets.

The staff recommendation to approve the vacation request was presented.

Chairman Mauldin opened the public hearing. No one spoke in favor of or in opposition to, the alley vacation. The public hearing was closed.

Comm. Ross disclosed that he had signed the petition for the vacation of the alley.

A motion was made by Comm. Kubish, and supported by Comm. Ludwig, to recommend the vacation of the alley to the City Council.

The motion passed by the following vote: Yeas – 6 (Dodge, Kubish, Ludwig, Mauldin, Polaczyk and Ross); Nays – 0, Absent – 2 (Guidinger and Lawson).

Item 6 Other Business

Staff reviewed the process for master plan update and indicated that it would proceed with notification of adjacent local units of government, county and regional agencies, utilities and railroads and transportation agencies in accordance with Michigan Law.

Item 8 Adjournment

There being no further business the meeting was adjourned at 8 p.m.

**Charles C. Reisdorf
Recording Secretary**



City Clerk

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4025 — Facsimile: (517) 788-4651

September 17, 2008

TO: William R. Ross, City Manager
FROM: Angela Arnold, Deputy City Clerk *Angela*
RE: Consideration of a Resolution for Charitable Gaming License

Attached is a resolution submitted by St. Luke's Clinic, located at 132 Seymour Avenue. They desire to apply for a charitable gaming license through the Charitable Gaming Division of the State of Michigan. In order to do so, the State requires the local body of government to adopt a resolution, recognizing St. Luke's Clinic as a non-profit organization operating in the community.

Please place the resolution on the City Council's September 23rd agenda for consideration.

Thank you.

Attachments



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(9))

At a _____ meeting of the _____
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 St. Luke's Clinic 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 _____ at a _____ meeting held on _____.
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL DATE

SIGNED: _____
TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

ADDRESS

COMPLETION: Required.
 PENALTY: Possible denial of application.
 BSL-CG-1153(R10/06)

St. Luke's Clinic

132 Seymour Avenue • P.O. Box 4123 • Jackson, Michigan 49204
(517) 783-1117

RECEIVED

CITY of JACKSON

SEP 10 2008

CLERK'S OFFICE

BY _____

September 9, 2008

Members of Jackson City Council
Jackson, Michigan

Dear Members:

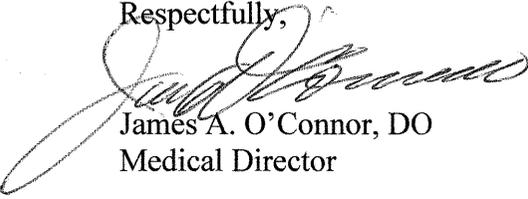
I am writing to request your approval to obtain a charitable gaming license for St. Luke's Clinic. As you are aware St. Luke's is Jackson's only free clinic. We have been in existence for almost ten years providing free medical care to the uninsured of Jackson County. We have existed under our present name since March 2003. Our clinic provides free examinations, free laboratory and limited x-rays and dispenses medications free of charge. Currently we are treating one hundred patients per week in our office at 132 Seymour. We have a staff of 58 volunteers, doctors, nurses and administrative personnel. Only one member of the staff is paid and that is our office manager. Currently we see patients 22 hours per week.

We continue to exist because of the generosity of the foundations of Jackson, however we need other funding sources and feel a once a year raffle will put us in a more secure fiscal condition and allow us to purchase additional equipment to better serve our patients. Therefore we respectfully request your approval of our application to the state of Michigan Lottery Division.

Enclosed with this letter is the application, 'Local Governing Body Resolution for Charitable Gaming Licenses', a copy of our 501©3 approval and a list of our current board members.

Please feel free to visit the clinic during any of our regularly scheduled hours.

Respectfully,



James A. O'Connor, DO
Medical Director

St. Luke's Clinic

132 Seymour Avenue • P.O. Box 4123 • Jackson, Michigan 49204
(517) 783-1117

Board of Directors, Officers:

Brian Stormont, board president, pharmaceutical representative

Jan Van Buren MSN, board vice-president, vice-president Great Lake Home Health

Margaret Acker MSN, board treasurer, CEO Blake Woods Surgical Center

Jennifer Kelly JD, board secretary, partner Kelly, Kelly and Kelly Law Firm

Board members:

Peter Kofflin, broker, Smith Barney Co.

Bernard Levy, past-president Industrial Steel Treating Co.

James O'Connor DO, medical director St. Luke's Clinic

Tony Pascarella, counselor, State Prison Southern Michigan

Michael Stock, pharmaceutical representative

Drs. James and Nancy Taylor DO, family practice, Jackson, MI.

Alex Weishaupt, CEO, Sparkless Tools

Father James Shaver, pastor St. John's Catholic Church, Jackson, MI.

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

DEPARTMENT OF THE TREASURY

Date: **JAN 31 2007**

Employer Identification Number:
32-0038675

DLN:
17053357720046

ST LUKES CLINIC INC
PO BOX 4123 124 N ELM AVE
JACKSON, MI 49204-4123

Contact Person:
GREGORY K OLWINE ID# 31382

Contact Telephone Number:
(877) 829-5500

Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated December 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)



161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4160 — Facsimile: (517) 788-4639

DATE: September 17, 2008
TO: William R. Ross, City Manager
FROM: Jon H. Dowling, P.E., City Engineer
RE: MDOT Signal Resolution for Approval

Attached is a resolution to enter into a cost agreement with the Michigan Department of Transportation for the existing traffic signal which is at the following location:

LOCATION:	YEAR INSTALLED:	COST SPLIT: (MDOT/CITY)
M-50 (Main) @M-124 (Wamplers Lake) (Brooklyn)	2006	100/0

MDOT has prepared a Cost Agreement and is requesting Council approval with signatures on the Cost Agreements. This agreement is for the above stated split for the maintenance at this intersection.

With your concurrence, I am requesting approval of the cost agreements with the Michigan Department of Transportation be placed on the Council agenda, and the Mayor and the City Clerk be authorized to sign the appropriate contract documents.

JD:tjs

c: Lynn Fessel, City Clerk
Randy McMunn, P.E., Assistant City Engineer

RESOLUTION

By the City Council:

WHEREAS, the Michigan Department of Transportation (MDOT) has installed the following signal:

LOCATION:	YEAR INSTALLED:	COST SPLIT: (MDOT/CITY)
M-50 (Main)@M-124 (Wamplers Lake) (Brooklyn)	2006	100/0

and

WHEREAS, Michigan Department of Transportation has prepared a Cost Agreement;
and

WHEREAS, the City of Jackson is performing maintenance work on this traffic signal;
and

WHEREAS, the cost of maintenance work will be the responsibility of the Michigan Department of Transportation and the Village of Brooklyn.

NOW THEREFORE BE IT RESOLVED, that the City of Jackson accepts the cost agreement between the Michigan Department of Transportation and the City; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk be authorized to sign the cost agreements for traffic signal control as prepared by Michigan Department of Transportation.

* * * *

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 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk



Department of Community Development

161 W. Michigan Avenue • Jackson, MI 49201-1303•
Facsimile (517) 768-5832

Administrative Services
(517) 788-4060

Building Inspection
(517) 788-4012

Financial Services
(517) 788-4058

Rehabilitation Services & Information
(517) 788-4070

DATE: September 17, 2008

TO: William R. Ross, City Manager

FROM: Carol Konieczki, Community Development Director

SUBJECT: **Request for 1) authorization for the Mayor to execute a Brownfield Cooperative Agreement with the U. S. EPA for \$1,000,000, and 2) authorization for the City Attorney to make minor modification to the agreement, if necessary, for finalization**

The City of Jackson has been awarded a \$1,000,000 U. S. Environmental Protection Agency (EPA) Revolving Loan Fund Grant. According to EPA requirements, staff has completed a Work Plan, which received EPA approval, and which resulted in the finalization of the attached Cooperative Agreement authorizing funding of the program.

Pursuant to our application and the Agreement, this grant will be utilized to cover the costs of cleanup activities. The JBRA will use approximately \$900,000 of the grant funds to capitalize a revolving loan fund, of which the City of Jackson and/or private/public developers will be borrowers. The JBRA's cost share of 20% will be provided through private or non-federal funds such as state cleanup grant/loans, local cleanup grants from the Brownfield Redevelopment Authority's local site remediation revolving funds, general operating budget funds, eligible CDBG funds, tax increment financing, and/or through in-kind contribution of staff time. The JBRA will not award any sub-grants. Funds will only be used to clean up property that meets all of the site selection criteria. Using all of the funds for low or no-interest loans will promote the long-term availability of funds. The JBRA will use the funds to address sites contaminated by hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum).

Once the Agreement has been signed and paperwork has been completed, staff will prepare a Request for Qualifications and Proposals (RFQP) to solicit environmental consultants to assist with the administration of the grant, cleanup activities as well as other components of the grant as necessary. The grant period is October 1, 2008 through September 30, 2013.

At this time, we are requesting City Council action as follows: 1) authorization for the Mayor to execute a Brownfield Cooperative Agreement with the US EPA for \$1,000,000, and 2) authorization for the City Attorney to make minor modification to the agreement, if necessary, for finalization.

Please place this item on the September 23, 2008 agenda for City Council consideration.

CLK

cc: Julius Giglio, City Attorney
Philip Hones, Director of Finance



**RESOLUTION
CITY OF JACKSON, MICHIGAN**

**RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A GRANT AGREEMENT FOR
A BROWNFIELD COOPERATIVE AGREEMENT WITH THE U.S. EPA FOR \$1,000,000**

WHEREAS, on October 12, 2007, the City of Jackson submitted an application for a U.S. EPA Revolving Loan Fund Grant for \$1,000,000, and

WHEREAS, the U.S. EPA awarded funding of the grant application, and

WHEREAS, the City intends to utilize this grant to cover the cost of cleanup activities for environmentally contaminated properties pursuant to the cooperative agreement provisions, and

WHEREAS, the EPA has issued a Cooperative Agreement with the City of Jackson to award the funding,

NOW THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Mayor to execute the Brownfield Cooperative Agreement with the U.S. EPA for \$1,000,000.

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 23th day of September, 2008.

IN WITNESS WHEREOF, I have
hereto affixed my signature and the Seal of the
City of Jackson, Michigan, on this 23th day of
September, 2008

Lynn Fessel City Clerk



**U. S. ENVIRONMENTAL PROTECTION AGENCY
ASSISTANCE AGREEMENT NOTICE**

RECIPIENT NAME AND ADDRESS:

City of Jackson
ATTN.: Deborah Stuart, Project Manager
161 West Michigan Avenue
Jackson, Michigan 4920114

SEP - 8 2008

Assistance #BL00E640-01-0

<input checked="" type="checkbox"/>	Notice of Award/Assistance Agreement	<input type="checkbox"/>	Assistance Amendment
		<input type="checkbox"/>	Increase
		<input type="checkbox"/>	Decrease
		<input type="checkbox"/>	Time Extension
		<input type="checkbox"/>	Administrative Changes

Enclosed are two copies of an Assistance Agreement from the U.S. Environmental Protection Agency.

To provide your affirmation of this award, please carefully review the entire document, terms and conditions, and any applicable regulations. Please sign¹ and date the Affirmation of Award section on the first page and return one original copy to the following address within 21 days² of your receipt of the Assistance Agreement:

U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION 5
ASSISTANCE SECTION
77 WEST JACKSON BOULEVARD, MC-10J
CHICAGO, ILLINOIS 60604

ATTN: KAREN SYKES, EPA Grant Specialist

The other original should be retained for your official records and copies distributed within your organization as needed. Please note that funds will not be available for drawdown until we receive your countersigned affirmation of this award. If the Notice of Award includes any terms and conditions requiring signed certifications or assurances, you must return them with the signed agreement.

Please reference the EPA Assistance Number on all future correspondence regarding this Assistance Agreement. If you have any questions, you may contact the Project Officer (programmatic concerns) or the Grant Specialist (administrative concerns), as identified on page one of the Assistance Agreement.

¹ MUST be signed by the authorized representative as shown on the Assistance Agreement signature block or by a formally authorized delegate.

² Failure to countersign and return within (21) days of receipt may result in withdrawal of this agreement.

**U.S. Environmental Protection Agency
Region 5
Assistance Section**

	U.S. ENVIRONMENTAL PROTECTION AGENCY Cooperative Agreement	ASSISTANCE ID NO.			DATE OF AWARD 08/27/2008	
		PRG	DOC ID	AMEND#		
		BL - 00E64001 - 0				
		TYPE OF ACTION New				MAILING DATE 09/03/2008
PAYMENT METHOD: ASAP				ACH# 50071		
RECIPIENT TYPE: Municipal		Send Payment Request to: Las Vegas Finance Center				
RECIPIENT:		PAYEE:				
City of Jackson 161 W. Michigan Jackson, MI 49201 EIN: 38-6004701		City of Jackson 161 W. Michigan Jackson, MI 49201				
PROJECT MANAGER		EPA PROJECT OFFICER		EPA GRANT SPECIALIST		
Deborah Suzanne Stuart 161 W. Michigan Jackson, MI 49201 E-Mail: dstuart@cityofjackson.org Phone: (517) 768-6433		Michael Gifford 77 West Jackson Blvd., SE-4J Chicago, IL 60604-3507 E-Mail: Gifford.Michael@epa.gov Phone: 312-886-7257		Karen Sykes Assistance Section, MC-10J E-Mail: sykes.karen@epamail.epa.gov Phone: (312) 886-7571		
PROJECT TITLE AND DESCRIPTION						
City of Jackson The recipient will capitalize a brownfield revolving loan fund (RLF) for the purpose of making loans to eligible entities for cleanup of hazardous substances and petroleum compounds at eligible brownfield sites to support revitalization and the beneficial reuse of these sites. Work will be conducted at sites within the municipal boundaries of the City. Tasks will include: 1) establishing and marketing the RLF; 2) processing and executing loans; 3) loan management and other programmatic activities; and 4) cleanup oversight.						
BUDGET PERIOD 10/01/2008 - 09/30/2013		PROJECT PERIOD 10/01/2008 - 09/30/2013		TOTAL BUDGET PERIOD COST \$1,200,000.00		
				TOTAL PROJECT PERIOD COST \$1,200,000.00		
NOTICE OF AWARD						
Based on your application dated 05/29/2008, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$1,000,000. EPA agrees to cost-share 83.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$1,000,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.						
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE			
ORGANIZATION / ADDRESS			ORGANIZATION / ADDRESS			
U.S. EPA Region 5 Mail Code MCG10J 77 West Jackson Blvd. Chicago, IL 60604-3507			U.S. EPA, Region 5 Superfund Division 77 West Jackson Blvd., S-6J Chicago, IL 60604-3507			
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY						
SIGNATURE OF AWARD OFFICIAL Digital signature applied by EPA Award Official		TYPED NAME AND TITLE Walter W. Kovalick, Jr., Ph.D., Assistant Regional Administrator for Resources Management			DATE 08/27/2008	
AFFIRMATION OF AWARD						
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION						
SIGNATURE		TYPED NAME AND TITLE Jerry F. Ludwig, Mayor			DATE	

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 1,000,000	\$ 1,000,000
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$ 0
Other Federal Funds	\$	\$	\$ 0
Recipient Contribution	\$	\$ 200,000	\$ 200,000
State Contribution	\$	\$	\$ 0
Local Contribution	\$	\$	\$ 0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$ 0	\$ 1,200,000	\$ 1,200,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.818 - Brownfields Assessment and Cleanup Cooperative Agreements	CERCLA: Sec. 104	40 CFR PART 31

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
RLF ASSMT	0805STX054	08	E4	05F3AG7	402D79E	4114	G5AUOL00		600,000
RLF-PETRO	0805STX054	08	E4	05F3AG7	402D79EBP	4114	G5AUOS00		400,000
									1,000,000

Budget Summary Page

Table A - Object Class Category (Non-construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$66,000
2. Fringe Benefits	\$0
3. Travel	\$6,000
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$58,000
7. Construction	\$1,066,000
8. Other	\$4,000
9. Total Direct Charges	\$1,200,000
10. Indirect Costs: % Base	\$0
11. Total (Share: Recipient <u>17.00</u> % Federal <u>83.00</u> %.)	\$1,200,000
12. Total Approved Assistance Amount	\$1,000,000
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$1,000,000
15. Total EPA Amount Awarded To Date	\$1,000,000

Administrative Conditions

1. CONSULTANT CAP

Payment to consultants. EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule (formerly GS-18), to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. As of January 1, 2008, the limit is \$571.12 per day and \$71.39 per hour. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

Subagreements with firms for services which are awarded using the procurement requirements in 40 CFR 30 or 31, as applicable, are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See 40 CFR 31.36(j) or 30.27(b).

2. COPYRIGHTED MATERIAL

In accordance with 40 CFR 31.34 for State, local and Indian Tribal governments or 40 CFR 30.36 for other recipients, EPA has the right to reproduce, publish, use, and authorize others to use copyrighted works or other data developed under this assistance agreement for Federal purposes.

Examples of a Federal purpose include but are not limited to: (1) Use by EPA and other Federal employees for official Government purposes; (2) Use by Federal contractors performing specific tasks for the Government; (3) Publication in EPA documents provided the document does not disclose trade secrets (e.g. software codes) and the work is properly attributed to the recipient through citation or otherwise; (4) Reproduction of documents for inclusion in Federal depositories; (5) Use by State, tribal and local governments that carry out delegated Federal environmental programs as "co-regulators" or act as official partners with EPA to carry out a national environmental program within their jurisdiction and; (6) Limited use by other grantees to carry out Federal grants provided the use is consistent with the terms of EPA's authorization to the other grantee to use the copyrighted works or other data.

Under Item 6, the grantee acknowledges that EPA may authorize another grantee(s) to use the copyrighted works or other data developed under this grant as a result of:

- a. the selection of another grantee by EPA to perform a project that will involve the use of the copyrighted works or other data or;
- b. termination or expiration of this agreement.

In addition, EPA may authorize another grantee to use copyrighted works or other data developed with Agency funds provided under this grant to perform another grant when such use promotes efficient and effective use of Federal grant funds.

3. UTILIZATION OF SMALL, MINORITY AND WOMEN'S BUSINESS ENTERPRISES

CLEAN WATER STATE REVOLVING LOAN FUND - DRINKING WATER STATE REVOLVING LOAN FUND - BROWNFIELD REVOLVING LOAN FUND RECIPIENTS

GENERAL COMPLIANCE, 40 CFR, Part 33

The recipient agrees to comply with the requirements of EPA's Program for Utilization of Small, Minority and Women's Business Enterprises (MBE/WBE) in procurement under assistance agreements, contained in 40 CFR, Part 33.

FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

A recipient must negotiate with the appropriate EPA award official, or his/her designee, fair share objectives for MBE and WBE participation in procurement under the financial assistance agreements.

Accepting the Fair Share Objectives/Goals of Another Recipient

The dollar amount of this assistance agreement, or the total dollar amount of all of the recipient's financial assistance agreements in the current federal fiscal year from EPA is \$250,000, or more. The recipient accepts the applicable MBE/WBE fair share objectives/goals negotiated with EPA

by the Michigan Department of Environmental Quality as follows:

MBE: 3%

WBE: 5%

By signing this financial assistance agreement, the recipient is accepting the fair share objectives/goals stated above and attests to the fact that it is purchasing the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as Michigan Department of Environmental Quality.

Negotiating Fair Share Objectives/Goals, 40 CFR, Section 33.404

The recipient has the option to negotiate its own MBE/WBE fair share objectives/goals. If the recipient wishes to negotiate its own MBE/WBE fair share objectives/goals, the recipient agrees to submit proposed MBE/WBE objectives/goals based on an availability analysis, or disparity study, of qualified MBEs and WBEs in their relevant geographic buying market for construction, services, supplies and equipment.

The submission of proposed fair share goals with the supporting analysis or disparity study means that the recipient is **not** accepting the fair share objectives/goals of another recipient. The recipient agrees to submit proposed fair share objectives/goals, together with the supporting availability analysis or disparity study, to the Regional MBE/WBE Coordinator within 120 days of its acceptance of the financial assistance award. EPA will respond to the proposed fair share objective/goals within 30 days of receiving the submission. If proposed fair share objective/goals are not received within the 120 day time frame, the recipient may not expend its EPA funds for procurements until the proposed fair share objective/goals are submitted.

Objective/Goals of Loan Recipients

As a recipient of an EPA financial assistance agreement to capitalize revolving loan funds, the recipient agrees to either apply its own fair share objectives negotiated with EPA to identified loans using a substantially similar relevant geographic market, or negotiate separate fair share objectives with its identified loan recipients. These separate objectives/goals must be based on demonstrable evidence of the availability of MBEs and WBEs in accordance with 40 CFR, Part 33, Subpart D.

The recipient agrees that if procurements will occur over more than one year, the recipient may choose to apply the fair share objective in place either for the year in which the identified loan is awarded or for the year in which the procurement action occurs. The recipient must specify this choice in the financial assistance agreement, or incorporate it by reference therein.

SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to 40 CFR, Section 33.301, the recipient agrees to make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply. Records documenting compliance with the six good faith efforts shall be retained:

(a) Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local and Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

(b) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

(c) Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

(d) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

(e) Use the services and assistance of the SBA and the Minority Business Development Agency of the Department of Commerce.

(f) If the prime contractor awards subcontracts, require the prime contractor to take the steps in paragraphs (a) through (e) of this section.

MBE/WBE REPORTING, 40 CFR, Part 33, Sections 33.502 and 33.503

The recipient agrees to complete and submit EPA Form 5700-52A, "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" beginning with the Federal fiscal year reporting period the recipient receives the award and continuing until the project is completed. **Only procurements with certified MBE/WBEs are counted toward a recipient's MBE/WBE accomplishments.** The reporting period is **semiannual**, with reporting periods ending March 31st and September 30th. The reports must be submitted within 30 days of the end of the semiannual reporting periods, **April 30th and October 30th.**

Recipients of financial assistance agreements that capitalize revolving loan programs agree to require entities receiving identified loans to submit their MBE/WBE participation reports on a semiannual basis to the financial assistance agreement recipient, rather than to EPA.

Reports should be sent to:

**Adrienne M. Callahan, Region 5 MBE/WBE Coordinator
USEPA, Acquisition and Assistance Branch
77 West Jackson Boulevard (MC-10J)
Chicago, IL 60604**

Final MBE/WBE reports must be submitted within 90 days after the project period of the grant ends. Your grant cannot be officially closed without all MBE/WBE reports.

EPA Form 5700-52A may be obtained from the EPA Office of Small Business Program's Home Page on the Internet at www.epa.gov/osbp.

CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

The recipient agrees to comply with the contract administration provisions of 40 CFR, Section 33.302. The recipient also agrees to ensure that recipients of identified loans also comply with provisions of 40 CFR, Section 33.302.

BIDDERS LIST, 40 CFR, Section 33.501(b) and (c)

Recipients of a Continuing Environmental Program Grant or other annual reporting grant, agree to create and maintain a bidders list. Recipients of an EPA financial assistance agreement to capitalize a revolving loan fund also agree to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions.

4. DRUG-FREE WORKPLACE CERTIFICATION FOR ALL EPA RECIPIENTS

The recipient organization of this EPA assistance agreement must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title 40 CFR 36.200 - 36.230. Additionally, in accordance with these regulations, the recipient organization must identify all known workplaces under its federal awards, and keep this information on file during the performance of the award.

Those recipients who are individuals must comply with the drug-free provisions set forth in Title 40 CFR 36.300.

The consequences for violating this condition are detailed under Title 40 CFR 36.510. Recipients can access the Code of Federal Regulations (CFR) Title 40 Part 36 at http://www.access.gpo.gov/nara/cfr/waisidx_06/40cfr36_06.html.

5. FEDERAL CASH TRANSACTION REPORT

The SF272 report is due within 15 working days following December 31 of any given calendar year. This form must be submitted to: *U.S. EPA, LVFC, P.O. Box 98515, Las Vegas, NV 89193-8515*. For more information contact: Richard Sherburne, LVFC at 702-798-2494.

6. HOTEL-MOTEL FIRE SAFETY

Pursuant to 40 CFR 30.18, if applicable, and 15 USC 2225a, the recipient agrees to ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if a property is in compliance (FEMA ID is currently not required), or to find other information about the Act.

7. LOBBYING AND LITIGATION - ALL RECIPIENTS

The chief executive officer of this recipient agency shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. The recipient shall abide by its respective OMB Circular (A-21, A-87, or A-122), which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.

8. MANAGEMENT FEES

Management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

9. MULTI-YEAR GRANT - INTERIM FINANCIAL STATUS REPORTS

An interim Financial Status Report - also called the SF269 - must be submitted annually within 90 days following the end of each 12-month period. All interim FSRs must be submitted to the EPA Grants Specialist as identified on page one of this Assistance Agreement.

10. RECYCLED PAPER - PART 31 RECIPIENTS - STATE, TRIBES & LOCAL GOVERNMENTS

In accordance with the policies set forth in EPA Order 1000.25 and Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management (January 24, 2007), the recipient agrees to use recycled paper and double sided printing for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA, or to Standard Forms, which are printed on recycled paper and are available through the General Services Administration.

11. RECYCLED PRODUCTS - STATE AGENCIES AND POLITICAL SUBDIVISIONS

Any State agency or agency of a political subdivision of a State which is using appropriated Federal funds shall comply with the requirements set forth in Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

12. REIMBURSEMENT LIMITATION

EPA's financial obligations to the recipient are limited by the amount of federal funding awarded to date as shown on line 15 in its EPA approved budget. If the recipient incurs costs in anticipation of receiving

additional funds from EPA, it does so at its own risk.

13. STATUTORY LIMITATION - COST SHARE [PART 30 & 31 RECIPIENTS]

This award and the resulting ratio of funding is based on estimated costs requested in the application. EPA participation in the final total allowable program/project costs (outlays) shall not exceed the statutory limitation of 83% of total allowable program/project costs or the total funds awarded, whichever is lower.

14. SUBAWARDS

- a. The recipient agrees to:
 - (1) Establish all subaward agreements in writing;
 - (2) Maintain primary responsibility for ensuring successful completion of the EPA-approved project (this responsibility cannot be delegated or transferred to a subrecipient);
 - (3) Ensure that any subawards comply with the standards in Section 210(a)-(d) of OMB Circular A-133 and are not used to acquire commercial goods or services for the recipient;
 - (4) Ensure that any subawards are awarded to eligible subrecipients and that proposed subaward costs are necessary, reasonable, and allocable;
 - (5) Ensure that any subawards to 501(c)(4) organizations do not involve lobbying activities;
 - (6) Monitor the performance of their recipients and ensure that they comply with all applicable regulations, statutes, and terms and conditions which flow down in the subaward;
 - (7) Obtain EPA's consent before making a subaward to a foreign or international organization, or a subaward to be performed in a foreign country; and
 - (8) Obtain approval from EPA for any new subaward work that is not outlined in the approved work plan in accordance with 40 CFR Parts 30.25 and 31.30, as applicable.
- b. Any questions about subrecipient eligibility or other issues pertaining to subawards should be addressed to the recipient's EPA Project Officer. Additional information regarding subawards may be found at <http://www.epa.gov/ogd/guide/subaward-policy-part-2.pdf>. Guidance for distinguishing between vendor and subrecipient relationships and ensuring compliance with Section 210(a)-(d) of OMB Circular A-133 can be found at <http://www.epa.gov/ogd/guide/subawards-appendix-b.pdf> and <http://www.whitehouse.gov/omb/circulars/a133/a133.html>.
- c. The recipient is responsible for selecting its subrecipients and, if applicable, for conducting subaward competitions.

15. SUSPENSION & DEBARMENT: 2 CFR PART 1532

Recipient shall fully comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons)." Recipient is responsible for ensuring that any lower tier covered transaction as described in Subpart B of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Recipient acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

Recipient may access the Excluded Parties List System at www.epls.gov. This term and condition supersedes EPA Form 5700-49, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters."

16. TRAFFICKING VICTIMS OF 2000 - PART 31 RECIPIENTS

To implement requirements of Section 106 of the Trafficking Victims Protection Act of 2000, as amended, the following provisions apply to this award:

- a. We, as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity: (1) is determined to have violated an applicable prohibition in the Prohibition Statement below; or (2) has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in the Prohibition Statement below through conduct that is either: (a) associated with performance under this award; or (b) imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 1532. You must inform us immediately of any information you receive from any source alleging a violation of a

prohibition in the Prohibition Statement below.

b. Our right to terminate unilaterally that is described in paragraph a of this award term: (1) implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and (2) is in addition to all other remedies for noncompliance that are available to us under this award.

c. You must include the requirements of the Prohibition Statement below in any subaward you make to a private entity.

Prohibition Statement - You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award or subawards under the award.

17. UNLIQUIDATED OBLIGATIONS - PART 31 RECIPIENTS

Submission of Financial Status Report

Pursuant to 40 CFR 31.41(b) and 31.50(b), EPA recipients shall submit a final Financial Status Report - also called the SF269 - to EPA's Las Vegas Finance Center (LVFC), within ninety (90) days after the expiration of the budget period end date. **Completed SF269s must be faxed to 702-798-2423 or mailed to the following address: USEPA LVFC, P.O. Box 98515, Las Vegas, NV 89193-8515.** The LVFC will make adjustments, as necessary, to obligated funds after reviewing and accepting a final Financial Status Report. Recipients will be notified and instructed by EPA if they must complete any additional forms for the closeout of the assistance agreement.

EPA may take enforcement actions in accordance with 40 CFR 31.43 if the recipient does not comply with this term and condition.

Programmatic Conditions

NATIONAL HISTORIC PRESERVATION ACT

Prior to conducting or engaging in any on-site activity with the potential to impact historic properties (such as invasive sampling or cleanup), the grantee shall consult with EPA regarding potential applicability of the National Historic Preservation Act and, if applicable shall assist EPA in complying with any requirements of the Act and implementing regulations.

ENVIRONMENTAL RESULTS - RECIPIENT PERFORMANCE REPORTING

Recipients subject to 40 C.F.R. Part 31 (other than recipients of State or Tribal Program grants under 40 C.F.R. Parts 35 Subparts A or B)

Performance Reports:

In accordance with 40 C.F.R. §31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement workplan for the period; 2) the reasons for slippage if established outputs/outcomes were not met; and 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.

In accordance with 40 C.F.R. § 31.40 (d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

Revolving Loan Fund (RLF) Model Terms and Conditions

I. GENERAL FEDERAL REQUIREMENTS

A. Federal Policy and Guidance

1. Cooperative Agreement Recipients:

a. In implementing this agreement, the cooperative agreement recipient (CAR) shall comply with and require that work done by borrowers and subgrant recipients with cooperative agreement funds comply with the requirements of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) 104(k). The CAR will ensure that cleanup activities supported with cooperative agreement funding comply with all applicable Federal and State laws and regulations. The CAR will ensure cleanups are protective of human health and the environment.

b. The CAR must consider whether it is required to have borrowers or subgrant recipients conduct cleanups under a State or Tribal response program. If the CAR chooses not to require borrowers and subgrant recipients to participate in a State or Tribal response program, then the CAR is required to consult with the Environmental Protection Agency (EPA) on each loan or subgrant to ensure the proposed cleanup is protective of human health and environment.

c. If the State or Tribe does not have a promulgated Response Program, then the CAR is required to consult with the Environmental Protection Agency (EPA) to ensure protectiveness of human health and environment.

2. Borrowers and Subgrant recipients:

a. A term and condition or other legally binding provision shall be included in all loans and subgrants entered into with the funds under this agreement, or when funds awarded under this agreement are used in combination with non-Federal sources of funds, to ensure that borrowers and subgrant recipients comply with all applicable Federal and State laws and requirements. In addition to CERCLA 104(k), Federal applicable laws and requirements include: 40 CFR 31 and OMB Circular A-87 for governmental recipients of subgrants or 40 CFR 30 and OMB Circular A-122 for non-profit recipients of subgrants and 40 CFR 30 and OMB Circular A-21 for educational institutions recipients of subgrants.

b. CERCLA 104(g) requires that borrowers and subgrantees comply with the prevailing wage rate requirements under the Davis-Bacon Act of 1931 for construction, repair or alteration contracts "funded in whole or in part" with funds provided under this agreement. The CAR must ensure that the borrower or subgrantee obtains recent and applicable wage rates from the U.S. Department of Labor and incorporate them into the construction, alteration or repair contract.

c. The recipient agrees to comply with Executive Order 13202 (Feb. 22, 2001, 66 Fed. Reg. 11225) of February 17, 2001, entitled "Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally-funded Construction Projects," as amended by Executive Order 13208 (April 11, 2001, 66 Fed. Reg. 18717) of April 6, 2001, entitled "Amendment to Executive Order 13202, Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects.

d. Federal cross-cutting requirements including, but not limited to, MBE/WBE requirements found at 40 CFR 31.36(e) or 40 CFR 30.44(b); OSHA Worker Health & Safety Standard 29 CFR 1910.120; the Uniform Relocation Act; National Historic Preservation Act; Endangered Species Act; and Permits required by Section 404 of the Clean Water Act; Executive Order 11246, Equal Employment Opportunity, and implementing regulations at 41 CFR 60-4; Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333) the Anti Kickback Act (40 USC 276c) and Section 504 of the Rehabilitation Act of 1973 as implemented by Executive Orders 11914 and 11250.

B. Eligible Brownfield Site Determinations

1. The CAR must provide information to EPA about site-specific work prior to incurring any costs under this cooperative agreement for sites that have not already been pre-approved in the CAR's workplan by the EPA. The information that must be provided includes whether or not the site meets the definition of a brownfield site as defined in § 101(39) of CERCLA, the identity of the owner, and the date of acquisition.

2. If the site is excluded from the general definition of a brownfield site, but is eligible for a property-specific funding determination, then the CAR must provide information sufficient for EPA to make a property-specific funding determination. The CAR must provide sufficient information on how financial assistance will protect human health and the environment, and either promote economic development or

enable the creation of, preservation of, or addition to parks, greenways, undeveloped property, other recreational property, or other property used for nonprofit purposes. The CAR must not incur costs for cleaning up sites requiring a property-specific funding determination by EPA until the EPA Project Officer has advised the CAR that the Agency has determined that the property is eligible.

3. For any petroleum-contaminated brownfield site that is not included in the CAR's EPA approved workplan, the CAR shall provide sufficient documentation to the EPA prior to incurring costs under this cooperative agreement which includes (see the latest version of EPA's *Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants* for discussion of this element):

- a. that a State has determined that the petroleum site is of relatively low risk, as compared to other petroleum sites in the State;
- b. that the State determines there is "no viable responsible party" for the site;
- c. that the State determines that the person assessing, investigating, or cleaning up the site is a person who is not potentially liable for cleaning up the site; and
- d. that the site is not subject to any order issued under section 9003(h) of the Solid Waste Disposal Act.

This documentation must be prepared by the CAR or the State following contact and discussion with the appropriate petroleum program official.

4. Documentation must include the identity of the State program official contacted, the State official's telephone number, the date of the contact, and a summary of the discussion to reach each determination that the site is of relatively low risk, that there is no viable responsible party and that the person assessing, investigating, or cleaning up the site is a person who is not potentially liable for cleaning up the site. Other documentation provided by a State to the recipient relevant to any of the determinations by the State must also be provided to the EPA Project Officer.

5. If the State chooses not to make the determinations described in 3.a. above, the CAR must contact the EPA Project Officer and provide the information necessary for EPA to make the requisite determinations.

6. EPA must also make all determinations on the eligibility of petroleum contaminated brownfield sites located on Indian tribal lands. Prior to incurring costs for these sites, the CAR must contact EPA Project Officer and provide the information necessary for EPA to make the determinations described in 3.

II. GENERAL COOPERATIVE AGREEMENT ADMINISTRATIVE REQUIREMENTS

A. Term of the Agreement

1. The term of an RLF agreement is five years, unless otherwise extended by EPA at the CAR's request.
2. If after 3 years, EPA determines that the recipient has not made sufficient progress in implementing its RLF, the EPA may terminate the agreement. Sufficient progress is indicated by the grantee having made at least one loan or subgrant.

B. Substantial Involvement

1. The U.S. EPA may be substantially involved in overseeing and monitoring this cooperative agreement.
 - a. Substantial involvement by the U.S. EPA generally includes administrative activities such as: monitoring; review and approval of procedures for loan and subgrant recipient selection; review of project phases; and approval of substantive terms included in professional services contracts.
 - b. Substantial EPA involvement also includes brownfield property-specific funding determinations described in I. B.1. under *EPA and/or State Approvals of Brownfield Sites* above. The CAR may also request technical assistance from EPA on which sites qualify as a brownfield site and when determining whether the statutory prohibition found in section 104(k)(4)(B)(i)(IV) of CERCLA applies. Generally, this prohibition prohibits a grant or loan recipient from using grant funds to cleanup a site if the recipient is potentially liable under §107 of CERCLA for that site.

- c. Substantial EPA involvement may include reviewing financial and environmental status reports; and monitoring all reporting, record-keeping, and other program requirements.
- d. Substantial EPA involvement may include the review of the substantive terms of RLF loans and cleanup subgrants.
- e. EPA may waive any of the provisions in term and condition II. B.1, with the exception of property-specific funding determinations. EPA will provide waivers in writing.

2. Effect of EPA's substantial involvement includes:

- a. EPA's review of any project phase, document, or cost incurred under this cooperative agreement will not have any effect upon CERCLA §128 *Eligible Response Site* determinations or for rights, authorities, and actions under CERCLA or any Federal statute.
- b. The CAR remains responsible for ensuring that all cleanups are protective of human health and the environment and comply with all applicable Federal and State laws.
- c. The CAR remains responsible for ensuring costs are allowable under applicable OMB Circulars.

C. Cooperative Agreement Recipient Roles and Responsibilities

- 1. The CAR must acquire the services of a qualified environmental professional(s) to coordinate, direct, and oversee the brownfield cleanup activities at a particular site, if they do not have such a professional on staff.
 - a. The CAR shall act as or appoint a qualified "fund manager" to carry out responsibilities that relate to financial management of the loan and/or subgrant program. However, the CAR remains accountable to EPA for the proper expenditure of cooperative agreement funds. Any funding arrangements between the CAR and the fund manager for services performed must be consistent with 40 CFR Part 31.
 - b. The CAR is responsible for ensuring that borrowers and subgrant recipients comply with the terms of their agreements with the CAR, and that agreements between the CAR and borrowers and subgrant recipients are consistent with the terms and conditions of this agreement.

D. Quarterly Progress Reports

- 1. The CAR must submit progress reports on a quarterly basis (30 days after the end of each Federal fiscal quarter) to the EPA Project Officer. The progress reports must document incremental progress at achieving the project goals and milestones. Quarterly progress reports must include:
 - a. Documentation of: progress at meeting performance outcomes/outputs; project narrative; project time line, and an explanation for any slippage in meeting established outputs/outcomes.
 - b. An update on project milestones.
 - c. A budget recap summary page with the following headings: Current Approved Budget; Costs Incurred this Quarter; Costs Incurred to Date; and Total Remaining Funds.
 - d. If applicable, quarterly reports must specify costs incurred at petroleum-only brownfield sites.
 - e. *Recipient quarterly reports must clearly identify which activities performed during the reporting period were undertaken with EPA funds, and will relate EPA-funded activities to the objectives and milestones agreed upon in the workplan including a list of sites where cleanup (either through loans or subgrants) activities were completed. Absent a Property Profile Form and consistent with the workplan for this agreement, activities undertaken with EPA funds to be included in quarterly performance and financial reporting may include:*

- 1. Acres per property(ies)
- 2. Cleanup started/completed
- 3. Types of contaminants cleaned up
- 4. Acres of greenspace created
- 5. Engineering/institutional controls required, type, and if they are in place

6. *Redevelopment underway*
7. *Number/value of loans made*
8. *Number/value of subgrants made*
9. *Funds leveraged*
10. *Jobs leveraged*
11. *Health monitoring studies, insurance, and/or institutional controls funded*

2. The CAR must maintain records that will enable it to report to EPA on the amount of funds expended by the CAR, borrowers or subgrant recipients at petroleum sites.

3. The CAR must complete and submit relevant portions of the Property Profile Form reporting the signing of a loan or subgrant, the initiation of cleanup activities, the completion of cleanup activities and other relevant project milestones, e.g., concerning institutional controls, contaminants, and reuse. The CAR must submit the updated Property Profile Form reflecting such events within 30 days after the end of the Federal fiscal quarter in which the event occurred. The CAR may be provided access to an on line reporting system, the Assessment, Cleanup and Redevelopment Exchange System, by the EPA Project Officer to perform their reporting requirements. Alternately, the CAR may complete a hard copy version of the Property Profile Form available from their EPA Project Officer or on line at:
<http://www.epa.gov/brownfields/pubs/rptforms.htm>

4. In accordance with 40 C.F.R. § 31.40 (d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement workplan.

III. FINANCIAL ADMINISTRATION REQUIREMENTS

A. *Cost Share Requirement*

1. CERCLA §104(k)(9)(B)(iii) requires the recipient of this cooperative agreement to pay a cost share (which may be in the form of a contribution of money, labor, material, or services from a non-federal source) of at least 20 percent (i.e., 20 percent of the total federal funds awarded). The cost share contribution must be for costs that are eligible and allowable under the cooperative agreement and must be supported by adequate documentation.

B. *Eligible Uses of the Funds for the Cooperative Agreement Recipient, Borrower, and/or Subgrant Recipients*

1. To the extent allowable under the EPA approved workplan, cooperative agreement funds may be used for eligible programmatic expenses to capitalize the RLF and conduct cleanups.

a. The CAR must maintain records that will enable it to report to EPA on the amount of costs incurred by the CAR, borrowers or subgrant recipients at petroleum-only brownfield sites.

b. At least 60% of the funds must be used by the CAR to provide loans for the cleanup of eligible brownfield sites and for eligible programmatic costs for managing the RLF. Up to 40% can be used for subgrants to clean up eligible brownfield sites under the RLF and for eligible programmatic costs for managing subgrant(s) (note: cleanup subgrants are limited to \$200,000 per site).

c. The CAR may discount loans, also referred to as the practice of forgiving a portion of loan principle. For an individual loan, the amount of principal discounted may be any percentage of the total loan amount up to 30 percent, provided that the total amount of the principal forgiven for that loan shall not exceed \$200,000. For an RLF cooperative agreement budget as a whole, the total dollar amount of principal forgiven through discounted loans plus the amount subgranted shall not exceed a total of 40% of RLF grant funds awarded. The entities eligible for discounted loans are provided below.

d. To determine whether a cleanup subgrant is appropriate, the CAR must consider:

i. The extent the subgrant will facilitate the creation of, preservation of, or addition to a park, greenway, undeveloped property, recreational property, or other property used for nonprofit purposes;

ii. The extent the subgrant will meet the needs of a community that has the inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a

brownfield site is located because of the small population or low income of the community ;

- iii. The extent the subgrant will facilitate the use or reuse of existing infrastructure; and
- iv. The benefit of promoting the long-term availability of funds from a revolving loan fund for brownfield remediation.

The CAR must maintain sufficient records to support and document these determinations.

2. The CAR may use cooperative agreement funds to capitalize a revolving loan fund to be used for loans or subgrants for cleanup and for eligible programmatic expenses. Eligible programmatic expenses may include direct costs for:

- a. Determining whether RLF cleanup activities at a particular site are authorized by CERCLA 104(k);
- b. Ensuring that a RLF cleanup complies with applicable requirements under Federal and State laws, as required by CERCLA 104(k);
- c. Ensuring that public participation requirements are met. This includes developing or funding a community relations plan which will include reasonable notice, opportunity for involvement, and response to comments;
- d. Establishing an administrative record for each site;
- e. Ensuring the adequacy of each RLF cleanup as it is implemented, including overseeing the borrowers and/or subgrantees activities to ensure compliance with applicable Federal and State environmental requirements;
- f. The development of Quality Assurance Project Plans (QAPPs) as required by Part 31 and Part 30 regulations;
- g. Ensuring that the site is secure if a borrower or subgrant recipient is unable or unwilling to complete a brownfield cleanup;
- h. Preparing an analysis of brownfield cleanup alternatives which will include information about the site and contamination issues (i.e., exposure pathways, identification of contaminant sources, etc.); cleanup standards; applicable laws; alternatives considered; and the proposed cleanup. The evaluation of alternatives must include effectiveness, implementability, and the cost of the response proposed. The evaluation will include an analysis of reasonable alternatives including no action ;
- i. For petroleum sites, an analysis of cleanup alternatives would include considering a range of proven cleanup methods including identification of contaminant sources, exposure pathways, and an evaluation of corrective measures;
- j. Using a portion of a loan or subgrant to purchase environmental insurance for the site. The loan or subgrant may not be used to purchase insurance intended to provide coverage for any of the Ineligible Uses under Section D.
- k. Any other eligible programmatic costs including costs incurred by the recipient in making and managing a loan; obtaining financial management services; quarterly reporting to EPA; awarding and managing subgrants to the extent allowable in III. D. 2.; and carrying out outreach pertaining to the loan and subgrant program to potential borrowers and subgrant recipients; and
- l. Subgrantee progress reporting to the CAR is an eligible programmatic cost.

3. No more than 10% of the funds awarded by this agreement may be used by the CAR itself as a programmatic cost for brownfield program development and implementation (including monitoring of health and institutional controls) as described in the EPA approved workplan. The CAR must maintain records on any and all funds used to carry out program development and/or health monitoring and institutional control activities to ensure that no more than 10% of its funds were used in that manner.

4. If the CAR makes a subgrant to a local government that includes an amount (not to exceed 10% of the subgrant) for brownfields program development and implementation, the terms and conditions of that agreement must include a provision that ensures that the local government subgrantee maintains records adequate to ensure compliance with the limits on the amount of subgrant funds that may be expended for this purpose.

C. Ineligible Uses of the Funds for the Cooperative Agreement Recipient, Borrower, and/or Subgrant Recipients

1. Cooperative agreement funds shall not be used by the CAR, borrower and/or subgrant recipient for any of the following activities:

a. Pre-cleanup environmental assessment activities, such as site assessment, identification, and characterization with the exception of site monitoring activities that are reasonable and necessary during the cleanup process, including determination of the effectiveness of a cleanup.

b. Monitoring and data collection necessary to apply for, or comply with, environmental permits under other federal and state laws, unless such a permit is required as a component of the cleanup action.

c. Construction, demolition, and development activities that are not cleanup actions (e.g., marketing of property or construction of a new non-cleanup facility), and addressing public or private drinking water supplies that have deteriorated through ordinary use;

d. Job training unrelated to performing a specific cleanup at a site covered by a loan or subgrant.

e. To pay for a penalty or fine.

f. To pay a federal cost share requirement (for example, a cost-share required by another Federal grant) unless there is specific statutory authority.

g. To pay for a response cost at a brownfield site for which the recipient of the grant or loan is potentially liable under CERCLA §107.

h. To pay a cost of compliance with any federal law, excluding the cost of compliance with laws applicable to the cleanup.

i. Unallowable costs (e.g., lobbying and fund raising) under applicable OMB Circulars.

2. Under CERCLA 104(k)(4)(B), administrative costs are prohibited costs under this agreement. Prohibited administrative costs include all indirect costs under applicable OMB Circulars incurred by the CAR and subgrantees.

a. Ineligible administrative costs include costs incurred in the form of salaries, benefits, contractual costs, supplies, and data processing charges, incurred to comply with most provisions of the *Uniform Administrative Requirements for Grants* contained in 40 CFR Part 30 or 40 CFR part 31. Direct costs for grant and subgrant administration, with the exception of costs specifically identified as eligible programmatic costs, are ineligible even if the grantee or subgrant recipient is required to carry out the activity under the grant agreement. Costs incurred to report quarterly performance to EPA under the grant are eligible.

b. Ineligible grant or subgrant administration costs include direct costs for:

i. Preparation of applications for US EPA Brownfield grants/subgrants;

ii. Record retention required under 40 CFR 30.53 and 40 CFR 31.42;

iii. Record-keeping associated with supplies and equipment purchases required under 40 CFR 30.33, 30.34, and 30.35 and 40 CFR 31.32 and 31.33;

iv. Preparing revisions and changes in the budgets, scopes of work, program plans and other activities required under 40 CFR 30.25 and 40 CFR 31.30;

v. Maintaining and operating financial management systems required under 40 CFR 30 and 40 CFR

31;

- vi. Preparing payment requests and handling payments under 40 CFR 30.22 and 40 CFR 31.21;
- vii. Non-federal audits required under 40 CFR 30.26, 40 CFR 31.26, and OMB Circular A-133; and
- viii. Close out under 40 CFR 30.71 and 40 CFR 31.50.

ix. Borrowers are subject to the CERCLA 104(k)(4)(B) administrative cost prohibition requirements. The CAR must ensure that loan agreements prohibit borrowers and subgrantees from using loans financed with cooperative agreement funds for administrative costs.

c. Prohibited administrative costs for the borrower (including those in the form of salaries, benefits, contractual costs, supplies, and data processing charges) are those incurred for loan administration and overhead costs.

d. Direct costs for loan administration are ineligible even if the borrower is required to carry out the activity under the loan agreement. Ineligible loan administration costs include expenses for:

- i. Preparation of applications for loans and loan agreements;
- ii. Preparing revisions and changes in the budget, workplans, and other documents required under the loan agreement;
- iii. Maintaining and operating financial management and personnel systems;
- iv. Preparing payment requests and handling payments; and
- v. Audits.

vi. Overhead costs by the borrower that do not directly clean up brownfield site contamination or comply with laws applicable to the cleanup are ineligible administrative costs. Examples of overhead costs that would be ineligible in loans include expenses for:

- vii. Salaries, benefits and other compensation for person who are not directly engaged in the cleanup of the site (e.g., marketing and human resource personnel);
- viii. Facility costs such as depreciation, utilities, and rent on the borrower's administrative offices; and
- ix. Supplies and equipment not used directly for cleanup at the site.
- x. Costs incurred by the borrower for procurement are eligible only if the procurement contract is for services or products that are direct costs for performing the cleanup, for insurance costs, or for maintenance of institutional controls.

xi. Direct costs by the borrower for progress reporting to the lender are eligible programmatic costs.

3. Cooperative agreement funds may not be used for any of the following properties:

- a. Facilities listed, or proposed for listing, on the National Priorities List (NPL);
- b. Facilities subject to unilateral administrative orders, court orders, administrative orders on consent or judicial consent decree issued to or entered by parties under CERCLA;
- c. Facilities that are subject to the jurisdiction, custody or control of the United States government except land held in trust by the United States government for an Indian tribe; or

d. A site excluded from the definition of a brownfield site for which EPA has not made a property-specific funding determination.

D. Subgrant Recipient and Borrower Eligibility

1. The CAR may only provide cleanup subgrants to an eligible entity or nonprofit organization to

clean up sites *owned* by the eligible entity or nonprofit organization at the time the subgrant is awarded. Eligible subgrant recipients include eligible entities as defined under CERCLA 104(k)(1) and non profit organizations as defined at Section 4(6) of the Federal Financial Assistance Management Improvement Act of 1999. Nonprofit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible for subgrants.

a. The subgrant recipient must retain ownership of the site throughout the period of performance of the subgrant. For the purposes of this agreement, the term "owns" means fee simple title unless EPA approves a different arrangement. *The CAR may not provide a subgrant to itself or another component of its own unit of government or organization.*

b. The CAR may discount loans for those eligible entities identified in CERCLA section 104(k)(1) and non profit organizations as defined at Section 4(6) of the Federal Financial Assistance Management Improvement Act of 1999. This definition includes non profit universities and other non profit educational institutions. *Private, for-profit entities are not eligible for discounted loans.*

c. The CAR shall not loan or subgrant funds that will be used to pay for cleanup activities at a site for which a loan or grant recipient is potentially liable under CERCLA § 107. The CAR may rely on its own investigation which can include an opinion from the subgrant recipient's or borrower's counsel. However, the CAR must advise the borrower or subgrant recipient that the investigation and/or opinion of the subgrant recipient's or borrower's counsel is not binding on the Federal Government.

d. For approved eligible petroleum-contaminated brownfield sites, the person cleaning up the site must be a person who is not potentially liable for cleaning up the site. For brownfield grant purposes, an entity generally will not be considered potentially liable for petroleum contamination if it has not dispensed or disposed of petroleum or petroleum-product at the site, has not exacerbated the contamination at the site, and took reasonable steps with regard to the contamination at the site.

e. The CAR shall maintain sufficient documentation supporting and demonstrating the eligibility of the sites, borrowers, and subgrant recipients.

f. A borrower or subgrant recipient must submit information regarding its overall environmental compliance history including any penalties resulting from environmental non-compliance at the site subject to the loan or subgrant. The CAR, in consultation with the EPA, must consider this history in its analysis of the borrower or subgrant recipient as a cleanup and business risk.

g. An entity that is currently suspended, debarred, or otherwise declared ineligible cannot be a borrower or subgrant recipient.

E. Obligations for Grant Recipients, Borrowers, or Subgrantees Asserting a Limitation on Liability from CERCLA §107

1. Grant recipients, borrowers, or subgrantees who are eligible, or seek to become eligible, to receive a grant, loan, or subgrant based on a liability protection from CERCLA as a: (1) bona fide prospective purchaser (BFPP), (2) contiguous property owner (CPO), or (3) innocent landowner (ILO) (known as the "landowner liability protections"), must meet certain threshold criteria and satisfy certain continuing obligations to maintain their status as an eligible grant recipient, borrower, or subgrantee. These include, but are not limited to the following:

a. All grant recipients, borrowers, or subgrantees asserting a BFPP, CPO or ILO limitation on liability must perform (or have already performed) "all appropriate inquiry," as found in section 101(35)(B) of CERCLA, on or before the date of acquisition of the property.

b. Grant recipients, borrowers, or subgrantees seeking to qualify as bona fide prospective purchasers or contiguous property owners must not be:

- i. potentially liable, or affiliated with any other person that is potentially liable,
- ii. for response costs at the facility through (a) any direct or indirect familial
- iii. relationship; or (b) any contractual, corporate, or financial relationships; or

- iv. a reorganized business entity that was potentially liable or
 - v. otherwise liable under CERCLA §107(a) as a prior owner or operator, or generator or transporter of hazardous substances to the facility.
- c. Landowners must meet certain continuing obligations in order to achieve and maintain status as a landowner protected from CERCLA liability. These continuing obligations include:
- i. complying with any land use restrictions established or relied on in connection with the response action at the vessel or facility and not impeding the effectiveness or integrity of institutional controls;
 - ii. taking reasonable steps with respect to hazardous substance releases;
 - iii. providing full cooperation, assistance, and access to persons that are authorized to conduct response actions or natural resource restoration;
 - iv. complying with information requests and administrative subpoenas (applies to bona fide prospective purchasers and contiguous property owners); and
 - v. complying with legally required notices (again, applies to bona fide prospective purchasers and contiguous property owners) [see CERCLA § 101(40)(B)-(H), 107(q)(1)(A), 101(35)(A)-(B)].
- d. CERCLA requires additional obligations to maintain liability protection. These obligations are found at §§ 101(35), 101(40), 107(b), 107(q) and 107(r).

2. Use of Program Income

- a. In accordance with 40 CFR 31.25(g)(2), the CAR is authorized to add program income to the funds awarded by the EPA and use the program income under the same terms and conditions of this agreement. Program income for the RLF shall be defined as the gross income received by the recipient, directly generated by the cooperative agreement award or earned during the period of the award. Program income shall include principal repayments, interest earned on outstanding loan principal, interest earned on accounts holding RLF program income not needed for immediate lending, all loan fees and loan-related charges received from borrowers and other income generated from RLF operations including proceeds from the sale, collection, or liquidations of assets acquired through defaults of loans.
- b. In accordance with Section 104(d)(3)(D), when (and if) a CAR transitions to a 104(k) cooperative agreement, any program income (e.g. fees, interest or principal repayments) generated prior to transition will be added to the 104(k) agreement and must be used in a manner consistent with Section 104(k)(3) and with the terms and conditions, contained herein.
- c. The CAR may use program income from fees, interest payments from loans, and other forms of eligible program income to meet its cost-share. The CAR shall not use repayments of principal of loans to meet the CAR's cost-share requirement. Repayments of principal must be returned to the CAR's Brownfield cleanup revolving fund.
- d. The CAR that elects to use program income to cover all or part of a RLF's programmatic costs shall maintain adequate accounting records and source documentation to substantiate the amount and percent of program income expended for eligible RLF programmatic costs, and comply with applicable OMB cost principles when charging costs against program income. For any cost determined by the EPA to have been an ineligible use of program income, the recipient shall reimburse the RLF or the EPA. EPA will notify the recipient of the time period allowed for reimbursement.
- e. Loans or subgrants made with a combination of program income and direct funding from EPA are subject to the same terms and conditions as those applicable to this agreement. Loans and subgrants made with direct funding from EPA in combination with non Federal sources of funds are also subject to the same terms and conditions of this agreement.
- f. CAR must obtain EPA approval of the substantive terms of loans and subgrants made entirely with program income.

H. Post Cooperative Agreement Program Income

1. After the end of the award period, the CAR shall use program income in a manner consistent with the terms and conditions of a "close out" agreement negotiated with EPA. In accordance with 40 CFR 31.42(c)(3), the CAR shall maintain appropriate records to document compliance with the requirements of the close out agreement (i.e., records relating to the use of post-award program income). EPA may request access to these records or may negotiate post-close-out reporting requirements to verify that post-award program income has been used in accordance with the terms and conditions of the close out agreement.

2. Interest-Bearing Accounts

a. The CAR must deposit advances of grant funds and program income (e.g., fees, interest payments, repayment of principal) in an interest bearing account.

b. Interest earned on advances, CARs and subgrant recipients are subject to the provisions of 40 CFR §31.21(i) and §30.22(l) relating to remitting interest on advances to EPA on a quarterly basis.

c. Interest earned on program income is considered additional program income.

IV. ENVIRONMENTAL CLEANUP REQUIREMENTS

A. Authorized RLF Cleanup Activities

1. The CAR shall prepare an analysis of brownfield cleanup alternatives which will include information about the site and contamination issues (i.e., exposure pathways, identification of contaminant sources, etc.); cleanup standards; applicable laws; alternatives considered; and the proposed cleanup. The evaluation of alternatives must include effectiveness, implementability, and the cost of the response proposed. The evaluation will include an analysis of reasonable alternatives including no action. The clean up method chosen must be based on this analysis.

2. For cleanup of petroleum sites, an analysis of cleanup alternatives must include considering a range of proven cleanup methods including identification of contaminant sources, exposure pathways, and an evaluation of corrective measures. The clean up method chosen must be based on this analysis.

3. Prior to conducting or engaging in any on-site activity with the potential to impact historic properties (such as invasive sampling or cleanup), the grantee shall consult with EPA regarding potential applicability of the National Historic Preservation Act and, if applicable, shall assist EPA in complying with any requirements of the Act and implementing regulations.

B. Quality Assurance (QA) Requirements

1. If environmental samples are to be collected as part of the brownfield cleanup (e.g., cleanup verification sampling, post-cleanup confirmation sampling), the CAR shall comply with 40 CFR Part 31.45 (or 40 CFR Part 30.54 requirements for nonprofit organizations) requirements to develop and implement quality assurance practices sufficient to produce data adequate to meet project objectives and to minimize data loss. State law may impose additional QA requirements.

C. Community Relations and Public Involvement in RLF Cleanup Activities

1. All RLF loan and subgrant cleanup activities require a site-specific community relations plan that includes providing reasonable notice, opportunity for involvement, response to comments, and administrative records that are available to the public.

D. Administrative Record

1. The CAR shall establish an administrative record that contains the documents that form the basis for the selection of a cleanup plan. Documents in the administrative record shall include an analysis of reasonable alternatives including no action; site investigation reports; the cleanup plan; cleanup standards used; responses to public comments; and verification that shows that cleanups are complete. The CAR shall keep the administrative record available at a location convenient to the public and make it available for inspection.

E. Implementation of RLF Cleanup Activities

1. The CAR shall ensure the adequacy of each RLF cleanup in protecting human health and the environment as it is implemented. Each loan and subgrant agreement shall contain terms and conditions that allow the CAR to change cleanup activities as necessary based on comments from the public or any new information acquired.

2. If the borrower or subgrant recipient is unable or unwilling to complete the RLF cleanup, the CAR shall ensure that the site is secure. The CAR shall notify the appropriate state agency and the U.S. EPA to ensure an orderly transition should additional activities become necessary.

F. Completion of RLF Cleanup Activities

1. The CAR shall ensure that the successful completion of a RLF cleanup is properly documented. This must be done through a final report or letter from a qualified environmental professional, or other documentation provided by a State or Tribe that shows cleanups are complete. This documentation needs to be included as part of the administrative record.

V. REVOLVING LOAN FUND REQUIREMENTS

A. Prudent Lending and Subgranting Practices

1. The CAR is expected to establish economically sound structures and day-to-day management and processing procedures to maintain the RLF and meet long-term brownfield cleanup lending/subgranting objectives. These include establishing: underwriting principles that can include the establishment of interest rates, repayment terms, fee structure, and collateral requirements; and, lending/subgranting practices that can include loan/subgrant processing, documentation, approval, servicing, administrative procedures, collection, and recovery actions.

2. The CAR shall not incur costs under this cooperative agreement for loans, subgrants or other eligible costs until an RLF grant workplan has been submitted to and approved by U.S. EPA. The CAR shall ensure that the objectives of the workplan are met through its or the fund manager's selection and structuring of individual loans/subgrants and lending/subgranting practices. These activities shall include, but not be limited to the following:

a. Considering awarding subgrants on a competitive basis. If the CAR decides not to award any subgrants competitively, it must document the basis for that decision and inform EPA.

b. Establishing appropriate project selection criteria consistent with Federal and state requirements, the intent of the RLF program, and the cooperative agreement entered into with EPA.

c. Establishing threshold eligibility requirements whereby only eligible borrowers or subgrant recipients receive RLF financing.

d. Developing a formal protocol for potential borrowers or subgrant recipients to demonstrate eligibility, based on the procedures described in the initial RLF application proposal and cooperative agreement application. Such a protocol shall include descriptions of projects that will be funded, how loan monies will be used, and qualifications of the borrower or subgrant recipient to make legitimate use of the funds. Additionally, CARs shall ask borrowers or subgrant recipients for an explanation of how a project, if selected, would be consistent with RLF program objectives, statutory requirements and limitations, and protect human health and the environment.

e. Requiring that borrowers or subgrant recipients submit information describing the borrower's or subgrant recipient's environmental compliance history. The CAR shall consider this history in an analysis of the borrower or subgrant recipient as a cleanup and business risk.

f. Establishing procedures for handling the day-to-day management and processing of loans and repayments.

g. Establishing standardized procedures for the disbursement of funds to the borrower or subgrant recipient.

B. Inclusion of Special Terms and Conditions in RLF Loan and Subgrant Documents

1. The CAR shall ensure that the borrower or subgrant recipient meets the cleanup and other program requirements of the RLF grants by including the following special terms and conditions in RLF loan agreements and subgrant awards:

- a. Borrowers or subgrant recipients shall use funds only for eligible activities and in compliance with the requirements of CERCLA 104(k) and applicable Federal and State laws and regulations. See Section I.A.2.
- b. Borrowers or subgrant recipients shall ensure that the cleanup protects human health and the environment.
- c. Borrowers or subgrant recipients shall document how funds are used. If a loan or subgrant includes cleanup of a petroleum-contaminated brownfield site(s), the CAR shall include a term and condition requiring that the borrower or subgrant recipient maintain separate records for costs incurred at that site(s).
- d. Borrowers or subgrant recipients shall maintain records for a minimum of three years following completion of the cleanup financed all or in part with RLF funds. Borrowers or subgrant recipients shall obtain written approval from the CAR prior to disposing of records. Cooperative agreement recipients shall also require that the borrower or subgrant recipient provide access to records relating to loans and subgrants supported with RLF funds to authorized representatives of the Federal government.
- e. Borrowers or subgrant recipients shall certify that they are not currently, nor have they been, subject to any penalties resulting from environmental non-compliance at the site subject to the loan.
- f. Borrowers or subgrant recipients shall certify that they are not potentially liable under §107 of CERCLA for the site or that, if they are, they qualify for a limitation or defense to liability under CERCLA. If asserting a limitation or defense to liability, the borrower or subgrant recipient must state the basis for that assertion. When using grant funds for petroleum-contaminated brownfield sites, borrowers or subgrant recipients shall certify that they are not a viable responsible party or potentially liable for the petroleum contamination at the site. Refer to the most recent issue of EPA's *Proposal Guidelines for Brownfields Assessment, Revolving Loan Fund and Cleanup Grants* for a discussion of these terms. The CAR may consult with EPA for assistance with this matter.
- g. Borrowers or subgrant recipients shall conduct cleanup activities as required by the CAR.
- h. Subgrant recipients shall comply with applicable EPA assistance regulations (40 CFR Part 31 for governmental entities or 40 CFR Part 30 for nonprofit organizations). All procurements conducted with subgrant funds must comply with 40 CFR Part 31.36 or 40 CFR Part 30.40-30.48, as applicable.

C. Default

1. In the event of a loan default, the CAR shall make reasonable efforts to enforce the terms of the loan agreement including proceeding against the assets pledged as collateral to cover losses to the loan. If the cleanup is not complete at the time of default, the CAR is responsible for: (1) documenting the nexus between the amount paid to the borrower (bank or other financial institution) and the cleanup that took place prior to the default; and (2) securing the site (e.g., ensuring public safety) and informing the EPA Project Officer and the State.

D. Conflict of Interest

1. The CAR shall establish and enforce conflict of interest provisions that prevent the award of subgrants that create real or apparent personal conflicts of interest, or the CAR's appearance of lack of impartiality. Such situations include, but are not limited to, situations in which an employee, official, consultant, contractor, or other individual associated with the CAR (affected party) approves or administers a grant or subgrant to a subgrant recipient in which the affected party has a financial or other interest. Such a conflict of interest or appearance of lack of impartiality may arise when:

- a. The affected party,

- b. Any member of his immediate family,
- c. His or her partner, or
- d. An organization which employs, or is about to employ, any of the above,

has a financial or other interest in the subgrant recipient.

Affected employees will neither solicit nor accept gratuities, favors, or anything of monetary value from subgrant recipients. Recipients may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by affected parties.

VI. DISBURSEMENT, PAYMENT AND CLOSEOUT

For the purposes of these terms and conditions, the following definitions apply: "payment" is the U.S. EPA's transfer of funds to the CAR; the CAR incurs an "obligation" when it enters into a loan agreement with the borrower or subgrant recipient; "disbursement" is the transfer of funds from the CAR to the borrower or subgrant recipient. "Close out" refers to the process that the U.S. EPA follows to both ensure that all administrative actions and work required under the cooperative agreement have been completed, and, to establish a closeout agreement to govern the use of program income.

A. Payment Schedule

1. The CAR may request payment from EPA pursuant to 40 CFR. §31.21(c) after it incurs an obligation or has an eligible programmatic expense. EPA will make payments to the CAR on a schedule which minimizes the time elapsing between transfer of funds from EPA and disbursement by the recipient to the borrower or subgrant recipient to pay costs incurred or to meet a "progress payment" schedule. The recipient may request payments when it receives a disbursement request from a borrower or subgrant recipient based on the borrower or subgrant recipient's incurred costs under the "actual expense" method or the schedule for disbursement under the "schedule" disbursement method. The CAR shall disburse accrued program income to meet all or part of this obligation or eligible programmatic expenses prior to requesting payment from EPA.

B. Methods of Disbursement

1. The CAR may choose to disburse funds to the borrower by means of 'actual expense' or 'schedule.' If the schedule method is used, the recipient must ensure that the schedule is designed to reasonably approximate the borrower's incurred costs.

a. An 'actual expense' disbursement approach requires the borrower to submit documentation of the borrower's expenditures (e.g., invoices) to the CAR prior to requesting payment from EPA.

b. A 'schedule' disbursement is one in which all, or an agreed upon portion, of the obligated funds are disbursed to the borrower on the basis of an agreed upon schedule (e.g., progress payments) or, in unusual circumstances, upon execution of the loan. The CAR shall submit documentation of disbursement schedules to EPA.

c. If the disbursement schedule of the loan agreement calls for disbursement of the entire amount of the loan upon execution, the CAR shall demonstrate to the U.S. EPA Project Officer that this method of disbursement is necessary for purposes of cleaning up the site covered by the loan. Further, the CAR shall include an appropriate provision in the loan agreement which ensures that the borrower uses loan funds promptly for costs incurred in connection with the cleanup and that interest accumulated on schedule disbursements is applied to the cleanup.

d. Subgrant funds must be disbursed to the subgrant recipient in accordance with 40 CFR 31.21 or 40 CFR 30.22, as applicable.

e. The CAR may negotiate a predetermined schedule(s) for disbursement to subgrant recipients provided the schedule minimizes the time elapsing between disbursement by the CAR and the subgrant

recipient's payment of costs incurred in carrying out the subgrant.

f. If the disbursement schedule of the subgrant calls for disbursement of the entire amount of the subgrant upon execution, the CAR shall demonstrate to the U.S. EPA Project Officer that this method of disbursement is necessary for purposes of cleaning up the site covered by the subgrant. Further, the CAR shall include an appropriate provision in the subgrant agreement which ensures that the subgrant recipient uses funds promptly for costs incurred in connection with the cleanup and that interest accumulated on schedule disbursements is applied to the cleanup.

C. Schedule for Closeout

1. There are two fundamental criteria for closeout:

a. Final payment of funds from EPA to the CAR following expiration of the terms of the agreement or expenditure of the funds awarded; and

b. Completion of all cleanup activities funded by the amount of the award.

2. The first criterion of cooperative agreement closeout is met when the CAR receives all payments from EPA. The second closeout criterion is met when all cleanup activities funded by the initial amount of the award are complete.

3. The CAR must negotiate a closeout agreement with EPA to govern the use of program income after closeout. Eligible uses include: continuing to operate a RLF for brownfield cleanup and/or other brownfield activities.

4. The closeout agreement will require that any assessments or cleanups financed with program income be consistent with the CERCLA Section 107 prohibitions and site eligibility limitations contained within these Terms and Conditions.

5. A draft closeout agreement (model available upon request) is due to your Project Officer within 90 days of meeting the conditions in C. 2 above, and prior to the acceptance of any loan repayments; or, at the very latest, by the end of the 3rd year (36th month) of the Cooperative Agreement, which ever comes first. See II.A.2 above.

D. Compliance with Closeout Schedule

1. If a CAR fails to comply with the closeout schedule, any cooperative agreement funds not obligated under loan agreement to a borrower or subgrant recipient may be subject to federal recovery, and the cooperative agreement award amended to reflect the reduced amount of the cooperative agreement.

E. Recovery of RLF Assets

1. In case of termination for cause or convenience, the CAR shall return to EPA its fair share of the value of the RLF assets consisting of cash, receivables, personal and real property, and notes or other financial instruments developed through use of the funds. EPA's fair share is the amount computed by applying the percentage of EPA participation in the total capitalization of the RLF to the current fair market value of the assets thereof. EPA also has remedies under 40 CFR 31.43 and CERCLA 104(k) when the Agency determines that the value of such assets has been reduced by improper/illegal use of cooperative agreement funding. In such instances, the CAR may be required to compensate EPA over and above the Agency's share of the current fair market value of the assets. Nothing in this agreement limits EPA's authorities under CERCLA to recover response costs from a potentially responsible party.

F. Loan Guarantees

1. If the CAR chooses to use the RLF funds to support a loan guarantee approach, the following terms & conditions apply:

a. The CAR shall:

i. document the relationship between the expenditure of CERCLA §104(k) funds and cleanup

activities;

ii. maintain an escrow account expressly for the purpose of guaranteeing loans, by following the payment requirement described under the Escrow Requirements term and condition below; and

iii. ensure that cleanup activities guaranteed by RLF funds are carried out in accordance with CERCLA 104(k) and applicable Federal and State laws and will protect human health and the environment.

b. Payment of funds to a CAR shall not be made until a guaranteed loan has been issued by a participating financial institution. Loans guaranteed with RLF funds shall be made available as needed for specified cleanup activities on an "actual expense" or "schedule" basis to the borrower or subgrant recipient (See Section on Methods of Disbursement). The CAR's escrow arrangement shall be structured to ensure that the CERCLA §104(k) funds are properly "disbursed" by the recipient for the purposes of the assistance agreement as required by 40 CFR §31.20(b)(7) and §31.21(c). If the funds are not properly disbursed, the CERCLA §104(k) funds that the recipient places in an escrow account will be subject to the interest recovery provisions of 40 CFR §31.21(i).

c. To ensure that funds transferred to the CAR are disbursements of assisted funds, the escrow account shall be structured to ensure that:

i. the recipient cannot retain the funds;

ii. the recipient must not have access to the escrow funds on demand;

iii. the funds remain in escrow unless there is a default of a guaranteed loan;

iv. the organization holding the escrow (i.e., the escrow agency), shall be a bank or similar financial institution that is independent of the recipient; and

v. there must be an agreement with financial institutions participating in the guaranteed loan program which documents that the financial institution has made a guaranteed loan to clean up a brownfield site in exchange for access to funds held in escrow in the event of a default by the borrower or subgrant recipient.

d. Federal Obligation to the Loan Guarantee Program

i. Any obligations that the CAR incurs for loan guarantees in excess of the amount awarded under the cooperative agreement are the CAR's responsibility. This limitation on the extent of the Federal Government's financial commitment to the CAR's loan guarantee program shall be communicated to all participating banks and borrower or subgrant recipient.

e. Repayment of Guaranteed Loans

i. Upon repayment of a guaranteed loan and release of the escrow amount by the participating financial institution, the CAR shall return the cooperative agreement funds placed in escrow to the U.S. EPA. Alternatively, the CAR may, with EPA approval,

1) Guarantee additional loans under the terms and conditions of the agreement or,

amend the terms and conditions of the agreement to provide for another disposition of funds that will redirect the funds for other brownfield related activities.



City Clerk

161 W. Michigan Ave. • Jackson, MI 49201-1303
(517) 788-4025 • Facsimile (517) 788-4651

Lynn Fessel, City Clerk

September 16, 2008

MEMO TO: William R. Ross, City Manager

FROM: Angela Arnold, Deputy City Clerk

SUBJECT: Resolutions for Special Assessment Roll Nos. 4167, 4168, 4169, 4170, and 4171

Attached please find resolutions to establish a October 21, 2008 public hearing date on the following special assessment rolls:

Roll No. 4167 – Delinquent Miscellaneous General Fund Accounts Receivable (alarms, weed mowing, and fire permits)

Roll No. 4168 - Delinquent Miscellaneous Community Development Block Grant Fund Accounts Receivable (code enforcement inspection fees)

Roll No. 4169 – Delinquent Miscellaneous Wastewater Fund Accounts Receivable (industrial pre-treatment program monitoring, composite sample)

Roll No. 4170 – Delinquent Miscellaneous Water Fund Accounts Receivable (frozen meter, street flooding service calls, and miscellaneous).

Roll No. 4171 – Delinquent Miscellaneous Public Works Fund Accounts Receivable (property clean-up, and board up, miscellaneous and snow removal)

Roll No. 4172 – Delinquent Miscellaneous Building Department Fund Accounts Receivable (dangerous structure fee)

If Council adopts the resolutions, a letter announcing the public hearing will be sent to each property owner included on the rolls and a notice will be placed in the Jackson Citizen Patriot.

Thank you.

/aa

Attachments

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous General Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4167 in the amount of \$5,573.26 and were reported to the City Council at its regular meeting held on the 23rd day of September 2008; and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous Community Development Block Grant Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4168 in the amount of \$5,541.22 and were reported to the City Council at its regular meeting held on the 23rd day of September 2008; and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous Wastewater Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4169 in the amount of \$8,599.68 and were reported to the City Council at its regular meeting held on the 23rd day of September, 2008 and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous Water Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4170 in the amount of \$2,911.66 and were reported to the City Council at its regular meeting held on the 23rd day of September 2008; and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous Public Works Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4171 in the amount of \$25,421.68 and were reported to the City Council at its regular meeting held on the 23rd day of September, 2008; and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

RESOLUTION

BY THE BOARD OF REVIEW:

WHEREAS, the Assessor, in accordance with the direction of the City Council, did make assessments for delinquent miscellaneous Building Department Fund accounts receivable which assessments were by him placed on Assessment Roll No. 4172 in the amount of \$181.64 and were reported to the City Council at its regular meeting held on the 23rd day of September 2008; and

WHEREAS, notice has been duly given that the City Council and Assessor will sit as a Board of Review in the Council Chambers in the City of Jackson on Tuesday, the 21st day of October, 2008, at 7:00 p.m. and hear any and all objections and suggestions by interested parties to said special assessments as contained in said Assessment Roll, and the matter of said review having come on to be heard and the City Council and Assessor sitting as a Board of Review having heard all objections and suggestions made thereto and having fully considered same;

NOW, THEREFORE, BE IT RESOLVED, that each and all of the assessments as contained in said roll are hereby confirmed and made valid liens against the property and valid claims against the owners thereof, and the City Clerk is hereby directed to make certificates of this determination and attach the same to said roll and to present said roll to the City Treasurer for collection; and

BE IT FURTHER RESOLVED, that payment of each individual assessment shall be due and payable sixty (60) days after approval of this resolution.

* * * * *

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 sitting as a Board of Review on the 23rd day of September, 2008.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on this 24th day of September, 2008.

Lynn Fessel, City Clerk

MEMORANDUM
City Clerk's Office



September 17, 2008

TO: Honorable Mayor and City Councilmembers

SUBJECT: Final Adoption of Ordinance No. 2008.12

Following is Ordinance No. 2008.12, which is being placed on this agenda for final adoption. Council approved this ordinance rezoning property located at 500 and 505 N. Jackson, 216-224 Trail and 523 Blackman Streets from PUDD to C-4 on September 9

C-4 Rezoning Request

ORDINANCE NO. _____

AN ORDINANCE TO AMEND SECTION 28.183, OF
CHAPTER 28, OF THE CODE OF THE CITY OF JACKSON

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1.

That Section 28.183 of Chapter 28 of the Code of the City be, and the same hereby is, amended by changing the map of the use districts required by said Section and said Chapter, and incorporated therein by reference as follows:

Change the parcel with the following legal description from PUDD (planned unit development district) to C-4 (general commercial district):

500 & 505 N. JACKSON, 216-224 TRAIL, AND 523 BLACKMAN STREETS

Section 2.

This ordinance shall take effect thirty (30) days from date of adoption.

Adopted:

PC 08-13-4

Memo

To: Honorable Mayor and City Councilmembers

From: William R. Ross, City Manager

Date: September 12, 2008

Re: Recycling Center

I have been in further conversation with representatives of the County regarding the recycling center. The purpose of the conversation was to determine the County's position and/or concerns about the possible locations for the recycling center. This conversation took place because the County has supplied a number of the containers at the current center on Louis Glick, and because at least one member of the County Board is involved with the recycling center.

The bottom line is that the majority of the County Board does not care which location is utilized. The County recognizes the need to find a different location for the center and does not intend to create any issues over which location is chosen.

With that in mind, there appears to be three options for the location of the center.

1. Emmons Disposal site on Water Street south of East Morrell Street.
2. Goodwill Industries site located at the intersection of North Mechanic Street and Amory Court.
3. Kurpinski Sanitation located on the southside of East Morrell in the area west of South Elm.

The Kurpinski site is a new one that has come up since the meeting on Tuesday. Jason Kurpinski approached me the next day and indicated that they would be interested in hosting the site at their location. They would be responsible for cleanup, lighting, opening and closing the gates, and general supervision of the site. The Kurpinski site is already used for some recycling of scrap metal and tires. This site is located in an industrial area and is already fenced. The site is not the neatest and cleanest location in the community. An additional draw back is the area is not paved, and there could be issues with vehicles either getting stuck or dragging mud onto Morrell Street during times of the year when there are large amounts of moisture. The advantage appears to be that the location is a neutral site in terms of neighbors, and that it is already being used for recycling.

The Emmons site has similar issues to the Kurpinski site. It is located in an industrial area away from residences and other business that might find the site objectionable. It is fenced and would be supervised. The Emmons site also has issues with lack of paving and could create some problems with mud and other issues at certain times of the year.

The Goodwill site has the advantage of being more easily accessible and providing an opportunity for training of the clients of Goodwill. The location has some issues as have been raised both by letter and at the City Council meeting relative to adjacent uses. I have asked Glenn Chinavare to give me estimates in placing slats in the fence on the north side of the Goodwill facility. Attached is an e-mail with the estimates.

I am writing this memo to both give you some additional information that I have received, and to pass along the offer from Kurpinski.

WRR:skh

-----Original Message-----

From: Glenn Chinavare
Sent: Friday, September 12, 2008 2:52 PM
To: SanDee Porter
Subject: RE: Fencing at Goodwill

Thank You.....

-----Original Message-----

From: SanDee Porter
Sent: Friday, September 12, 2008 11:00 AM
To: Glenn Chinavare
Cc: Greg Lucas
Subject: Fencing at Goodwill

Glenn,

Per you voicemail, Greg and I went to the Goodwill site. We estimated approximately 470 linear foot of fencing and assumed the diamond was 2". This does not include any special hardware or topping for the fence, nor any spot repairs that may be necessary to put the slats in. The height of the fence is 6 foot - not 8. I checked the internet as well as called a local fence company. There are many factors - types of slats for varying degrees of privacy. I picked the middle of the road. Slats are sold in 10 foot increments - so based on 47 bags/470 LF - cost of material would be \$3,313.03 - \$7.04 LF. The fence contractor said that they charge \$2.00 per linear foot to put up. That would add an additional \$940.00. I didn't ask for any formal quote. The price of the material if quoted, I was assuming should be close to what we could get buying it direct.

I would suspect that the boot camp or community service workers may be tasked with doing a project like this. Another concern that came to my mind after being at the initial meetings with Northwest and Modern - there is basically dirt and grass area for their containers. There is one area of concrete - but that would hold only a couple of the containers. I wonder if Northwest has visited the site, because that was a concern of theirs for the Louis Glick site. Those containers have really dug up that area as is. Trying to move them in and out in the dirt will be one big mess. I can tell you from my own personal experience that when I have tried to take my recycling to either Louis Glick or the Lansing Ave site - both get overloaded and material is left outside of the containers. I find it hard to believe they will do any better at Goodwill.

Are we to assume that if Goodwill takes this over and Northwest is working with them, that when too much extra trash was left, that Northwest will be taking care of that? I brought that up in a meeting with them and it was put in a letter, they said they would and then backed out of that.



Department of Community Development

161 W. Michigan Avenue • Jackson, MI 49201-1303•
Facsimile (517) 768-5832

Administrative Services
(517) 788-4060

Building Inspection
(517) 788-4012

Financial Services
(517) 788-4058

Rehabilitation Services & Information
(517) 788-4070

DATE: September 17, 2008
TO: William R. Ross, City Manager
FROM: Carol Konieczki, Community Development Director
RE: Creation of Jackson Brownfield Redevelopment Financing Authority (JBRA)
Bylaws

Public Act 381 of 1996 states that the Brownfield Authority "shall adopt rules governing its procedures and holding of regular meetings, subject to the approval the of governing body." Although the JBRA adopted by-laws on February 27, 2002, I have not been able to locate previous action by City Council approving the bylaws. Please find the attached proposed JBRA bylaws that were approved at the September 10, 2008 JBRA meeting for recommendation to the City Council for adoption.

The bylaws have been reviewed by Julius Giglio, City Attorney prior to review and consideration by the JBRA board.

Requested City Council action is to receive and approve the bylaws as submitted by the JBRA board.

Please place this item on the September 23, 2008 agenda for City Council consideration.

cc: Julius Giglio



THE BROWNFIELD REDEVELOPMENT AUTHORITY
OF
THE CITY OF JACKSON
(A Michigan corporation incorporated under Act 381 of the Public Acts of 1996, as amended)

ARTICLE I

Name, Registered Office and Agent:

Name: The name of this Corporation shall be the Brownfield Redevelopment Authority of the City of Jackson (the “Authority”).

Registered Office and Agent: The Authority shall maintain an office in the City of Jackson, State of Michigan, whose address is 161 West Michigan Avenue, Jackson, Michigan 49201.

ARTICLE II

Intent, Vision, Mission and Powers of the Authority:

Intent: The intent of the Authority is to promote the revitalization of environmentally distressed areas, and to facilitate the implementation of Brownfield Plans relating to the designation and treatment of Brownfield Redevelopment zones.

Vision: The Authority will be the primary vehicle through which contaminated, blighted, abandoned, obsolete and underused buildings and sites, throughout the City, will be brought into adaptive reuse. It is expected that future owners and operators of such buildings and sites shall adhere to environmentally sustainable practices, create new job opportunities and return formerly blighted properties to local tax rolls. To achieve these ends, the Authority will work closely with the Michigan Department of Environmental Quality, United States Environmental Protection Agency, other federal and state agencies, as well as, local units of government.

Mission: The Authority is the land and building reuse committee of the City. Its mission is to aggressively pursue the redevelopment of contaminated, blighted, abandoned, obsolete and underused properties that hold significant opportunity for environmental rehabilitation for the City of Jackson and its residents.

The Authority will actively partner with appropriate public and private agencies, organizations, institutions and individuals as well as, use all available financing incentives and resources available to accomplish its objectives. Priority shall be given to companies seeking to remain or establish businesses within the City of Jackson.

Powers: The Authority shall have the powers and duties as prescribed by law.

ARTICLE III

Incorporation

The Corporation: The Brownfield Redevelopment Authority of the City of Jackson, Michigan is incorporated under Public Act 381 of 1996, as amended (“Act 381”).

ARTICLE IV

Appointment of Members

Appointments: Pursuant to the Section (5)(1)(d) of Act 381, the Board shall consist of the trustees of the Board of the City of Jackson Local Development Finance Authority (“LDFA”), established pursuant to Public Act 281 of 1986, as amended (“Act 281”).

ARTICLE V

Board Member Attendance, Replacement & Removal

Attendance: All Authority Board Members are expected to attend scheduled Authority meetings. If any member of the Authority is absent for three (3) consecutive, regularly scheduled meetings, that member shall be considered delinquent, unless the Board Member provides prior oral or written notification. The Secretary/Treasurer shall keep attendance records and shall notify the Board at a regularly scheduled meeting whenever any member’s absences become “delinquent”.

Replacement: Authority members shall be either reappointed or replaced at the expiration of each member's term of office. A member whose term of office has expired shall continue to hold office

until a successor has been appointed. If a vacancy is created by death or resignation, a successor shall be selected for appointment within thirty (30) days, and will hold office for the remainder of the term of office vacated.

Removal: Subject to the provisions of Act 281 and Act 381, an Authority member may be removed from office for causes that may include, but shall not be limited to, inefficiency, neglect of duty, delinquency, misconduct, or malfeasance.

ARTICLE VI

Conflict of Interest

Conflict of Interest: An Authority member who has a direct interest in any matter before the Authority, shall disclose such interest prior to the Authority taking any action. Such disclosure shall become an official part of the records of the Authority and the member with conflicting interest must abstain from casting a vote.

ARTICLE VII

Voting Rights and Privileges, Quorum, Electronic Participation & Proxy

Voting Rights and Privileges: All Members of the Authority, in good standing, shall be accorded one (1) vote per motion.

Quorum: A simple majority of the Authority members, appointed and serving, at a duly authorized Authority meeting, shall constitute a quorum. A simple majority of votes from members present at any duly authorized Authority meeting is required to take official action on matters coming before the Authority.

Proxies: An Authority member, when not able to attend a meeting, may, with regard to specific agenda items, elect to convey his/her opinion(s) through written communication. The written communication must be traceable back to the providing member. Members must be present to vote, and no proxy votes will be allowed.

ARTICLE VIII

Committees

Committees: The Authority may, by resolution, create one or more committees. Each committee shall consist of one or more of its members, but less than a quorum of the Authority Board. The Authority may also designate one or more of its members as an alternate. Alternates may replace an absent or disqualified member on a committee. Additionally, committee members present at a meeting in session who are not disqualified from voting may, by majority vote, appoint another Authority member to act in place of an absent or disqualified member. A committee and its membership shall serve at the pleasure of the Authority.

Standing Committees:

- a) A Nominating Committee shall, by the Authority, be annually selected in December of each year to provide recommended nominations for Board officers positions. This committee may also provide the names of potential new Authority Board member replacements.
- b) Other standing committees may be formed as deemed necessary by the Authority.

ARTICLE IX

Ex-Officio Members

Technical Ex-Officio Members: Authority members may, from time to time, appoint ex-officio members, who shall represent an agency, institution, or organization that offers valuable participation in brownfield redevelopment matters. Such ex-officio members shall serve at the pleasure of the Authority and shall serve so long as the representative's insights are needed. Technical Ex-Officio members shall have no voting rights.

ARTICLE X

Meetings

Meetings: In conjunction with the City of Jackson's LDFA, there shall be an organizational meeting in the first quarter, each calendar year, to determine Officers of the Authority. All meetings shall follow Roberts Rules of Order, as a guide.

Regularly Scheduled Meetings: Regularly scheduled meetings of the Authority shall be held on a Board-approved schedule, which shall define the date(s), time(s) and place(s) of the meeting(s).

Special Meetings: Special meetings shall be called at the behest of the Chair, or by two Authority members of the Board, and are to begin as soon as a quorum can be seated.

All meetings shall be open to the public and advertised in accordance with the Michigan Open Meetings Act, Public Act 267 of 1978, as amended. Minutes of the meetings are to be made available for public inspection when requested.

Agenda Items: Staff will be responsible for placing items on the agenda that are for routine business. A member of the Authority may request any additional item/s be placed on the agenda. The information must be submitted to the Staff member responsible for assembling the agenda, in writing by the required submission deadline.

ARTICLE XI

Officers, Terms of Office & Duties

Officers: The officers of the Authority shall be elected by the Board, and shall consist of a Chair, Vice-Chair and Secretary/Treasurer. An officer shall not execute, acknowledge or verify any document or instrument in more than one capacity.

Terms of Office: In the first quarter of each year, the Authority shall hold an organizational meeting and, by majority vote, elect a Chair, Vice-Chair and Secretary/Treasurer. This election shall be assumed at the next regularly scheduled meeting and shall run for the term of one year. Each officer elected shall hold office until a successor is elected, or upon resignation and/or removal from said office. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled at any meeting of the Board for the duration of the unexpired term of office.

Duties of Officers:

CHAIR: The Chair of the Authority shall also be the Chair of the LDFA. The Chair shall lead all regularly scheduled and special meetings. The Chair shall have the right to make motions and/or

seconds, as do all Board members. The Chair shall review all regular meeting and special meeting agendas before submission to the Authority for approval.

VICE-CHAIR: The Vice-Chair shall act in the capacity of the Chair in his/her absence. The Vice-Chair of the Authority shall also be the Vice-Chair of the LDFA.

SECRETARY/TREASURER: The Secretary/Treasurer shall maintain all records, books, documents, and other papers of the Authority. The Secretary/Treasurer shall attend all meetings of the Board and record all votes, financial decisions, and the minutes of all proceedings. The Secretary/Treasurer shall perform like duties for all standing and other committee meetings as required by the Authority. Staff of the City's Community Development Department may assist the Secretary/Treasurer with his/her duties as required. The Secretary/Treasurer of the Authority shall also be the Secretary/Treasurer of the LDFA.

ARTICLE XII

Staff & Consultants

Staff and Consultants: The Authority recognizes the need to hire, or contract for services, as needed. The Director of the City's Community Development Department, or his/her designee, shall report to the Authority Board and shall:

- a. Be the first point of contact for public and private Authority initiatives;
- b. Manage the day-to-day operations of the Authority;
- c. Develop and follow an approved management plan and budget;
- d. Manage and maintain oversight on projects authorized in the Authority Brownfield Policy;
- e. Actively seek developers for redevelopment projects within the City of Jackson;
- f. Provide an annual report concerning the activities and financial condition of the Authority;
- g. Apprise the Authority on legislation and rule changes affecting Authority operations;
- h. Report on redevelopment requests and new initiatives;
- i. Act as Deputy Secretary/Treasurer for purposes of recording the minutes, as well as general maintenance and administration of Authority records as required;
- j. Recommend funding sources for the operation and maintenance of the Authority;

- k. Be a technical, ex-officio member of the Authority; and,
- l. Complete other assignments as needed.

ARTICLE XIII

Fiscal Year

Fiscal Year: The fiscal year of the Brownfield Redevelopment Authority shall mirror the fiscal year used by the City of Jackson.

ARTICLE XIV

Document Depository Designation

Document Depository Designation: The office of the Director of the City's Department of Community Development shall keep all records and files of the Authority. All records will be open to the public under the Freedom of Information Act, as prescribed by law.

ARTICLE XV

Fiscal Issues

Fiscal Depository Designation: The Authority shall utilize the City of Jackson for all financial reporting and transactions of the Authority.

Annual Accounting: The Authority shall require an annual audit of its financial records. The audit shall take any form deemed appropriate by the Board. The results of the audit shall be shared with the Jackson City Council, as prescribed by law.

ARTICLE XVI

Jackson City Council Approvals

Bonds, Spending and Indebtedness: The Authority shall obtain approval and official action by the Jackson City Council for the issuance of bonds and other means of indebtedness.

The Authority is subject to the policies and procedures detailed in the City of Jackson's Purchasing Policies and Procedures. The Authority may approve individual expenditures up to \$20,000.00 without Council approval.

ARTICLE XV

Amendments

Bylaw Adoption: These Bylaws shall become effective upon approval. Until such approval, these Bylaws shall be the acting Bylaws for the Authority.

I HEREBY CERTIFY that the original Bylaws were adopted on the 27th day of February, 2002 and amended _____ day of _____, 2008.



Philip J. Hones Secretary/Treasurer



Department of Community Development

161 W. Michigan Avenue • Jackson, MI 49201-1303•
Facsimile (517) 768-5832

Administrative Services
(517) 788-4060

Building Inspection
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Rehabilitation Services & Information
(517) 788-4070

DATE: September 17, 2008
TO: William R. Ross, City Manager
FROM: Carol Konieczki, Community Development Director
RE: Creation of Local Development Financing Authority (LDFA) Bylaws

Public Act 281 of 1986 states that the LDFA “shall adopt rules governing its procedures and holding of regular meetings, subject to the approval the of governing body.” Although the LDFA was created by a City Council resolution adopted on June 4, 1991, bylaws were never drafted and adopted. Please find the attached proposed LDFA bylaws that were approved at the September 10, 2008 LDFA meeting for recommendation to the City Council for adoption.

The bylaws have been reviewed by Julius Giglio, City Attorney prior to review and consideration by the LDFA board.

Requested City Council action is to receive and approve the bylaws as submitted by the LDFA board.

Please place this item on the September 23, 2008 agenda for City Council consideration.

cc: Julius Giglio



THE LOCAL DEVELOPMENT FINANCE AUTHORITY
OF
THE CITY OF JACKSON

(A Michigan corporation incorporated under Act 281 of the Public Acts of 1986, as amended)

ARTICLE I

Name, Registered Office and Agent

Name: The name of this Corporation shall be the Local Development Finance Authority of the City of Jackson (the “LDFA”).

Registered Office and Agent: The LDFA shall maintain an office in the City of Jackson, State of Michigan, whose address is 161 West Michigan Avenue, Jackson, Michigan 49201.

ARTICLE II

Intent, Mission and Powers of the LDFA

Intent: The intent of the LDFA is to eliminate the causes of unemployment, underemployment, and joblessness, while promoting economic growth and redevelopment in the City pursuant to Act 281 of the Public Acts of 1986 (the “Act”).

Mission: The LDFA is the land and building reuse committee of the City. Its mission is to aggressively pursue the redevelopment of contaminated, abandoned, obsolete and underused properties that hold significant opportunity for the City of Jackson and its residents.

The LDFA will actively partner with appropriate public and private agencies, organizations, institutions and individuals. The LDFA shall use all available financing incentives and resources to accomplish its objectives. Priority will be given to companies seeking to remain, or establish businesses within the City of Jackson.

Powers: The LDFA shall have all the powers and duties as prescribed by law.

ARTICLE III

Incorporation

The Corporation: The Local Development Finance Authority of the City of Jackson, Michigan is incorporated under Public Act 281 of 1986, as amended.

ARTICLE IV

Appointment of Members

Appointments: Pursuant to Section (5)(1) of Act 281, the Board shall consist of eleven (11) members, seven (7) of whom shall be appointed by the Mayor of the city of Jackson, subject to the approval of the City Council; one (1) member to represent the county, whom shall be appointed by the Jackson County Board of Commissioners; one (1) member shall be appointed by the Chief Executive Officer of Jackson Community College; and two (2) members shall be appointed by the Chief Executive Officer(s) of the School District(s) which falls within the boundaries of the LDFA. Should two, or more, School Districts fall within said boundaries, the appointees shall be selected from more than one School District, as based on the statute. Appointments shall be for terms of four (4) years and shall be staggered.

ARTICLE V

Board Member Attendance, Replacement and Removal

Attendance: All LDFA Board Members are expected to attend scheduled LDFA meetings. If any member of the LDFA is absent for three (3) consecutive, regularly scheduled meetings, that member shall be considered delinquent, unless the Board Member provides prior oral or written notification. The Secretary/Treasurer shall keep attendance records and shall notify the Board at a regularly scheduled meeting whenever any member's absences become "delinquent".

Replacement: LDFA members shall be either reappointed or replaced at the expiration of each member's term of office. A member whose term of office has expired shall continue to hold office until a successor has been appointed. If a vacancy is created by death, or resignation, a successor shall be selected for appointment within thirty (30) days to hold office for the remainder of the term of office vacated.

Removal: Subject to the provisions of Act 281, an LDFA member may be removed from office for causes that may include, but shall not be limited to, inefficiency, neglect of duty, delinquency, misconduct, or malfeasance.

ARTICLE VI

Conflict of Interest

Conflict of Interest: An LDFA member, who has a direct interest in any matter before the LDFA, shall disclose such interest prior to the LDFA taking any action. Such disclosure shall become an official part of the records of the LDFA and the member with conflicting interest must abstain from casting a vote.

ARTICLE VII

Voting Rights and Privileges, Quorum and Proxy

Voting Rights and Privileges: All Members of the LDFA in good standing shall be accorded one (1) vote per motion. Those Board Members, who are appointed by the Mayor of the City of Jackson, shall have the privilege of voting on all issues coming before the LDFA. Those individual Board Members not appointed by the Mayor of the City of Jackson, shall have the privilege of voting only on issues that affect the area(s) from which they were appointed.

Quorum: A simple majority of the LDFA members, appointed and serving, at a duly authorized LDFA meeting, shall constitute a quorum. A simple majority of votes from members present at any duly authorized LDFA meeting is required to take official action on matters coming before the LDFA.

Proxies: An LDFA member, when not able to attend a meeting, may, with regard to specific agenda items, elect to convey his/her opinion(s) through written communication. The written communication must be traceable back to the providing member. Members must be present vote, and no proxy votes will be allowed.

ARTICLE VIII

Committees

Committees: The LDFA may, by resolution, create one or more committees. Each committee shall consist of one or more of its members, but less than a quorum of the LDFA Board membership. The LDFA may also designate one or more of its members as an alternate. Alternates may replace an absent or disqualified member on a committee. Additionally, committee members present at a meeting in session, who are not disqualified from voting, may by majority vote, appoint another LDFA member to act in place of an absent or disqualified member. All committees shall serve at the pleasure of the LDFA.

Standing Committees:

- a) A Nominating Committee shall, by the LDFA Board, be annually selected in December of each year to provide recommended nominations for Board officers positions. This committee may also provide the names of potential new LDFA Board member replacements.
- b) Other standing committees may be formed as deemed necessary by the LDFA Board.

ARTICLE IX

Ex-Officio Members

Technical Ex-Officio Members: LDFA members may, from time to time, appoint ex-officio members, who shall represent an agency, institution, or organization that offers valuable participation in property redevelopment matters. Such ex-officio members shall serve at the pleasure of the LDFA and shall serve so long as the representative's insights are needed. Technical Ex-Officio members shall have no voting rights.

ARTICLE X

Meetings

Meetings: In conjunction with the City of Jackson's Brownfield Redevelopment Authority, there shall be an organizational meeting in the first quarter, each calendar year, to determine Officers of the LDFA. All meetings shall utilize Roberts Rules of Order as a guide.

Regularly Scheduled Meetings: Unless it is determined by the Board that regularly scheduled meetings are required, all meetings will be held on an "as needed" basis. Should regularly scheduled meetings become a necessity, they shall be held on a Board approved schedule, which shall define the date(s), time(s) and place(s) of the meeting(s).

Special Meetings: Special meetings may be called at the behest of the Chair, or by two members of the Board, and are to begin as soon as a quorum can be seated.

All meetings shall be open to the public and advertised in accordance with the Michigan Open Meetings Act, Public Act 267 of 1978, as amended. Minutes of the meetings are to be made available for public inspection when requested.

Agenda Items: Staff will be responsible for placing items on the agenda that are for routine business. A member of the Authority may request any additional item/s be placed on the agenda. The information must be submitted to the Staff member responsible for assembling the agenda in writing by the required submission deadline.

ARTICLE XI

Officers, Terms of Office & Duties

Officers: The officers of the LDFA shall be elected by the Board, and shall consist of a Chair, Vice-Chair and Secretary/Treasurer. An officer shall not execute, acknowledge or verify any document or instrument in more than one capacity.

Terms of Office: In the first quarter of each year, the LDFA shall hold an organizational meeting and, by majority vote, elect a Chair, Vice-Chair and Secretary/Treasurer. This election shall be assumed at the

next regularly scheduled meeting and shall run for the term of one year. Each officer elected shall hold office until a successor is elected, or upon resignation and/or removal from said office.

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled at any meeting of the Board for the duration of the unexpired term of office.

Duties of Officers:

CHAIR: The Chair of the LDFA shall also be the Chair of the Jackson City Brownfield Redevelopment Authority. The Chair shall lead all regularly scheduled and special meetings. The Chair shall have the right to make motions and/or seconds, as do all Board members. The Chair shall review all regular meeting and special meeting agendas before submission to the LDFA for approval.

VICE-CHAIR: The Vice-Chair shall act in the capacity of the Chair in their absence. The Vice-Chair of the LDFA shall also be the Vice-Chair of the Jackson Brownfield Redevelopment Authority.

SECRETARY/TREASURER: The Secretary/Treasurer shall maintain all records, books, documents, and other papers of the LDFA. The Secretary/Treasurer shall attend all meetings of the Board and record all votes, financial decisions and the minutes of all proceedings. The Secretary/Treasurer shall perform like duties for all standing and other committee meetings as required by the LDFA. Staff of the City's Community Development Department may assist the Secretary/Treasurer with his/her duties as required. The Secretary/Treasurer of the LDFA shall also be the Secretary/Treasurer of the Jackson City Brownfield Redevelopment Authority.

ARTICLE XII

Staff & Consultants

Staff and Consultants: The LDFA recognizes the need to hire, or contract for services, as needed. The Director of the City's Community Development Department, or his/her designee, shall report to the Board of the LDFA and shall:

- a. Be the first point of contact for public and private LDFA initiatives;
- b. Manage the day-to-day operations of the LDFA;
- c. Develop and follow an approved management plan and budget;

- d. Manage and maintain oversight on projects authorized in the LDFA TIF Plan;
- e. Actively seek developers for redevelopment sites within the LDFA TIF Plan;
- f. Provide an annual report concerning the activities and financial condition of the LDFA;
- g. Apprise the LDFA on legislation and rule changes affecting LDFA operations;
- h. Report on redevelopment requests and new initiatives;
- i. Act as Deputy Secretary/Treasurer for purposes of recording the minutes, as well as general maintenance and administration of LDFA records as required;
- j. Recommend funding sources for the operation and maintenance of the LDFA;
- k. Be a technical, ex-officio member of the LDFA; and,
- l. Complete other assignments as needed.

ARTICLE XIII

Fiscal Year

Fiscal Year: The fiscal year of the Local Development Finance Authority shall mirror the fiscal year used by the City of Jackson.

ARTICLE XIV

Document Depository Designation

Document Depository Designation: The office of the Director of the City's Department of Community Development shall keep all records and files of the LDFA. All records will be open to the public under the Freedom of Information Act, as prescribed by law.

ARTICLE XV

Fiscal Issues

Fiscal Depository Designation: The LDFA shall utilize the City of Jackson for all financial reporting and transactions of the LDFA.

Annual Accounting: The LDFA shall require an annual audit of its financial records. The audit shall take any form deemed appropriate by the Board. The results of the audit shall be shared with the Jackson City Council, as prescribed by law.

ARTICLE XVI

Jackson City Council Approvals

Bonds, Spending, and Indebtedness: The LDFA shall obtain approval and official action by the Jackson City Council for the issuance of bonds and other means of indebtedness.

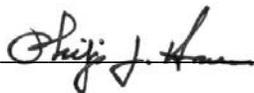
The LDFA shall follow the City of Jackson's Purchasing Policies and Procedures. The LDFA may approve individual expenditures up to \$20,000.00 without Council approval.

ARTICLE XV

Amendments

Bylaw Adoption: These Bylaws shall become effective upon approval. Until such approval, these Bylaws shall be the acting Bylaws for the LDFA.

I HEREBY CERTIFY that the above Bylaws were adopted the 10th day of September, 2008.



Philip J. Hones Secretary/Treasurer

Police Department

216 E. Washington Avenue - Jackson, MI 49201
Telephone: (517) 788-4100 -- Facsimile: (517) 788-4129

September 11, 2008

TO: William R. Ross
City Manager

FROM: Matthew R. Heins
Chief of Police

SUBJECT: Authorization to Purchase Patrol Vehicles

The police department is seeking authorization from the City Council to utilize the Macomb County Purchasing Contract to purchase four Ford Crown Victoria Police Interceptors. The contract is with Signature Ford of Perry and Owosso, Michigan. The four new vehicles will be replacing older, high mileage, high maintenance patrol vehicles.

The Macomb County contract price per patrol vehicle is \$20,361, the total cost will be \$81,444. The funds to purchase these vehicles are in the police department's 2008/2009 fiscal year budget adopted by City Council earlier this year.

Upon your approval place this request on the September 23, 2008 City Council agenda. I, or a representative, will be present to answer any questions.

MRH/AP/ap/c:vehpur.mw

OFFICE OF THE



Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney

Gilbert W. Carlson
Assistant City Attorney

161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM
September 17, 2008

TO: Honorable Mayor and City Council

FROM: Julius A. Giglio, City Attorney

RE: Second Addendum - 212 West Michigan Avenue Purchase Agreement

Attached please find proposed Second Addendum to Purchase Agreement regarding the former Consumers Energy building at 212 West Michigan Avenue. As Council will remember, Mr. Inosencio appeared before Council at the September 9, 2008 Council meeting. Council took action at that meeting, requesting that a document be drafted to extend the closing until March 9, 2009, and to allow removal of the glass mural in the lobby by Allegiance Health. Council also wanted to be able to continue to market the building and accept another offer, after allowing Mr. Inosencio (Intellitower, L.L.C.) the first right of refusal to match a bonafide offer.

Attached for your review and approval is a proposed Second Addendum to Purchase Agreement. It should be noted that technically, the Purchase Agreement expired on May 3, 2008, not on September 9, 2008 as was indicated at the previous Council meeting. Apparently, the previous Second Addendum was never executed, since there was a dispute involving the \$6,000.00 elevator inspection/certification fee. Council will remember that there was discussion previously about having the purchaser pay for the state elevator inspection. The City incurred a \$6,000.00 elevator cost for the property. I have added a provision to this Addendum that the \$6,000.00 heretofore paid by the Purchaser to the City is the consideration for the extension of the Purchase Agreement, with the understanding that we will use the \$6,000.00 for the cost incurred for the elevator inspection/certification.

The requisite action is for Council to approve the Second Addendum to Purchase Agreement, authorize the Mayor and Clerk to sign same, and authorize staff to make minor modifications to the Second Addendum. If Council has any questions, please feel free to contact me.

JG/cr

cc: w/enc.
William Ross, City Manager
Carol Konieczki, Community Development Director

SECOND ADDENDUM TO PURCHASE AGREEMENT

Date of Purchase Agreement:

December 4, 2007

Property Address:

212 West Michigan Avenue, Jackson MI

Seller: City of Jackson, Michigan

Purchaser: Intellitower, L.L.C.

This Second Addendum to Purchase Agreement is incorporated into the Purchase Agreement between the parties and is to be part of the Agreement. If terms of this Second Addendum conflict with the terms of the Purchase Agreement, the terms of the Second Addendum shall prevail.

This Second Addendum to Purchase Agreement, made as of the date appearing below, by and between the City of Jackson, a Michigan municipal corporation, with offices located at 161 West Michigan Avenue, Jackson, Michigan 49201 ("Seller"), and Intellitower, L.L.C., a Michigan limited liability company, whose address is 740 West Michigan Avenue, Jackson, Michigan 49201 ("Purchaser"). The parties agree as follows:

1. On December 4, 2007, the Seller, and 212 West Michigan L.L.C., a Michigan limited liability company, Purchaser's predecessor in interest, entered into a Purchase Agreement for the property located at 212 West Michigan Avenue, Jackson, Michigan ("the Property").

2. On January 22, 2008, the parties executed a First Addendum to Purchase Agreement that, among other provisions, assigned to Purchaser all rights, title, interest, responsibilities, and obligations in the Purchase Agreement.

3. The original Purchase Agreement, by its terms, required that closing occur on or before May 3, 2008.

4. The parties have initiated negotiations for a Development Agreement for the Property. However, the parties need additional time in which to finalize terms and conditions of a Development Agreement for the Property.

5. The parties wish to extend the time for closing until March 9, 2009. Closing shall be contingent upon the parties agreeing to a mutually acceptable Development Agreement for the Property.

6. Additionally, the Seller wishes to except a certain fixture from the Property that is to be removed prior to closing. Said fixture is commonly known as a glass art mural located in the lobby of the Property. The glass art mural shall be removed prior to closing by Allegiance Health or its representative.

7. Seller may continue to market the Property to potential purchasers/developers during the term of this Agreement. If at any time prior to closing, the Seller receives a bona fide written offer from another party to purchase the Property, or any part thereof, Seller shall send Purchaser a copy of the proposed contract and notify Purchaser of its intent to accept the offer. Purchaser shall have the right, for a period of ten (10) calendar days, to accept in writing the terms of the contract to purchase the Property, for the purchase price and under the same terms and conditions specified in the offer. If the Purchaser fails to elect to make the purchase within said ten (10) calendar days, Seller may sell the Property to the offerer.

8. In consideration of extension of the time for closing, Purchaser has paid Seller Six Thousand Dollars (\$6,000.00), receipt of which is hereby acknowledged. It is understood between the parties that the \$6,000.00 shall serve as reimbursement to the Seller for expenses incurred for inspection/testing of the elevators at the Property.

9. Except as modified herein, all terms, conditions and provisions of the Purchase Agreement and First Addendum shall remain in full force and effect.

The parties hereto have executed this Agreement on the _____ day of _____, 2008.

SELLER:
CITY OF JACKSON, A MICHIGAN
MUNICIPAL CORPORATION

BY: _____
Jerry F. Ludwig, Mayor

BY: _____
Lynn Fessel, City Clerk

PURCHASER:
INTELLITOWER, L.L.C., A MICHIGAN
LIMITED LIABILITY COMPANY

BY: _____
Bruce A. Inosencio, Jr.
Its: Attorney

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney
Gilbert W. Carlson
Assistant City Attorney

OFFICE OF THE



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGE
ATTORNEY WORK PRODUCT
NOT SUBJECT TO DISCLOSURE UNDER
THE FREEDOM OF INFORMATION ACT

MEMORANDUM
September 15, 2008

TO: Honorable Mayor and City Council

FROM: Julius A. Giglio, City Attorney

RE: Hotel Hayes Development Agreement

Attached please a memo from Carol Konieczki and the proposed Development Agreement between the City and Hotel Hayes Development, L.L.C. As Council is aware, we have been in lengthy negotiations with Bruce Inocensio and Mike Sharpe (the Developers) in reference to the development of the former Hayes Hotel property. The result of those negotiations is the attached Development Agreement. We are providing it to Council, to allow as much time as possible for review before it is “officially” received at an upcoming Council meeting.

To briefly supplement Carol Konieczki’s memo, most of the obligations of the City are in subsection 4(J), Additional Development Obligations of City. Subsection 4(J)(i) states the City may create a Meterless Assessment District for 178 parking spaces. As Council is aware, we are currently in litigation concerning our meterless assessment district. If we receive an unfavorable ruling, any parking district created pursuant to this Development Agreement may become unenforceable. However, at this time, we are free to enter into this type of parking provision. If we do not prevail in the Surgener litigation, we will have to modify the parking provision. I will address this issue with Mr. Inocensio.

Subsection 4(J)(ii) states the assessments in our meterless parking district will be limited to the cost factors identified in that subsection, which are similar to the cost factors used in our current parking assessment district. It should also be noted that the Developers are only required to pay ten dollars per parking space per month, which is substantially less than what other City parking spaces are going for in the downtown area. The Developers indicated in negotiations that they needed a low parking rate in order to insure success of the development. After one year

from the date of completion of development, the City may increase the parking rate, but any subsequent increase is tied to an increase in the Consumer Price Index. Subsection 4(J)(iii) provides in part that the City is required to provide parking as development of the project proceeds. However, we are committing to creating a total of 178 parking spaces. The location of the parking spaces is found on Exhibit A. Currently we are committing to 178 spaces, but there is a provision in the agreement which states we may have to provide additional parking if Developer can demonstrate the need for same (subsection 4(J)(vii)). The City is also required to install a pedestrian crosswalk (subsection (4)(J)(vi)). Finally, subsection (4)(J)(viii) provides that after seven years from execution of the agreement, we can renegotiate the parking rate, and if the parties are unable to agree on a new parking rate, we may impose a parking rate that does not exceed the average rate we charge for other municipal parking lots.

Section 5D addresses liquidated damages. The amount is extremely low; however, this is the highest amount the Developer was willing to pay. They indicated any higher amount would limit their ability to borrow money for the development. Accordingly, we agreed to the \$25,000.00 liquidated damages. Liquidated damages are in addition to other remedies that may be available to the City in the event of default. The general remedies of the City are found in Section 5B, which allows us to sue for specific performance (obviously, it would be difficult if the Developer filed bankruptcy or otherwise dissolved.) We also can sue to rescind the contract. However, in the event the City needs to pursue the remedies identified in Section 5B, it would take a great deal of time since it would involve litigation.

The City does have the right to repurchase the property (Section 5C.) However, if we opt for this, we are obligated to reimburse the Developer costs and fees they incurred in the property. I doubt we would wish to avail ourselves of this remedy, since it could become quite expensive.

This memo gives a thumbnail sketch of some of the major provisions of the Development Agreement. Again, as in any negotiation, we did not get everything we wanted, nor did the Developer get every provision they desired.

If Council has any questions regarding this matter, please feel free to contact me.

JG/cr

cc: William Ross, City Manager
Carol Konieczki, Community Development Director



Community Development

161 W. Michigan Avenue - Jackson, MI 49201
Telephone: (517) 788-4060 — Facsimile: (517) 780-4781

September 15, 2008

TO: William R. Ross, City Manager
FROM: Carol Konieczki, Community Development Director
RE: **228 W. Michigan Ave. – Hayes Building
Development Agreement with Hotel Hayes Development LLC**

On March 11, 2008, the City Council approved an extension to the December 11, 2007 approved purchase agreement and authorized City staff to negotiate a development agreement with Hotel Hayes Development, LLC for the redevelopment of the property located at 228 West Michigan Avenue, to be considered for City Council approval by June 9, 2008.

On June 10, 2008 City Council approved a 150-day extension to negotiate a development agreement for the property.

Attached is a summary of significant points within the Development Agreement. Also attached is the finalized draft of the Development Agreement.

The city obligations to assist the development are outlined on pages 5-8 of the Development Agreement. A budget identifying funding mechanisms to pay for the City Obligations has yet to be developed.

Recommended action by the Community Development Department is authorization for the City Attorney to prepare the necessary documents and authorization for Mayor and City Clerk to execute the Purchase and Development Agreements. Please feel free to contact me if you have any questions or concerns related to this item.

Please place this item on the September 23, 2008 City Council Agenda for consideration.

cc: Julius Giglio, City Attorney
Bruce Inosencio, Hotel Hayes Redevelopment, LLC

**228 W. Michigan Ave. Development Agreement Summary
September 23, 2008**

- **Development Criteria /Scope of Work** – 10,000 sq. ft for Hotel/Residential purposes (floor 10), 6,000 sq. ft. for retail/commercial/academic purposes, remained to be office purposes – revised plan from original submission RFQP response. Total sq. footage of the building is 123,000 sq. ft. (page 2 of DA)
- **Investment** – Total committed investment is \$3,500,000. This is also a change from the original RFQP proposal of \$5-6 million. (page 2 of DA)
- **Evidence of Financing** – Developer will provide a letter from its lending institution prior to closing stating that it has an unconditional commitment to obtain at least \$3.5 million in financing. (page 3 of DA)
- **Code Compliance** – Developer agrees to comply with all applicable building codes, zoning and other restrictions of record. (page 3 of DA)
- **Plans/Specifications** - Plans and specifications will be submitted with thirty (30) days from the date of closing. (page 3 of DA)
- **Performance Dates** –
Commencement of the Development shall be initiated within one hundred twenty (120) days from the date of closing.
Substantial Completion of the Development shall occur no later than December 31, 2009.
Completion of the Development shall occur not later than June 1, 2010.
The underlined terms are further defined in the Development Agreement. (page 3 and 4 of DA)
- **Obsolete Property Rehabilitation Restrictions** – The Developer is in the process of pursuing an Obsolete Property designation as define in the Michigan Obsolete Property Rehabilitation Act, PA 146 of 2000. Developer is required to comply with all terms and conditions of the agreement regardless of whether it receives an OPRA certificate. If granted – there will be no tax capture on this property for up to twelve (12) years. (page 4 of DA)
- **Reporting** – A progress schedule will be submitted to the Community Development Department every thirty (30) days until Completion of the Development. (page 4 of DA)
- **Additional Development Obligations of the Developer** –
Parking – Developer will petition the City to create a Meterless Parking Assessment District or seek a Planned Unit Development District to satisfy the parking needs required by zoning for the development.
Public Area Repair – The Developer shall repair/replace damaged public areas around the property as a result of the Development. (page 5 of DA)

- Additional Development Obligations of the City –**

Meterless Assessment District - The City may create a Meterless Assessment District to include a minimum of one hundred seventy-eight (178) parking spaces.

Meterless Assessments - Meterless Assessments will be based on the annual operating costs of the Parking Area and limited to lot maintenance, snow removal, utilities, and enforcement expenses. Developer shall pay \$10.00 per month for one year commencing on the date of Completion of the Development and every year thereafter on the Anniversary Date. The Parking Rate will be adjusted annually based on the consumer price index from the Bureau of Labor Statistics.

Parking Area – Parking area will be developed as Public Parking and applied to the Developer’s parking requirements for the Development. Creation of the parking area will be phased based upon the requirements for the Development.

Development and Maintenance of the Parking Area - The City will be responsible for removal of the existing structures and recycling facility. Said removal shall be completed no later than thirty (30) days after Substantial Completion of the Development. The City shall repave, strip and landscape Parking Area no later than eighty (80) days after Substantial Completion of the Development. The City shall be responsible for lighting, maintenance and snow removal for the Parking Area.

Public Area Improvements - The City shall apply to Michigan Department of Transportation and other applicable funding sources to cover the expenses associated with the installation of lighting, sidewalk, landscaping, streetscape and other public areas.

Installation of Pedestrian Crosswalk - The City shall complete a pedestrian crosswalk with signage between the Property and the Parking Area.

Additional Parking - In the event the Developer requires more parking than the one hundred seventy-eight (178) spaces provided and best service by the construction of a parking structure, both parties will renegotiate the Parking Rate and parking spaces provided in this agreement.

Renegotiation of Parking Rates – Seven years after the execution of this Agreement the Parking Rate will be renegotiated. If both Parties do not agree upon a new Parking Rate the City may impose a Parking Rate that does not exceed the average rate it charges for parking at other municipal lots. (page 5 -8 of DA)
- Default and Remedies –**

Change of Ownership Interest – Neither the Developer or any successor in interest to the Property may change the ownership of the Property or duties under this agreement without prior written approval of the City.

General Remedies - If the Developer fails to comply with Attachment A, or any covenant, clauses, provision or agreements contain in this Agreement, Developer shall be deemed to be in Default of the Agreement....

Liquidated Damages – In addition to the remedies in the sections above, the City shall be entitled to \$25,000 from the Developer as liquidated damages, and not as a penalty, for failure to develop the property. (page 8 of DA)
- Discharge** – Upon Developer satisfying the Performance Dates established for the Commencement of the Development....the City shall file appropriate documentation discharging this Agreement. (page 10 of DA)

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (hereinafter referred to as the "Agreement") is entered into as of the date appearing below, 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 **HOTEL HAYES DEVELOPMENT, LLC, a Michigan limited liability company**, whose address is **P.O. Box 4033, Jackson, MI 49204-4033** (hereinafter referred to as "Developer").

WITNESSETH:

WHEREAS, the parties hereto entered into a Purchase Agreement dated **January 22, 2008** for purchase of certain real estate in the City of Jackson, County of Jackson, and State of Michigan, which is more particularly described as follows:

LOTS 7, 8, 9 EX E 22.5 FT OF LOTS 7 & 9, ALSO ALL OF VACATED ALLEY ADJOINING LOTS 8 & 9 TO THE WEST B1N R1W OF THE ORIGINAL PLAT OF THE VILLAGE OF JACKSONBURG. Subject to easement and restrictions of record.

Commonly known as **228 West Michigan Avenue, Jackson, Michigan (Assessor's Stencil Number 1-0081)** (hereinafter referred to as "the Property"); and

WHEREAS, part of the consideration passing to the City for the sale of the Property is the promise by Developer to develop the Property, to generate economic activity, and employment which will benefit the City and its residents; and

WHEREAS, the parties wish to ensure 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, it is agreed by and between the parties hereto, in consideration of the above promises and covenants contained, as follows:

1. RECITALS. The foregoing recitals are incorporated herein and form a part of this Development Agreement.

2. SURVEY. Prior to closing, Developer, at its sole expense, agrees to provide City with a survey of the Property with easements and encroachments shown. The parties agree to abide by the legal description of the Property, based upon the satisfactory results of said survey and approval of legal description by the City of Jackson Assessor.

3. ENVIRONMENTAL REPORTS. Prior to closing, Developer shall obtain, at its sole expense, the services of a licensed, qualified environmental consultant to conduct all necessary or required environmental testing, documentation or reports to satisfy requirements set forth under Federal, State or local Brownfield redevelopment regulations.

4. DEVELOPMENT CRITERIA

A. DEVELOPMENT SCOPE OF WORK. Developer shall design and rehabilitate the building on the Property in accordance with Attachment A (attached hereto and incorporated by reference). Developer agrees to make best faith efforts to employ residents of the City of Jackson, and engage entities situated within the City of Jackson, to assist with the renovation and rehabilitation during the construction process. The development shall be comprised of approximately Ten Thousand (10,000) square feet for Hotel/ Residential purposes (Floor 10), approximately Six Thousand (6,000) square feet for Retail/Commercial/Academic purposes, and the remainder of the Building shall be developed for Office purposes (collectively, "the Development"). The parties acknowledge that this plan for the Development and use of the Property is a revised plan from that originally submitted by Developer. The parties further acknowledge that as project demands and market conditions change, the use of the building on the Property and the Development may be expanded or modified to meet current conditions and demands. Provided, however, any changes to the Development must have the prior written approval of the City. In no event shall the total expenditure for the Development be less than Three Million Five Hundred Thousand (\$3,500,000.00) Dollars. As used in this Agreement:

- i. "*Office*" shall be defined as street level space, or above street level space, designed to provide flexible solutions for a variety of establishments that desire to locate their offices and employees and business equipment within the Development.

- ii. "Hotel / Residential " shall be defined as approximately Ten (10) units of market rate hotel / residential accommodations located on the tenth floor, comprised of a mix of efficiency suites or one bedroom suites and/or condominiums at the Developer's discretion based upon market conditions.
- iii. "*Retail / Commercial / Academic*" shall be defined as street level space, or above street level space, designed to provide flexible solutions for a variety of retail, or commercial establishments or academic entities.

B. EVIDENCE OF FINANCING. Prior to closing on the Property, the Developer shall submit to the City's Community Development Department unconditional commitment letters from Developer's lending institution(s) that the Developer will be able to obtain at least Three Million Five Hundred Thousand (\$3,500,000.00) Dollars for the Development.

C. CODE COMPLIANCE. Developer will develop and establish the Development upon the Property in compliance with all applicable building codes, zoning, and other restrictions of record. It is understood that some of the uses described for the Development may require Conditional Use Permits. The Development shall be constructed in conformity with the specifications contained in Attachment A.

D. PLANS AND SPECIFICATIONS. Developer shall submit plans and specifications, for the scope of work set forth in Attachment A, to the City within Thirty (30) days from the date of closing.

E. PERFORMANCE DATES. The following Performance Dates shall be applicable to the Development:

- i. Commencement of the Development must be initiated within One Hundred Twenty (120) days from the date of closing;
- ii. Substantial Completion of the Development shall occur no later than December 31, 2009; and
- iii. Completion of the Development shall occur no later than June 1, 2010. As used in this Agreement:
 - a. "**Commencement of the Development**" means that the necessary permits and applications which will be required for the Developer to commence demolition have been submitted to the appropriate authorities.

b. **“Substantial Completion of the Development”** shall mean 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 timeframe established in the Agreement. To substantially complete the Development, Developer must provide evidence that at least the following sections of Attachment A are completed: A.1.; A.4.; B.1.; B.2.; B.3.; B.4.; B.6; B.7.; B.9.a.; B.10.; and B.11.

c. **“Completion of the Development”** shall mean that the Development will be ready for use as demonstrated by obtaining a Certificate of Occupancy for the areas defined in Attachment A , and all other requirements of the Agreement have been satisfied. The City may, at its sole discretion, upon written request of the Developer or for other justifiable reasons, grant written extensions of due dates found in this Agreement.

F. **OBSOLETE PROPERTY REHABILITATION RESTRICTIONS.** The City acknowledges that the Developer is in the process of pursuing, in conjunction with the City, a designation of the Property as an “Obsolete Property” as that term is defined in the Michigan Obsolete Property Rehabilitation Act, Public Act 146 of 2000, as amended(hereafter referred to as “OPRA”). Developer shall be responsible to comply with all terms and conditions of this Agreement regardless of whether it receives an OPRA certificate.

G. **REPORTING.** Subsequent to conveyance of the Property to the Developer, and until Completion of the Development, the Developer shall submit reports every Thirty (30) days to the City’s Community Development Department, to follow the format of a standard AIA Payment Application, to be supplemented by a Critical Path Method progress schedule, as to the actual progress of the Development.

H. **INSPECTIONS.** The Developer must permit inspection of the property as needed by the City, and the City will provide reasonable advance notice to Developer of the inspections unless an emergency arises, in which case the City will make a good faith attempt to contact the Developer.

I. **ADDITIONAL DEVELOPMENT OBLIGATIONS OF DEVELOPER.** In addition to Developer’s obligations contained in Sections 4 A-H above, Developer shall comply with the following obligations. All obligations contained in this

Subsection shall survive the closing and discharge of this Development Agreement. All of the following obligations must be performed to the City's satisfaction.

i. PARKING. The Developer shall petition the City to create a Meterless Parking Assessment District or, in the alternative, a Planned Unit Development District, to satisfy the parking needs required for the Development..

ii. PUBLIC AREA REPAIR. The Developer shall repair / replace the sidewalk, landscaping, streetscape, and other public areas damaged around the Property as a result of the Development, within thirty (30) days of receipt of notice from the City, weather permitting.

J, ADDITIONAL DEVELOPMENT OBLIGATIONS OF CITY. In addition to Developer's obligations contained in Sections 4 A-I above, City shall comply with the following obligations. All obligations contained in this Subsection shall survive the closing and discharge of this Development Agreement.

i. METERLESS ASSESSMENT DISTRICT: The City may create a Meterless Assessment District, which shall include a minimum of One Hundred Seventy-Eight (178) parking spaces, in conformity with its Meterless Assessment District policy, as amended. The District will include, but will not necessarily be limited to, the parking lots defined on attached Exhibit A ("Parking Area").

ii. METERLESS ASSESSMENTS: Meterless Assessments will be based on the annual operating costs of the Parking Area, which shall be limited to lot maintenance, snow removal, utilities, and enforcement expenses. Developer shall pay City, per each parking space, the sum of Ten and 00/100 (\$10.00) Dollars per month (the "Parking Rate"), for a period of one (1) year, commencing on the date of the Completion of the Development, as defined above. The sum owed by Developer to City (Parking Rate multiplied by 178 spaces) shall be paid on or before the first day of the month ensuing the Completion of the Development, payable annually in advance. In ensuing years, this date shall be the Anniversary Date for the payment of the Parking Rate. The Parking Rate shall be adjusted on the first Anniversary Date and each Anniversary Date thereafter. The Parking Rate, for any year after the first Anniversary

Date, shall be adjusted to reflect the previous year's Parking Rate multiplied by the percentage increase, if any, in the consumer price index (CPI). CPI means the Bureau of Labor Statistics for the United States, All Urban Consumers (Current Series), United States Midwest City Class Size D, all items, (not seasonally adjusted) 1982—1984 equals 100; Current CPI means CPI as of the third month preceding the Anniversary Date; and Previous CPI means one year prior to Current CPI. If the CPI, as defined above, ceases to be published, the adjustment on the Anniversary Date shall be based on such other published price index, which City and Developer shall mutually agree. For purposes of this paragraph, the calculation of the Adjusted Parking Rate, after the first Anniversary Date, shall be as follows:

$$\frac{\text{Current CPI (CPI as of the third month preceding the Anniversary Date)} - \text{Previous CPI (CPI one year prior to Current CPI)}}{\text{CPI Differential}}$$

$$\text{CPI Differential divided by Previous CPI} = \text{CPI Adjustment Percentage}$$

$$\text{CPI Adjustment Percentage} \times \text{Current Parking Rate} = \text{Parking Rate Increase}$$

$$\text{Current Parking Rate} + \text{Parking Rate Increase} = \text{Adjusted Parking Rate}$$

iii. **PARKING AREA.** The Parking Area will be developed as public parking, which shall be applied to Developer's parking requirements for its Development. It is understood between the Parties that the City will phase in the creation of the Parking Area based upon the requirements for the Development.

iv. **DEVELOPMENT AND MAINTENANCE OF PARKING AREA.** The City shall be responsible for the removal of the existing structures and recycling facility presently existing within the Parking Area. Said removal shall be completed no later than Thirty (30) days after Substantial Completion of the Development has occurred, weather permitting. The City shall be responsible for the repaving, striping and landscaping of the Parking Area and same shall be completed no later than Ninety (90) days after Substantial Completion of the Development has occurred. The City shall be responsible for lighting, maintenance and snow removal for the Parking Area.

v. PUBLIC AREA IMPROVEMENTS. The City shall apply, to Michigan Department Of Transportation and other applicable funding sources, for funding to cover the expenses associated with installation of lighting, sidewalk, landscaping, streetscape, and other public areas (hereafter referred to as "Public Area Improvements") along the northern boundary of the Property, and along the southern boundary of the Parking Area, to complement the lighting, sidewalk, landscaping, streetscape, and other public areas along the southern boundary of the Property.

vi. INSTALLATION OF PEDESTRIAN CROSSWALK. The City shall complete a pedestrian crosswalk with signage (hereafter referred to as the "Crosswalk") between the Property and the Parking Area. The Crosswalk shall be maintained by the City. Further, the location of the Crosswalk shall be mutually agreed upon by Developer and the City, prior to construction of the Crosswalk.

vii. ADDITIONAL PARKING. Further provided, however, in the event Developer can establish to the satisfaction of the City that the Development requires more parking than the 178 spaces provided for herein, or, in the alternative, the parties decide the parking needs for the Development will be best served by the construction of a parking structure, the parties agree to renegotiate the Parking Rate and parking spaces provided for in this Agreement.

viii. RENEGOTIATION OF PARKING RATES. Anything contained in this Agreement to the contrary notwithstanding, seven (7) years after the execution of this Agreement, or any time thereafter, the parties will renegotiate the Parking Rate to be used in the calculation of the parking fees. If the parties are unable to agree upon a new Parking Rate, the City may impose a Parking Rate that does not exceed the average rate it charges for parking at other municipal parking lots.

5. DEFAULT and REMEDIES.

A. CHANGE OF OWNERSHIP INTEREST. Except for mortgages, security interests, and other liens to secure debt granted to Developer in connection with the Development, neither the Developer, nor any successor in interest to the Property, may change the ownership of the Property or duties under this Agreement without the prior written approval of the City. This provision remains in effect until Completion of the Development. Except as otherwise provided in

this Agreement, if all or any part of the Property or an interest therein is transferred by Developer without City's prior written consent, the City may declare the Developer to be in default, and may enforce this Agreement through all rights and remedies provided by law. Any such transfer will not release, in any manner, the Developer, or Developer's successors in interest, from any obligation under this Agreement unless the City releases the Developer or its successors in interest in writing. Developer and City understand, acknowledge, and agree that the Developer, Hotel Hayes Development, LLC, is a Michigan limited liability company comprised of three members: (1) M M Sharp Holdings, LLC, a Michigan limited liability company owning 33 1/3%; (2) KBI 228, LLC, a Michigan limited liability company owning 33 1/3%; and (3) Michigan Pearl, LLC, a Michigan limited liability company owning 33 1/3%.

B. GENERAL REMEDIES. If the Developer fails to comply with Attachment A, or any covenants, clauses, provisions or agreements contained in this Agreement, Developer shall be deemed to be in default of this Agreement and the City may seek any legal or equitable remedy available under the law, which shall include, but is not necessarily limited to, money damages, specific performance, rescission, or revocation. **Failure to comply with Subsection 4-E of this Agreement constitutes a failure of consideration for the sale of the Property to Developer.**

C. CITY RIGHT TO REPURCHASE. Upon default by Developer, the City, as an alternative to the remedies outlined in Subsections 5-A and 5-B, may elect to repurchase the Property from Developer. If City repurchases the Property, City shall pay the same price paid by the Developer pursuant to the Purchase Agreement; provided, however, the City's repurchase price shall be increased by all costs and expenses incurred by the Developer in redeveloping the property and decreased by all costs and expenses incurred by the City in repurchasing the Property from the Developer, and any additional costs or expenses that will be incurred by the City to resell the Property. It is further understood that conditions found in this section shall also be memorialized within the Quit Claim Deed conveying Property to Developer. Additionally, however, in the event the City exercises its right to repurchase, Developer shall first be given Ninety (90) days within which to enter a Purchase Agreement with a separate entity on terms acceptable to the City.

D. LIQUIDATED DAMAGES. In addition to the remedies in the sections above, the City shall be entitled to Twenty-five Thousand and 00/100 (\$25,000.00) Dollars from Developer as liquidated damages, and not as a penalty, for failure of Developer to develop the Property.

E. RIGHTS AND REMEDIES CUMULATIVE. The City shall have all the rights and remedies available at law, in equity, or in this Agreement to enforce the rights and obligations under this Agreement. All remedies shall be cumulative and none will be exclusive of any other. The exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach, or of any of its remedies for any other default or breach by the Developer.

6. TIME. The Parties specifically declare and agree that time shall be deemed of the essence in this Agreement.

7. BINDING EFFECT. 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.

8. NON-DISCRIMINATION REQUIREMENT. The Developer, 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, or rental or in the use or occupancy of the Property, or any part thereof.

9. INSURANCE REQUIREMENTS. Prior to closing, the Developer shall obtain appropriate Builder's Risk insurance and Commercial General Liability Insurance (at least \$1,000,000 per occurrence) at Developer's sole cost, and maintain the same during the term of the Agreement, which policy(s) shall name the City as an additional insured as its interest may appear. At closing, Developer shall provide City with certificates of insurance evidencing the required coverage. In the event the Property is damaged or destroyed by fire or other casualty, the City shall require the Developer, after satisfying any requirements mandated by Developer's lending institution(s), to 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 mortgaged indebtedness incurred by the Developer; 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 appropriately accessing the Property.

10. PROVISIONS NOT MERGED WITH DEED. None of the provisions of the Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the City to the Developer or any successor in interest, and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

11. DISCHARGE. Upon Developer satisfying the Performance Dates established for Commencement of the Development (Section 4.E.i.), Substantial Completion of the Development (Section 4.E.ii.), and Completion of the Development (Section 4.E.iii.), this Development Agreement shall be deemed satisfied and, at the request of Developer, the City shall file appropriate documentation discharging this Agreement. Provided, however, the obligations contained in Section 12 and 22 hereof shall not be subject to discharge.

12. INDEMNIFICATION. Developer shall assume all liability for and protect, indemnify, and save City, its officers, directors, employees, volunteers, invitees, agents and representatives (hereinafter collectively "the Indemnitees") 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 the Indemnitees, the Developer or its agents, contractors, subcontractors, and employees, arising in connection with, or as a direct or indirect result of, this Agreement and all activities associated with the Development. The provisions of this 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, Indemnitees' negligence, Developer's and Indemnitees' combined negligence, or otherwise; provided, however, Developer shall not be required to indemnify the Indemnitees for any injuries, deaths, losses or damages caused by any party if such injury, death, loss or damage is not sustained on the Property or for any such injury, death, loss, or damage caused by the Indemnitees' sole negligence, regardless of the location that the injury, death, loss or damage was sustained.

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

14. NOTICES. Except as otherwise specified, all notices, consents, approvals, requests, and other communications (collectively "Notices") required or permitted under this 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
 City Manager's Office
 161 West Michigan Avenue

Jackson, Michigan 49202
ATTN: City Manager
With Copies to: City Attorney & Community Development Director

If to Developer, to: Hotel Hayes Development, LLC
P.O. Box 4033
Jackson, MI 49204-4033
ATTN: Bruce A. Inosencio, Jr.

15. SEVERABILITY. If any of the provisions of this Agreement, or in any instrument or other document delivered pursuant to this 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 this 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 this Agreement shall be valid and enforceable to the fullest extent of the law.

16. RIGHTS IN THIRD PARTIES. Unless otherwise specified in this Agreement, this Agreement is not intended nor shall it create any rights, expectations or benefit to any third parties, including any creditor of the parties.

17. ASSIGNMENT. Except as otherwise provided in this Agreement, the interest of the Developer under this agreement shall not be assignable without the City's prior written consent. Consent may be withheld by the City in its sole and absolute discretion.

18. TRANSFER OF OWNERSHIP. The Developer represents and agrees that its purchase of the Property, and its other undertakings pursuant to this Agreement are and will be used, for the purpose of the Development as stated in this Agreement and not for speculation in land holding. The Developer further recognizes that, in view of:

A. The Development is important to the general welfare of the community;
and

B. The fact that any act or transaction involving a change in ownership of more than fifty percent (50%) of the square footage of building on the Property, is for practical purposes a transfer or disposition of the Property which is prohibited without the prior written consent of the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering in this Agreement with the Developer, and in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants to be performed. Failure of the Developer to comply with this Subsection 18B, will constitute a default in this Agreement.

C. Assignment by Developer of fifty percent (50%) or less of his ownership interest of the square footage in the building on the Property shall not constitute an assignment or transfer for purposes of this Agreement. Provided, however, the Developer shall remain responsible for full compliance with the terms of this Agreement.

19. COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed an original document, but together shall constitute one instrument.

20. APPLICABLE LAW. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Michigan.

21. WAIVER. Failure of City or the Developer to exercise any right given, or to insist upon strict compliance with regard to any term, condition or covenant specified, shall not constitute a waiver of the right of the City or the Developer to exercise such right or to demand strict compliance with any term, condition or covenant under this Agreement.

22. FIRST REFUSAL. It is agreed between the parties that, after completion of the Development, if Developer wishes to sell or otherwise transfer the entire Development or the entire Property, the City shall have the right of first refusal to purchase the Property for its Fair Market Value. For purposes of this Section 22, "Fair Market Value" shall be determined by an independent appraiser to be mutually agreeable to the Developer and the City. After Fair Market Value has been determined pursuant to this Section 22, Developer shall have One Hundred Eighty (180) days to enter into a Purchase Agreement with a bona fide purchaser that is ready, willing, and able to purchase the Property for an amount that exceeds Fair Market Value as determined in accordance with this Section 22. If Developer is able to enter into a Purchase Agreement within the One Hundred Eighty (180) day period as outlined herein, and consummate the transaction contemplated therein within the Ninety (90) days immediately ensuing execution of the Purchase Agreement, the City shall forever relinquish its right of first refusal pursuant to this Development Agreement, notwithstanding any other provisions herein. The obligation contained in this paragraph shall survive the discharge of the Development Agreement.

23. NEGOTIATED. It is agreed by the parties hereto that this Agreement is a result of negotiation between the parties and, accordingly, it will not be construed against either party in the event of a dispute or litigation arising out of this Agreement.

24. CAPTIONS. All captions, headings, paragraph and subparagraph numbers and letters are solely for reference purposes and shall not be deemed to supplement, limit or otherwise vary the test of this Agreement.

25. OPPORTUNITY TO CURE. In the event that either party determines that a default has occurred on the part of the other party, with respect to this Agreement or the parties' obligations arising from this Agreement, the non-defaulting party shall notify the defaulting party, in writing, of the specific default. Said Notice of Default shall be delivered to the defaulting party, in accordance with Section 14, within Thirty (30) days of determining a default exists. The defaulting party shall have Sixty (60) days, after receiving said Notice of Default, within which to cure the default.

26. COUNCIL ADOPTION. THIS DEVELOPMENT AGREEMENT WAS APPROVED AND AUTHORIZED BY THE JACKSON CITY COUNCIL ON _____, 2008.

Dated: _____, 2008

CITY OF JACKSON

By: _____
Jerry F. Ludwig *Mayor*

By: _____
Lynn Fessel *City Clerk*

STATE OF MICHIGAN)
)ss.
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me, this day ____ of _____, 2008, by Jerry F. Ludwig, its Mayor, and Lynn Fessel, its City Clerk, on behalf of the City of Jackson, a Michigan municipal corporation.

_____, Notary Public
Jackson County, Michigan
My commission expires _____

HOTEL HAYES DEVELOPMENT, LLC

By: _____
Bruce A. Inosencio, Jr.
Its Attorney

STATE OF MICHIGAN)
)ss.
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me, this day of_, 2008, by Bruce A. Inosencio, Jr., on behalf of Hotel Hayes Development, LLC, a Michigan limited liability company, in his capacity as its attorney.

_____, Notary Public
Jackson County, Michigan
My commission expires _____

Prepared by and Return to:
Julius Giglio, City Attorney
City Attorney's Office
161 W. Michigan Avenue
Jackson, MI 49201

ATTACHMENT A

DEVELOPMENT SCOPE OF WORK

- i. Exterior
 1. Coordinate update of exterior / site Baseline Environment Assessment (BEA) previously completed by SME
 2. North parking lot
 - ii. remove existing guard rail
 - iii. remove existing asphalt
 - iv. regrade parking lot
 - v. pave and stripe
 - vi. install new site lighting
 - vii. install new sidewalk from Pearl Street sidewalk to north building entrance
 - viii. construct ADA compliant access ramp to north building entrance
 3. Masonry
 - a. Tuckpoint loose or damaged mortar joints
 4. North fire escape to be cleaned and painted
- i. Interior
 1. Coordinate update of interior Baseline Environment Assessment (BEA) previously completed by ASTI
 2. Perform hazardous materials abatements and remediation as defined and determined by ASTI
 3. Demolition (Floors 1 - 10)
 - a. Remove and dispose of all interior walls except elevator shafts, stairwells and bearing walls
 - b. Remove and dispose of all ceilings and floor coverings
 - c. Remove and dispose of all bathtubs, air conditioning units, and shelving
 - d. Remove and dispose of all HVAC equipment and piping
 - e. Remove and dispose of all plumbing piping
 - f. Remove and dispose of all light fixtures
 - g. Remove and dispose of all electrical system distribution to panels
 - h. Remove and dispose of all windows, glazing
 - i. Remove handrails, walls, doors and metal staircase installed on grand entrance stairway leading from Michigan Avenue entrance to main lobby on second floor
 4. Windows
 - a. Install all new first floor storefront windows
 - b. Install all new first floor door units
 - c. Replace all windows (Floors 2, 7, 8, 10)
 5. Elevators
 - a. Replace service elevator exterior doors
 - b. Install new security electronic controls as deemed necessary by tenants

- c. Take necessary action to ensure that service / freight elevator and passenger elevators (2) are in compliance with applicable codes and ordinances
- 6. Vanilla Box spaces (Units 102, 103, 104, 105, 106, Floor 2, Floors 7, and 8)
 - a. Exterior walls to be insulated and constructed with metal studs and drywall
 - b. Interior walls to be sound insulated and constructed with metal studs and drywall
 - c. Demising walls to be sound insulated (as requested by tenants) and constructed with metal studs and drywall
 - d. Installation of suspended acoustical ceiling system (as requested by tenants)
 - e. Restoration or installation of new (as appropriate) floor covering, trim and base molding (as requested by tenants)
 - f. Installation of new doors, door frames, and door hardware for tenant spaces
- 7. Floor 10
 - a. Minimum of ten (10) units to be constructed for executive suite lodging
- 8. The Drum Room (Unit 107)
 - a. No work to be completed in this space at this time as a prospective restaurateur has not yet been engaged as a tenant
- 9. Fire / Security / Emergency Power
 - a. A fire suppression system will be installed throughout Hayes Commons, as required by the appropriate ordinance
 - b. A security system will be installed throughout Hayes Commons, in conformity with tenant needs
 - c. Provide certification for emergency generator
- 10. Mechanical
 - a. Install all plumbing pipe mains of supply and waste
 - b. Install all plumbing vents as required
 - c. Provide a sufficient number of ADA-compliant restrooms (as mandated by applicable codes and ordinances)
 - d. Install new HVAC system including boilers, chillers, furnaces, air conditioners / condensers, air handlers, grilles, registers, and diffusers
 - e. Install new natural gas piping and meters
- 11. Electrical
 - a. Provide new meters for tenants (as need arises)
 - b. Provide power supply to panels for each tenant
 - c. Provide power distribution to all receptacles, switches, fixtures and equipment
 - d. Provide new emergency lighting, egress lighting, and tenant space lighting

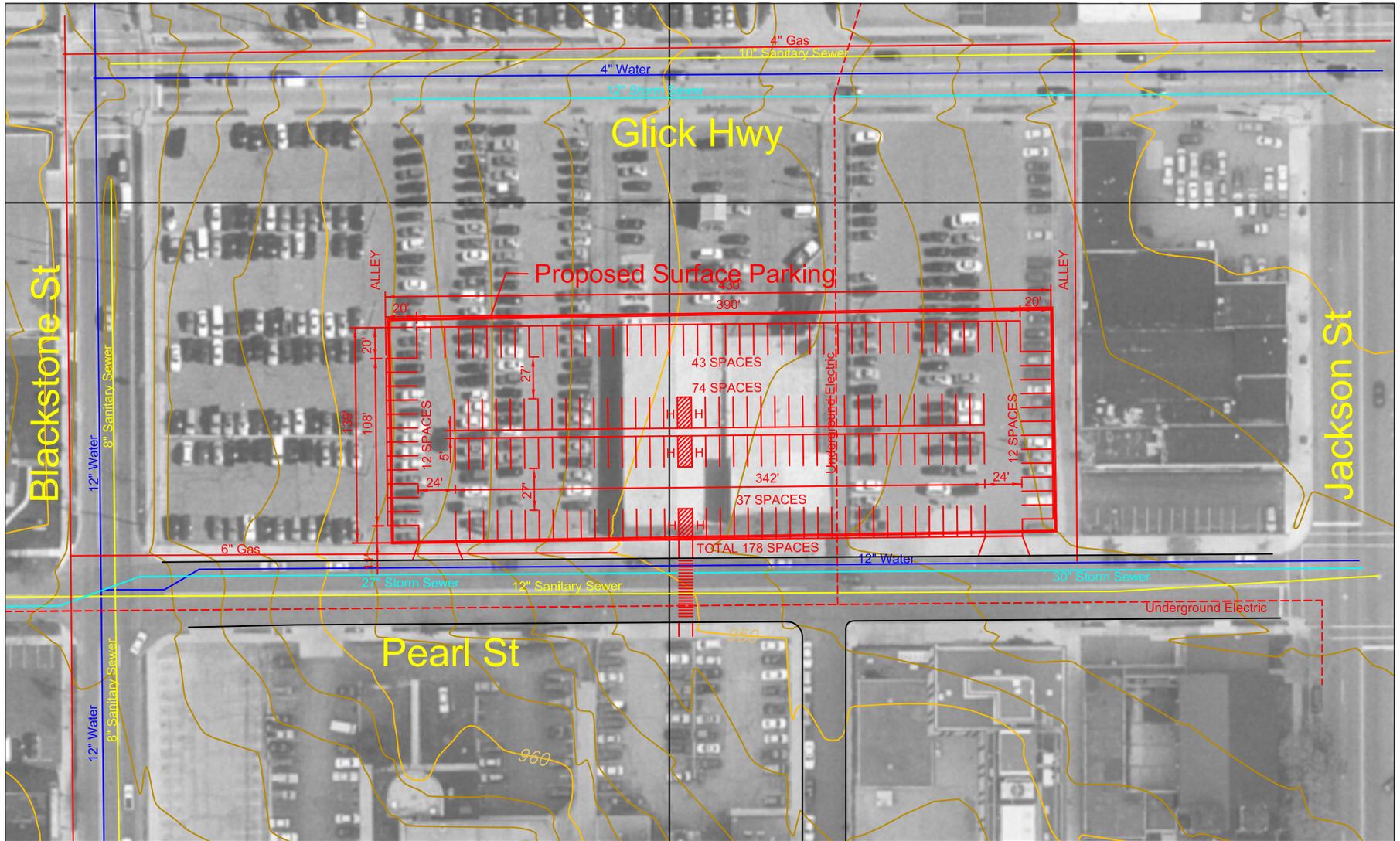


Exhibit A
Parking Area



TO: Honorable Mayor and City Councilmembers
FROM: William R. Ross, City Manager
DATE: September 17, 2008
RE: Cost Estimates and Funding for Parking Lot Construction - Hayes Project

The purpose of this memorandum is to provide the City Council information with the estimated cost and the proposed financing for the construction of a parking lot for the Hotel Hayes Development Project, which will be on the agenda for the September 23, 2008, meeting.

The proposed parking for the Hotel Hayes Development is sized to match the footprint of the smaller of the two parking decks that are adjacent to the Consumers Energy Headquarters. These dimensions were chosen in order to facilitate the construction of a future deck on the site should sufficient development or redevelopment occur on the west end of downtown to require and justify a parking deck.

The footprint would hold approximately 178 parking spaces. The footprint involves removal of the brown warehouse building that is currently located on a portion of the proposed parking lot, plus the removal of certain storage areas north of the brown building, and the relocation of the recycling center from its current location on Louis Glick Highway. The Engineering office has estimated the following costs for the parking lot.

1. Parking Lot Construction - 178 spaces at \$1,600 per space for a total of \$284,800.
2. Striping - 178 spaces at \$3.00 per space.
3. Signage - \$300
4. Permits (if required) - \$815
5. Demolition of existing building - \$70,000
6. The total estimated cost is \$356,449

The proposed source of financing for the parking deck is from the Brownfield Redevelopment Authority (BRA) Fund. The BRA is capturing property taxes beyond the amounts required to pay for environmental remediation as allowed by State law. These funds may be used for projects that benefit and improve the value or reuse of existing brownfield properties. The Hotel Hayes qualifies under State law as a brownfield property. The brownfield fund currently contains \$434,177 plus the balance of tax increments that are budgeted for the 2008-2009 Fiscal Year in the amount of \$354,554 for a total of \$788,731. This amount is more than adequate to pay for the cost of the proposed parking improvements. We anticipate that the brownfield fund will continue to capture additional tax increments with an amount approximately of \$250,000

available each year for the next five or six years beyond the amounts that are required to pay the debt service on brownfield bonds that were issued for the Consumer Energy parking decks. The use of these funds to stimulate the reuse of a brownfield property and to encourage redevelopment in a central business district is both allowed under State law and is a very appropriate way of encouraging this type of redevelopment.

The proposed parking lot would be a straight forward parking lot with little or no landscaping, no ornamental lighting, or similar additional amenities. The reason for this is that we anticipate in a very few years the redevelopment of the west end will proceed to the point that a parking deck will be both justifiable and affordable. It makes no sense to plant trees, put in ornamental lighting, and other amenities in this parking lot if the area is going to be torn up and a parking deck built in the very near future.

The development agreement for the Hotel Hayes also includes certain streetscaping along Pearl Street. We estimate that the cost of streetscaping as included in the development agreement is approximately \$136,000. We are very confident that we can receive assistance from the Michigan Department of Transportation via an enhancement grant to pay at least one-half of this cost. The remaining cost could be paid from the brownfield funds, and/or assessed against adjacent properties, although in this case the City is the owner of at least one side of the street and would be, therefore, assessing itself. You will note that the development agreement does not require the City to put in the streetscaping unless the City is successful in receiving enhancement grant assistance from the State of Michigan.

If you have any questions regarding the contents of this memo, I would be pleased to discuss them with you, or to answer questions before or at the Council meeting on September 23rd.

WRR:skh

OFFICE OF THE

Julius A. Giglio
City Attorney

Susan G. Murphy
Deputy City Attorney

Gilbert W. Carlson
Assistant City Attorney



161 West Michigan Avenue
Jackson, MI 49201
(517) 788-4050; (517) 788-4023
Fax: (517) 788-4059

CITY ATTORNEY

MEMORANDUM

TO: Hon. Mayor and City Council Members
FROM: Susan G. Murphy, Deputy City Attorney
RE: Request for Guidance on Sign Issue
DATE: September 15, 2008

This is a request asking City Council for policy guidance to facilitate staff's attempt to work with a sign issue in the residential districts.

Factual Background:

The Immanuel Lutheran Church has approached the City regarding a sign it wants to install on the property at the corner of West Michigan and Brown. Immanuel Lutheran wants to install an electronic message center sign on this property zoned R-6. The electronic message center signage is a permitted use only in the commercial and industrial zones. (Message centers only displaying time, date, temperature have been allowed in the past.) Immanuel Luther wants to display event information, mass times, etc.

In original discussions between the Immanuel Lutheran representatives and city staff, consideration was given to options in the residential zones but concern over electronic message signage and other higher technology signage in the residential zones resulted in suggesting that Immanuel Lutheran seek rezoning to a neighborhood commercial district given its location at the corner of Michigan and Brown. The Planning Commission considered that request on September 3. Some neighbors on Washington Street spoke against the rezoning because they fear future potential uses should the area be zoned C-1. Given Immanuel Lutheran's sole reason for changing the zoning is to permit an electric sign, the Planning Commission suggested we reconsider options under the Sign Ordinance.

After the Planning Commission meeting, staff met to discuss potential options for this scenario. That staff included Charles Reisdorf, Tim Anderson, Bill Ross, and Susan Murphy

along with Mayor Ludwig and Council Member Gaiser.

Potential Options:

1. Make no change.

We could make no changes to the Sign Ordinance because the use of electronic signage in the residential districts preserves the residential neighborhood character. The rationale is that electronic signage, including message centers and tri-visions, should be restricted to commercial and industrial areas - those higher density areas that aesthetically absorb the business of such signage.

2. Exempt churches from complying with the Sign Ordinance.

It was suggested to consider exempting churches and schools like that done in Blackman Township. Schools are exempt under the law because an Attorney General Opinion provides that the state school construction code controls school signs and that schools do not have to follow local ordinances.

Exempting churches would be a completely different approach than what is used for any other entity. While certain "signs" are exempt from getting permits under our Ordinance, all signs must otherwise comply with the Sign Ordinance. To exempt a particular use completely from all requirements under the sign ordinance would result in allowing that particular use to disregard quantity of signs, size of signs, and type of signs. This option would allow a church property more options than that of any other use and would remove any restriction on signs placed on church property but still regulate every other property owner. For these reasons, I would recommend against this option.

3. Remove the "use" variance provision in the Sign Ordinance.

This option was considered earlier in this process, and staff decided it was not an option because it would allow **any** entity to apply for a use variance under the sign ordinance to change **any** potential sign use - being very broad. Because we do not have "use" variances in the zoning ordinances and because it could result in a complete disregard or deterioration of the sign ordinance as to what uses are allowed in what sign districts, we chose to decline this option. We believe these reasons continue to rule out this option remain.

4. Allow electronic signs for churches on a major street.

Under the zoning ordinance, all churches are required to be on a major street and are subject to the conditional use permitting process. Using a similar conditional use process in the Sign Ordinance as to all churches would again only allow churches to have electronic signage throughout the city while other commercial entities similarly situated in residential districts would not be able to have such signage. For this reason, I would recommend against this option.

5. Allow electronic signage w/conditions in residential districts.

To consider the next few options that would allow us to extend the use of electronic signs into residential areas, I asked Dave Taylor to generate data for the residential districts that would assist us in determining the number of potential properties that would be impacted by a change allowing electronic signage in the residential districts. The chart below provides the data.

Class (Property Type)	R-1	R-2	R-3	R-4	R-6
Commercial	31	34	30	203	8
Industrial	8	1	1	1	0
Residential (1-4 units)	7,865	2,367	523	1,035	130
Exempt*	78	38	37	19	0
Churches	71	35	12	36	1
Schools	38	4	1	5	0

*Exempt properties. This category covers properties that are typically 501c organizations, for example: Hope House, Aware, Family Services, United Way, The Friendly Home, and Jackson District Library.

In summarizing the chart, we can see that in the R-6 district there would be 1 church and 8 commercial properties that would be able to use electronic signage while impacting 130 residential units. The R-6 district is very small and rests on three major roads - Michigan Avenue between West and Brown, Wildwood Avenue between Lansing and West, and West Avenue between Michigan and North.

The R-4 district would allow potentially 36 churches, 19 exempt entities, 8 industrial, and 203 commercial properties to use electronic signage while impacting 1,035 residential properties.

In contrast, in the R-1 district there would be 71 churches, 78 exempt entities, 8 industrial, and 31 commercial properties able to use electronic signage while impacting 7,865 residential properties. The R-1 district covers a large portion of our community and is scattered throughout the City.

Staff does believe that if electronic signs are permitted in any residential district, the use should have conditions which include requiring a minimum lot size/width, only used for commercial establishments, only allow limited illumination, provide for a lower intensity of lighting that what is presently allowed, establish the maximum area of a electronic sign to 12 to 14 square feet, and only one sign per property. Other conditions could be included as we consider additional comments. We propose this be handled through the conditional use process that the Sign Board of Appeals would review and set property specific conditions based on the particular property's needs and the impact upon the properties surrounding it.

Suboptions in this area:

a. Allow electronic signage w/conditions only in the R-4.

The R-4 zone is described in our zoning ordinance as

Sec. 28-39. R-4 high-density apartment and office district.

The high-density apartment and office district is established for **high-density residential uses located close to the central business district**. The district permits all types of residential use and limited professional and business development. Permitted uses include apartments, clinics, offices, clubs and headquarters for group organizations. (Emphasis added.)

b. Allow electronic signage w/conditions only in the R-6.

The R-6 zone is described in our zoning ordinance as:

Sec. 28-41. R-6 residential and low-intensity office district.

The residential and low-intensity office district is designed to maintain low intensity uses in those areas of the city where changing traffic volumes and patterns can generate more intensive land uses. This district encourages a mixture of low intensity residential uses and administrative or professional office uses that generate little pedestrian or automobile

traffic. **It is specifically intended to prohibit commercial establishments** of a retail nature that are involved with the sale or repair of goods, wares or merchandise. (Emphasis added.)

c. Allow electronic signage w/conditions only in the R-4 & R-6.

If Council were inclined to allow the electronic signs in the R-6 district, an argument can be made that it would be appropriate to then allow it in the R-4 district since the R-4 district is a higher density district with expectations that it would be closer to the central business district where these signs are already permitted. Where the R-6 district is designed specifically to prohibit commercial establishments.

d. Allow electronic signage w/conditions in all districts.

This would be the broadest option resulting in electronic signs being allowed throughout the City. Originally, when the sign workgroup members were discussing electronic signage, the members were not in favor of this method of signage in our residential neighborhoods.

Staff requests direction from City Council as to which of these options, if any, should be followed as a means of determining how to proceed with the Immanuel Lutheran rezoning request. City Council should also be aware that at least one church, located in an R-1 district, has similarly inquired about the ability to have electronic signage on its property.

cc: Julius A. Giglio, City Attorney
William R. Ross, City Manager
Charles Reisdorf, Region 2 Planner
Tim Anderson, Region 2 Sign Planner



City Planning Commission

Staffed by the Region 2 Planning Commission (R2PC)
120 W. Michigan Avenue • Jackson, MI 49201
Phone (517) 788-4426 • Fax (517) 788-4635

PC 08-15

Notice of Public Hearing Cancellation

The Jackson City Planning Commission held a public hearing on September 3, 2008 to consider a request for a district change (rezoning), as required by Section 28-183 of the City's Zoning Ordinance. The request was then tabled for further consideration. Therefore, the following public hearing before the Jackson City Council is cancelled.

Origin of the request:

Immanuel Lutheran Church
1505 W. Michigan Avenue
Jackson, MI 49201

The location of the property:

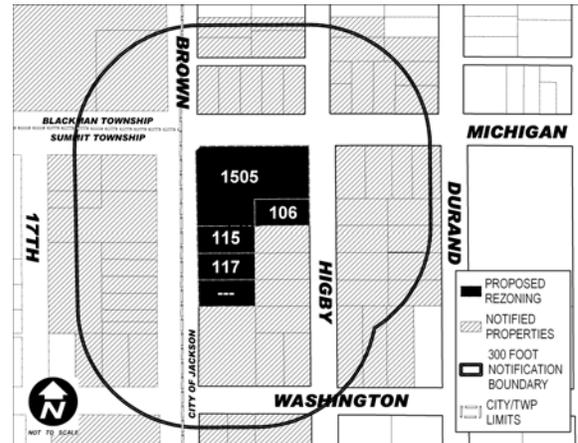
1505 W. Michigan Avenue; 106 S Higby Street;
and 115, 117, and --- S. Brown Street

The rezoning request:

Rezone from R-6 (residential and low intensity office) and R-1 (one-family residential) to C-1 (neighborhood commercial).

The anticipated result of the request:

The proposed rezoning will allow the Church to meet City requirements for a message board (electronic) sign.



THIS INFORMS YOU OF THE CANCELLATION OF THE PUBLIC HEARING BEFORE THE CITY COUNCIL SCHEDULED FOR:

TUESDAY, SEPTEMBER 23, 2008 AT 7:00 PM

You can continue to contact Grant Bauman at (517) 768-6711 with any questions about the proposed rezoning. Written comments can be sent to the Region 2 Planning Commission, which is located at 120 W. Michigan Avenue, Jackson, MI 49201.

By: Grant E. Bauman, AICP
R2PC Principal Planner

**City of Jackson Police Department
216 East Washington Avenue
Jackson, Michigan 49201
(517) 788-4127**



MEMORANDUM

DATE: September 4, 2008

TO: William R. Ross
City Manager

FROM: Matthew R. Heins
Chief of Police

SUBJECT: August Manager's Report

Chief Matthew Heins

- Attended:
 - Met with Jackson County Sheriff investigators regarding officer-involved shooting
 - Radio system meetings (2)
 - POLC-Non-Supervisory Grievance meetings (2)
 - Meeting with JTV regarding Behind the Badge show planning
 - Allegiance Health Open House/Picnic
 - Meeting with Jackson Public Schools regarding School Liaison Officers
 - Training Consortium meeting with Jackson Community College
 - Meeting with Personnel Department regarding FMLA policy
 - Meeting with City Attorney and MML Representative Gene King
 - Meeting with Lieutenant Simpson to discuss race relations
- Visited Police Recruit at Academy
- Reviewed 2008 Police Department goals with Command Staff
- Met with Wayne White of Word of Light Church
- Conducted patrol officer interviews
- Conducted Sergeant promotion oral board
- Met with Command Staff to discuss sergeant promotion

Deputy Chief John Holda

- Attended:
 - Act 345 meeting
 - Radio System meeting
 - Team Building training in Meridian Township
 - POLC-Non-Supervisory Grievance meetings (2)

- Training Consortium meetings (2)
- Labor Law and Arbitration training
- Meeting with Jackson Public Schools regarding School Liaison Officers
- Meeting with Personnel Department regarding FMLA policy
- Pension Board training
- Meeting with City Attorney and MML Representative Gene King
- Governing Alliance Committee Presentation
- Reviewed 2008 Police Department goals with command staff
- Visited Police Recruit at Academy
- Conducted officer interviews
- Met with Command Staff to discuss sergeant promotion

Lt. Aaron Kantor

- Attended:
 - SRT Training – Mock robbery training for financial institutions
 - MPRI meeting
 - Homeland Security Advisory Council meeting
 - Meeting with Jackson Public Schools regarding School Liaison Officers
 - Meeting with Personnel Department regarding FMLA policy
 - Project Safe Neighborhoods meeting
 - Incident Command Training for Elected Officials
- Held conference call with Michigan State Police regarding MICR crime reporting issues
- Reviewed 2008 Police Department goals with command staff
- Met with Command Staff to discuss sergeant promotion
- Other update information:
 - Darius Boyd took plea in Stephano Thomas shooting
 - JNET seized approximately \$70,000 from two houses
 - Mortgage fraud warrants issued for Angelo Williams and Theresa Wilson
 - Completed review of all aggravated assaults to ensure accurate coding

Lt. Christopher Simpson

- Attended:
 - Team meeting to discuss city-wide problems
 - Behind the Badge
 - Human Services Coordinating Alliance meeting
 - Meeting with Chief Heins to discuss race relations
- Reviewed 2008 Police Department goals with command staff
- Met with Command Staff to discuss sergeant promotion
- On vacation from 8/18/08 – 8/22/08
- Rescheduled the following because of vacation:
 - Credit Union Fraud Training meeting
 - Domestic Violence Committee
 - African American Summit data and action meeting
 - HRC Meeting